

AYVENS S.A. CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2025

Unaudited



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 **ayvens**
SOCIETE GENERALE GROUP

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Consolidated financial statements

Consolidated income statement

(In EUR million)	Notes	Year ended 31 December	
		2025	2024
Leasing revenues	8a, 8d	11,293.6	11,016.8
Leasing costs - depreciation ⁽¹⁾	8a	(8,094.3)	(8,085.7)
Leasing costs - financing	8a	(1,879.3)	(1,897.5)
Unrealised gains/losses on financial instruments and other	8a	(56.3)	37.1
Leasing margin		1,263.7	1,070.7
Services revenues	8b, 8d	5,222.9	5,451.0
Cost of services revenues	8b	(3,542.7)	(3,824.5)
Services margin		1,680.3	1,626.5
Proceeds of cars sold	8c, 8d	8,690.3	8,883.3
Cost of cars sold	8c	(8,062.2)	(7,975.4)
Depreciation costs adjustments ⁽²⁾	8c	(217.3)	(590.9)
Used Car Sales result and depreciation adjustments		410.9	317.1
GROSS OPERATING INCOME⁽³⁾		3,354.9	3,014.3
Staff expenses	10	(1,120.8)	(1,180.5)
General and administrative expenses	10	(505.1)	(546.3)
Depreciation and amortisation	10	(200.2)	(172.5)
Total Operating Expenses		(1,826.1)	(1,899.3)
Impairment charges on receivables	9	(112.8)	(128.5)
Other income/(expense)	11	(12.6)	(2.2)
OPERATING RESULT⁽⁴⁾		1,403.3	984.2
Share of profit of associates and jointly controlled entities		6.3	10.1
Profit before tax		1,409.6	994.3
Income tax expense	12	(410.0)	(284.2)
Profit for the period		999.6	710.2
NET INCOME		999.6	710.2
Net income attributable to:			
Equity holders of the parent		995.8	683.6
Non-controlling interests		3.8	26.6
Earnings per share for Net income attributable to the ordinary equity holders of the Parent:		2025	2024
Basic earnings per share (in EUR)	35	1.13	0.75
Diluted earnings per share (in EUR)	35	1.11	0.73

(1) The gross operating income includes total depreciation costs of EUR 8,571.0 million relating to rental fleet (December 2024: EUR 8,676.6 million), refer to Note 13 Rental fleet.

(2) Depreciation adjustments relating to asset valuation.

(3) Gross operating income represents the total income generated by the Group's leasing, services, and used-car sale activities after deducting the direct costs associated with producing that income. It is the sum of the leasing margin, services margin, and the used-car sales result (including depreciation adjustments).

(4) Operating result represents the profit generated from the Group's operating activities after deducting operating expenses and incorporating other operating income/(expenses) and impairment charges.



Consolidated statement of other comprehensive income

(in EUR million)	Notes	Year ended 31 December	
		2025	2024
NET INCOME		999.6	710.2
Other comprehensive income that will not be reclassified subsequently to the income statement		(0.1)	(0.4)
Remeasurement gain/(loss) on post-employment benefit obligations, before tax		(0.1)	(0.6)
Income tax on post-employment benefit obligations		-	0.2
Other comprehensive income that may be reclassified subsequently to the income statement		(55.9)	136.4
Changes in cash flow hedges, before tax ⁽¹⁾	16	-	20.6
Income tax on cash flow hedges		1.5	(8.4)
Gain/(loss) on the debt instruments at fair value through other comprehensive income ⁽²⁾		1.9	5.0
Income tax on changes in the fair value of the debt instruments		(0.1)	(0.6)
Currency translation differences ⁽³⁾		(59.2)	119.8
Other comprehensive income for the year, net of tax		(56.0)	136.0
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		943.7	846.2
Total comprehensive income attributable to:			
Equity holders of the parent		939.6	819.6
Non-controlling interests		4.0	26.6
		943.7	846.2
Total comprehensive income attributable to owners of the parent arises from:			
Continuing operations		939.6	819.6
		939.6	819.6

(1) Level 2 valuation of derivatives obtained from third parties (see Note 27 for further details).

(2) Gain/(loss) on debt instruments at fair value through other comprehensive income relates to the corporate bonds in Ayvens Insurance entity.

(3) Currency translation reserves have been positively impacted by the application of hyperinflation accounting in the Group's subsidiaries in Turkey (EUR + 151.0 million) (2024: EUR +232.0 million).



Consolidated statement of financial position

(in EUR million)	Notes	Year ended 31 December,	
		2025	2024
Assets			
Rental fleet	13	51,167.9	51,550.0
Other property and equipment	14	196.0	184.0
Right-of-use assets	15	238.9	205.7
Goodwill	16	2,127.5	2,128.3
Other intangible assets	17	609.2	662.9
Investments in associates and jointly controlled entities	18	12.5	28.8
Derivative financial instruments	19	9.6	78.1
Deferred tax assets	12	493.5	488.4
Other non-current financial assets	20	251.2	428.2
Non-current assets		55,106.3	55,754.5
Inventories	21	817.9	842.7
Lease receivables from clients	22	3,906.9	4,083.6
Receivables from credit and other institutions	23	5,155.9	5,417.7
Current income tax receivable		294.9	367.4
Other receivables, prepayments and contract assets	24	3,031.8	3,162.3
Derivative financial instruments	19	42.1	55.4
Other current financial assets	20	433.4	409.3
Cash and cash equivalents	25	2,045.0	5,023.0
Current assets		15,727.9	19,361.3
Assets of disposal group classified as held-for-sale	7	16.8	-
TOTAL ASSETS		70,851.0	75,115.8
Equity and liabilities			
Share capital	27	1,175.8	1,225.4
Share premium	27	3,499.0	3,819.4
Other equity instruments	27	865.8	862.8
Retained earnings and other reserves	27	4,474.2	4,544.0
Net income		995.8	683.6
Equity attributable to owners of the parent		11,010.6	11,135.3
Non-controlling interests		29.2	27.2
TOTAL EQUITY		11,039.9	11,162.5
Borrowings from financial institutions	29	15,338.9	13,496.8
Bonds and notes issued	29	8,204.3	11,500.1
Deposits	29	7,926.7	7,906.6
Derivative financial instruments	19	-	203.8
Deferred tax liabilities	12	1,240.8	1,298.1
Lease liabilities	15	191.3	140.5
Retirement benefit obligations and long term benefits	31	34.1	34.1
Provisions	32	414.6	437.4
Non-current liabilities		33,350.8	35,017.4
Borrowings from financial institutions	29	7,616.3	9,850.1
Bonds and notes issued	29	5,220.0	5,734.9
Deposits	29	6,381.7	5,984.0
Trade and other payables	33	5,861.1	6,024.5
Lease liabilities	15	73.8	87.4
Derivative financial instruments	19	27.5	55.5
Current income tax liabilities		409.3	442.3
Provisions	32	870.6	757.2
Current liabilities		26,460.3	28,935.9
TOTAL LIABILITIES		59,811.1	63,953.4
TOTAL EQUITY AND LIABILITIES		70,851.0	75,115.8



Consolidated statement of changes in equity

(in EUR million)	Attributable to equity holders of the Company						Equity attributable to the equity holders of the parent		Non-controlling interests ⁽²⁾	Total equity
	Share capital	Share premium	Other equity instruments	Translation reserves ⁽¹⁾	Other reserves ⁽¹⁾	Net income	Retained earnings			
Balance as at 1 January 2024	1,225.4	3,819.4	859.9	(83.6)	(22.8)	760.0	4,211.6	10,769.9	525.6	11,295.5
Changes in cash flow hedges	-	-	-	-	12.2	-	-	12.2	-	12.2
Changes in fair value of debt instruments	-	-	-	-	4.4	-	-	4.4	-	4.4
Remeasurement of post-employment benefit obligations	-	-	-	-	(0.4)	-	-	(0.4)	-	(0.4)
Currency translation differences	-	-	-	119.8	-	-	-	119.8	-	119.8
Other comprehensive income	-	-	-	119.8	16.2	-	-	136.0	-	136.0
Net income	-	-	-	-	-	683.6	-	683.6	26.6	710.2
Total comprehensive income for the period	-	-	-	119.8	16.2	683.6	-	819.6	26.6	846.2
Share-Based payments	-	-	-	-	2.4	-	-	2.4	-	2.4
Issue of treasury shares to employees	-	-	2.9	-	(2.9)	-	-	-	-	-
Dividends	-	-	-	-	-	-	(383.5)	(383.5)	(6.6)	(390.0)
Settlement of AT1 capital	-	-	-	-	-	-	-	-	(500.0)	(500.0)
Dividend paid on AT1 capital	-	-	-	-	-	-	(73.1)	(73.1)	(18.4)	(91.6)
Appropriation of net income	-	-	-	-	-	(760.0)	760.0	-	-	-
Balance as at 31 December 2024	1,225.4	3,819.4	862.8	36.2	(7.2)	683.6	4,515.0	11,135.3	27.2	11,162.5
Changes in cash flow hedges	-	-	-	-	1.5	-	-	1.5	-	1.5
Changes in fair value of debt instruments	-	-	-	-	1.8	-	-	1.8	-	1.8
Remeasurement of post-employment benefit obligations	-	-	-	-	(0.1)	-	-	(0.1)	-	(0.1)
Currency translation differences	-	-	-	(59.4)	-	-	-	(59.4)	0.2	(59.2)
Other comprehensive income	-	-	-	(59.4)	3.3	-	-	(56.2)	0.2	(56.0)
Net income	-	-	-	-	-	995.8	-	995.8	3.8	999.6
Total comprehensive income for the period	-	-	-	(59.4)	3.3	995.8	-	939.6	4.0	943.7
Cancellation of shares ⁽³⁾	(49.6)	(320.4)	-	-	-	-	(5.0)	(375.0)	-	(375.0)
Share-Based payments	-	-	-	-	1.6	-	-	1.6	-	1.6
Issue of treasury shares to employees	-	-	3.9	-	(3.9)	-	-	-	-	-
Dividends	-	-	-	-	-	-	(631.0)	(631.0)	(2.0)	(633.0)
Dividend paid on AT1 capital	-	-	-	-	-	-	(73.7)	(73.7)	-	(73.7)
Appropriation of net income	-	-	-	-	-	(683.6)	683.6	-	-	-
Treasury stock liquidity	-	-	0.5	-	-	-	-	0.5	-	0.5
Treasury stock related to share-based payment	-	-	(1.4)	-	-	-	-	(1.4)	-	(1.4)
Other ⁽⁴⁾	-	-	-	-	-	-	14.7	14.7	-	14.7
Balance as at 31 December 2025	1,175.8	3,499.0	865.8	(23.2)	(6.2)	995.8	4,503.6	11,010.6	29.2	11,039.8

(1) See Note 27 for further details.

(2) Including AT1 interest coupon. See Note 27 for further details.

(3) Cancellation of shares following share buyback for the amount of EUR 360 million, including reduction in non-distributable reserve of EUR -5 million, and tax related impacts of EUR -15 million.

(4) Deferred tax impact from the differing income tax rates of the subsidiaries involved in the intra-group transfer of bonds that carried a fair value adjustment at the time of transfer.



Consolidated statement of cash flows

(in EUR million)	Notes	For the twelve months period ended	
		2025	2024
Cash flows from operating activities			
Profit before tax		1,409.6	994.3
Adjustments for:			
Depreciation and impairment of rental fleet assets	13	8,571.0	8,676.6
Depreciation and impairment of other property, equipment and right-of-use assets	10	96.2	117.4
Amortisation and impairment of intangible assets	10	142.6	101.2
Changes in regulated provisions, contingency and expense provisions	32	(17.4)	73.7
Changes in insurance and reinsurance contract assets/liabilities	32	177.7	(4.4)
Depreciation and provision		8,970.0	8,964.5
(Profit)/loss on disposal of financial assets		5.6	-
(Profit)/loss on disposal of property and equipment		40.2	42.4
(Profit)/loss on disposal of intangible assets		17.7	6.5
(Profit)/loss on disposal of consolidated securities		-	(3.9)
Profit and losses on disposal of assets		63.5	45.1
Fair value changes in derivative and other financial instruments		(21.2)	(64.6)
Effect of hyperinflation adjustments		(37.0)	(86.6)
Interest expenses	8a	1,871.5	1,924.5
Interest income		(3,176.3)	(3,047.2)
Net interest income		(1,304.8)	(1,122.7)
Other		(6.6)	(6.4)
Amounts received for disposal of rental fleet	13	8,381.5	11,529.5
Amounts paid for acquisition of rental fleet	13	(17,768.7)	(21,729.6)
Change in working capital		1,245.2	1,040.0
Interest paid		(2,068.7)	(1,565.5)
Interest received		3,175.7	3,037.8
Net interest received		1,106.9	1,472.3
Income taxes paid		(393.2)	(433.0)
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES (CONTINUING ACTIVITIES)		1,645.3	603.0
Cash flows from investing activities			
Acquisition of other property and equipment	14	(98.2)	(77.7)
Acquisition of intangible assets	17	(107.7)	(123.7)
Effect of change in group structure	2	-	21.2
Dividends received		3.7	-
Long term investment		22.2	81.4
Loans and receivables from related parties	23	43.1	(2,265.5)
Other financial investment	20	343.1	323.5
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES (CONTINUING ACTIVITIES)		206.3	(2,040.9)
Cash flows from financing activities			
Proceeds from borrowings from financial institutions	29	13,817.2	22,699.8
Repayment of borrowings from financial institutions	29	(13,732.2)	(21,946.9)
Proceeds from issued bonds	29	2,653.9	4,087.0
Repayment of issued bonds	29	(6,484.8)	(3,612.4)
Proceeds from deposits	29	12,426.8	12,142.8
Repayment of deposits	29	(12,007.7)	(10,104.7)
Payment of lease liabilities	15	(63.0)	(54.9)
Dividend paid on AT1 capital	27	(73.7)	(73.1)
Dividends paid to equity holders of the parent	34	(631.0)	(383.5)
Dividends paid to non-controlling interest	27	(2.0)	(6.4)
Dividend and repayment of AT1 capital to non-controlling interests	27	-	(518.4)
Acquisition of treasury shares buy-back program	27	(360.0)	-
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES (CONTINUING ACTIVITIES)		(4,456.5)	2,229.3
Exchange gains/(losses) on cash and cash equivalents		(49.7)	(17.7)
Net increase/(decrease) in cash and cash equivalents		(2,654.5)	773.7
Cash & cash equivalents at the beginning of the period	25	4,455.3	3,681.6
CASH & CASH EQUIVALENTS AT THE END OF THE PERIOD	25	1,800.8	4,455.3



Note 1. General information

Ordinary operations

Ayvens refers to “the Company” and its subsidiaries (together “the Group”). Ayvens is a service leasing and vehicle Fleet Management group with a fleet of around 3.2 million vehicles. The Group provides financing and management services in 41⁽¹⁾ countries in the world as at the date of this Universal Registration Document, including the following businesses:

- **Full-Service Leasing:** Under a full-service lease, the client pays the leasing company a regular monthly lease payment to cover financing, depreciation and the cost of various services provided in relation to the use of the vehicle (such as maintenance, replacement car, tyre management, fuel cards and insurance);
- **Fleet Management:** Fleet Management services include the provision of outsourcing contracts to clients under which the vehicle is not owned by the Group but is managed by the Group and for which the client pays fees for the various Fleet Management services provided. These services are generally identical to those listed under the full-service leasing above, except for the financing service, as the vehicle is owned by the client.

The Company holds the regulated status as a Financial Holding Company (“FHC”) and operates under the direct supervision of the European Central Bank.

Registered office and ownership

The Company is a French société anonyme incorporated in Societe Generale Group. Its registered office is located at Tour Granite – 17 cours Valmy – CS 50318 – 92800 Puteaux, France.

The Company is a subsidiary of Societe Generale Group with 54.8% ownership.

⁽¹⁾ 41 countries includes LeasePlan Emirates L.L.C which was classified as Assets held for sale in December 2025.



Note 2. Major events of the period

2.1. Contingent consideration

On 27 October 2025, Ayvens reached an agreement with the Lincoln consortium on the contingent consideration and related matters, the outcome of which had a positive impact of EUR 40.0 million on Ayvens operating result, of which EUR 47.3 million in leasing and services margins and EUR -7.3 million in other expenses.

2.2. Acquisition of LeasePlan updates

As at 31 December 2024, the purchase price allocation of the acquisition of LeasePlan has been finalised. On 22 May 2023, ALD acquired 100% of LeasePlan for EUR 4,968.7 million. The purchase price included EUR 2,999.5 million in equity, EUR 1,827.5 million in cash, and EUR 141.7 million in contingent consideration. The final goodwill recognized was EUR 1,548.0 million, after fair value adjustments of EUR 150.9 million and non-controlling interests of EUR 513.0 million. Updates in the six months ended in June 2024 included a EUR 62.6 million decrease in software value, EUR 59.5 million increase in leased assets, EUR 4.6 million increase in customer relationships, and EUR 73.5 million in new provisions, mainly related to LeasePlan UK. These changes led to a EUR 25 million downward adjustment to 2023 provisional allocations, restating the prior year's financials. Reference is made to the 2024 annual report.

In March 2024, Ayvens obtained the Declaration of No-Objection (DNO) from both the European Central Bank and the Dutch National Bank. The DNO allows the Group to merge ALD and LeasePlan's activities and is an important step forward in the journey towards integration to become "one". The process started in 2024 and as per December 2025 all Lease Plan entities have been transferred from Ayvens Bank N.V. (formerly known as "LeasePlan Corporation NV") to Ayvens SA. After completion, Ayvens SA directly or indirectly, owns all operating entities, ultimately simplifying and streamlining the corporate governance, processes and business activities, particularly in the 21 overlapping countries where both entities are present. Remaining mergers are planned to be completed during 2026.

2.3. Share buyback program

Ayvens received an approval from the European Central Bank and the Board of Directors, held on 29 October 2025, for the implementation of a share buyback program for a maximum amount of EUR 360 million. On 15 December 2025, the Board of Directors, upon authorization of the combined General Shareholders' Meeting of 19 May 2025, decided to reduce Ayvens share capital by cancellation of 33,098,337 treasury shares as of 16 December 2025. These shares were repurchased for the purpose of cancellation from 31 October to 9 December 2025 included.



Note 3. Significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. All valuation methods are defined in the Notes describing the relevant categories. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1. Basis of preparation

Statement of compliance

The Group's unaudited consolidated financial statements as at 31 December 2025 were approved by the Board of Directors on 5 February 2026. The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS as endorsed by the European Union.

The consolidated financial statements are in millions of euros, which is the Group's presentation currency and values are rounded to the nearest million, unless otherwise indicated. In certain cases, rounding may cause non-material discrepancies in the lines and columns showing totals.

Financial Holding Company status

Upon the acquisition of LeasePlan, which holds a banking license allowing it to collect deposits under the Dutch deposit guarantee scheme, the Group has obtained the regulated status as a Financial Holding Company ("FHC") from the European Central Bank (ECB).

Going Concern

The balance sheet of the Group, its cash flows, liquidity position and borrowing facilities are set out in the Group financial statements and Notes to the financial statements. Further details of our policy on financial risk management are set out in Note 5 to the financial statements.

The Group's net debt on 31 December 2025 was EUR 45.1 billion (2024: EUR 48.5 billion) and the Group liquidity position (defined as cash and undrawn committed facilities) of EUR 5.5 billion on 31 December 2025 remains strong (2024: EUR 11.2 billion). Details of borrowings and facilities are set out in Note 29.

The Board considers that the Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group will be able to operate within the level of its current facilities for a period of at least 12 months from the date of approval of the financial statements. For this reason, the Group continues to adopt the going concern basis in preparing of its financial statements.



Hyperinflation in Turkey

From 1 January 2022 onwards, the Group has been applying the provisions of the IAS 29 standard (“Financial Reporting in Hyperinflationary Economies”) to the Group’s Turkish subsidiaries. The financial statements include restatements for changes in the general purchasing power of the Turkish lira to the measuring unit current at the reporting date.

Adjustments are made to the non-monetary assets and liabilities (with biggest impacts in Rental fleet, and the Group Consolidated Reserves pertaining to the subsidiaries in Turkey). The carrying amounts of Rental fleet are adjusted to reflect the change in the consumer price index (CPI) during 2025. The Turkish consumer price index has been used to calculate the adjustments relating to the inflation.

The development of the CPI index in the current and previous reporting periods is as follows:

	12/2022	12/2023	12/2024	12/2025
Conversion coefficient	1,128.50	1,859.40	2,684.60	3,513.87
CPI Index (12 months)	64.27	64.77	44.38	30.89

The financial statement of the Turkish subsidiary is based on a historic cost. Non-monetary items in the financial statements have been restated for the change in CPI from the date of their acquisition or initial recognition to the end of the reporting period.

Gains or losses on all subsequent hyperinflation adjustments, such as restatement of non-monetary assets and liabilities, restatement of income and expenses at transaction date and the counterpart of restatement all components of equity from the beginning of the period, are recognised in the income statement in “Unrealised gains and losses on financial instruments and other”.

An impairment loss will be recognised in the income statement if the restated amount of the book value of vehicles exceeds their estimated recoverable amount, and these are recognised in the income statement in “Leasing costs – depreciation”.

Restatement of all components of equity is recorded in the hyperinflation reserve which is reclassified to the translation reserves related to the Turkish subsidiaries upon consolidation. Reclassification is done on the basis of the economic interrelationship between the changes in exchange rates and inflation (i.e. as prices measured in hyperinflationary currency increase, their value against other currencies tends to decrease at a rate that reflects the excess of price inflation in the hyperinflationary currency compared to price inflation in other currencies).

In 2025, the hyperinflation cumulative amount was + EUR 151 million (2024: + EUR 231 million). In addition, the impact of hyperinflation on the intercompany transactions was removed against the gains or losses from net monetary items.

All items in the statement of cash flows which relate to the Turkish subsidiary are expressed in terms of the consumer price index at the end of the reporting period.



Critical estimates, judgements and errors

The preparation of the financial statements requires the management of both the Group and its subsidiaries to use certain estimates and assumptions that may have an impact on the reported values of assets, liabilities and contingent liabilities at the reporting date and on items of income and expense for the period.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ significantly from these estimates if different assumptions or circumstances apply.

Significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty are disclosed in Note 4 "Critical accounting estimates and judgements".

Change in presentation

The presentation of the financial statements for the year ended 31 December 2025 is consistent with that of 2024, with no changes made.

Segmentation

The management oversight and monitoring structure introduced in 2024, following the Group restructuring after the acquisition, remains unchanged in 2025. Management continues to operate under four regional segments (see country allocation below), reflecting the responsibilities of the Group Regional Directors and Group Deputy CEOs. Supporting functions, including Finance, HR, and Risk, remain aligned with these regions.

This regional segmentation continues to underpin the Group's internal management and reporting structure, ensuring alignment with strategic priorities, market presence, and expected synergies. The four regions are still considered the operating segments as defined under IFRS 8.

Regional segmentation is presented below:

- region 1: France, Portugal, Brazil, Chile, Colombia, Mexico, Peru, and Algeria;
- region 2: Bulgaria, Italy, UK, Ireland, Czech Republic, Greece, Poland, Romania, Slovakia, Turkey, Ukraine, Croatia, Hungary, Serbia, Slovenia, and UAE (not consolidated);
- region 3: Netherlands, Belgium, Denmark, Finland, Luxembourg, Norway, Estonia, Latvia, Lithuania, and Sweden;
- region 4: Austria, Germany, Switzerland, Spain, India, and Malaysia.

Goodwill allocation

Following the restructuring of the Group's operating segments into four regions in 2024 and the alignment of goodwill allocation with this new structure, goodwill continues to be allocated at the regional level rather than at the country level. Historical goodwill remains reallocated to the four regions corresponding to the new groups of cash-generating units.



For LeasePlan goodwill, the Group applies a relative value method based on valuation drivers to allocate goodwill to the aggregated CGUs. Impairment testing for goodwill is still performed at the regional CGU level, reflecting the new segmentation. Both historic goodwill and LeasePlan goodwill are tested together at the regional level, consistent with the unit of account established in 2024.

This approach reflects the Group’s structure as a combined operating entity at regional level and the synergies achieved across regions. There have been no changes to this methodology compared to 2024.

Changes in scope of consolidation

At 31 December 2025, all companies are fully consolidated, except two companies accounted for using the equity method. For more details, please refer to Note 18, Investments in associates and jointly controlled entities. During 2025 mergers were effectuated in thirteen countries, therefore these entities are not consolidated anymore at year end. For more details, please refer to Note 41.

3.2. Changes in accounting policies and disclosures

New and amended standards and Interpretations applicable as 1 January 2025

The Group has adopted the following new standards, amendments and interpretations to published standards for the first time for the financial year starting on 1 January 2025:

Accounting standards, amendments or interpretations	Adoption dates by the European Union
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	1 January 2025

The amendment listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Standards and interpretations adopted by IASB but not yet applicable at 31 December 2025

IASB publishes accounting standards, amendments and interpretations, some of which have not been adopted by the European Union as at 31 December 2025. They are required to be applied from annual periods beginning on 1 January 2026 at the earliest or on the date of their adoption by the European Union.

They were therefore not applied by the Group as at 31 December 2025. These amendments are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.



IFRS 18, “Presentation and disclosure in financial statements”

In April 2024, the IASB issued a new Standard, IFRS 18, Presentation and Disclosure in Financial statements, which replaces IAS 1, Presentation of Financial Statements. The new Standard carries forward many requirements from IAS 1 unchanged. IFRS 18 is the culmination of the IASB’s Primary Financial Statements project and introduces three sets of new requirements to improve companies’ reporting of financial performance and give investors a better basis for analysing and comparing companies:

- improved comparability in the statement of profit or loss (income statement).
- enhanced transparency of management-defined performance measures.
- more useful grouping of information in the financial statements.

IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The Group is currently assessing the impact on its consolidated financial statements.

IFRS 19, “Subsidiaries without Public Accountability: Disclosures”

In May 2024, the IASB issued IFRS 19 Subsidiaries without Public Accountability: Disclosures. The new standard permits eligible subsidiaries that are applying full IFRS Accounting Standards to provide reduced disclosures, while still applying the recognition and measurement requirements of IFRS.

The objective is to ease the reporting burden for subsidiaries that do not have public accountability, but whose parent prepares consolidated financial statements under IFRS. IFRS 19 includes a standalone set of disclosure requirements, developed based on IFRS for SMEs disclosures, tailored to work with full IFRS recognition and measurement. The Group is engaged in fleet management with public accountability as defined by IFRS and consequently, is not eligible to apply IFRS 19.

Amendments to IFRS 9 and IFRS 7, “Contracts Referencing Nature-dependent Electricity”

On 18 December 2024, the International Accounting Standards Board (IASB) issued targeted amendments to IFRS 9 and IFRS 7 to clarify the accounting treatment of contracts that reference electricity prices linked to nature-dependent factors (such as wind or solar conditions).

These contracts, which are common in renewable power purchase agreements (PPAs), raised questions about whether the resulting variability in cash flow is consistent with a basic lending arrangement and therefore eligible to meet the sole payments of principal and interest (SPPI) test under IFRS 9. The amendments also introduce new disclosure requirements under IFRS 7. Entities will need to provide enhanced information about the classification judgments applied to contracts referencing nature-dependent electricity and the risks these contracts introduce. The amendments are effective for reporting periods beginning on or after 1 January 2026.

The Group does not enter into financial contracts directly referencing nature-dependent electricity. Therefore, the amendments are not expected to have a material impact on the Group’s consolidated financial statements.



Amendments to IFRS 9 and IFRS 7, “Classification and Measurement of Financial Instruments”

The International Accounting Standards Board (IASB) has issued “Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)”.

The amendments to IFRS 9 include guidance on the classification of financial assets, including those with contingent features which can be ESG-linked features or other types of contingent features. As a result of amendments to IFRS 7 companies will be required to provide additional disclosures on financial assets and financial liabilities that have certain contingent features. The amendments are effective for reporting periods beginning on or after 1 January 2026. These amendments are not expected to have an impact on the Group’s consolidated financial statements since there are currently no financial assets with ESG-linked features or other contingent features. As this might change in the future the Group will monitor new financial assets for such features.

3.3. Consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries as listed in Note 41. Changes to the entities consolidated in the year ended 31 December 2025 are explained in Note 3.1.

Subsidiaries

Subsidiaries are all entities which the Group controls. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform to the Group’s accounting policies.

For non-wholly owned subsidiaries, non-controlling interests are presented in equity separately from the equity attributable to shareholders of the Group. Profit or loss and other comprehensive income are attributed to the shareholders of the Group and to non-controlling interests even if this results in the non-controlling interests having a deficit balance. Changes in ownership interest in subsidiaries that do not result in a change in control are accounted for in equity. The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary.

Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recorded directly in equity and attributed to the shareholders of the Group.

Business combinations and disposals

The Group applies the acquisition method to account for business combinations.

The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the Group acquired and the equity interests issued by the Group.



The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date in accordance with IFRS 3. The Group recognises any non-controlling interest in the company acquired on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

Associates

Associates are investments over which the Group has significant influence, which is the power to participate in the financial and operating policy decisions of the investee, but without the ability to exercise control or joint control. Typically, the Group owns between 20% and 50% of the voting equity of its associates.

The Group accounts for its investment in associates using the equity method. The Group's share of profits or losses of associates is recognised in the consolidated statement of income and its share of other comprehensive income (loss) of associates is included in other comprehensive income.

Unrealised gains on transactions between the Group and an associate are eliminated to the extent of the Group's interest in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Dilution gains and losses arising from changes in interests in investments in associates are recognised in the consolidated statement of income.

Joint arrangements

Joint arrangements are arrangements in which the Group shares joint control with one or more parties. Joint control is the contractually agreed sharing of control of an arrangement and exists only when decisions about the activities that significantly affect the arrangement's returns require the unanimous consent of the parties sharing control.

Judgement is required in determining this classification through an evaluation of the facts and circumstances arising from each individual arrangement. Joint arrangements are classified as either joint operations or joint ventures based on the rights and obligations of the parties to the arrangement. In joint operations, the parties have rights to the assets and obligations for the liabilities relating to the arrangement, whereas in joint ventures, the parties have rights to the net assets of the arrangement. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures.

Investments in joint ventures are accounted for using the equity method of accounting except when classified as held for sale. The Group's share of associates' and joint ventures' Net income is based on their most recent audited financial statements or unaudited interim statements drawn up at the Group's balance sheet date. Accounting policies of the joint ventures are modified where necessary to ensure consistency with the policies adopted by the Group.



The total carrying values of investments in joint ventures represent the cost of each investment including the carrying value of goodwill, the share of post-acquisition retained earnings, any other movements in reserves and any long-term debt interests which in substance form part of the Group's net investment, less any cumulative impairments. The carrying values of associates and joint ventures are reviewed on a regular basis and if there is objective evidence that an impairment in value has occurred as a result of one or more events during the period, the investment is impaired. Investments which have been previously impaired are regularly reviewed for indicators of impairment reversal.

The Group's share of an associate's or joint venture's losses in excess of its interest in that associate or joint venture is not recognised unless the Group has an obligation to fund such losses. Unrealised gains arising from transactions with associates and joint ventures are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way, but only to the extent that there is no evidence of impairment.

Special purpose companies

Special purpose companies are companies created to accomplish a narrow and well-defined objective, such as the securitisation of leased assets. Details of our asset-backed securitisation programme are described in Note 29 that involve the sale of future lease receivables and related residual value receivables to special purpose companies.

The financial statements of special purpose companies are included in the Group's consolidated financial statements where the substance of the relationship is that the Group continues to be exposed to risks and rewards from the securitised leased assets. The Group uses various legal entities, which have been incorporated specifically for the Group's securitisation transactions. These companies are consolidated in the financial statements of the Group based on the substance of the relationship.

3.4. Summary of significant accounting policies

3.4.1. Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in millions of euros, which is the Group's presentation currency, and it has been rounded to the nearest million, unless otherwise indicated. In certain cases, rounding may cause non-material discrepancies in the lines and columns showing totals.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.



Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within “Interest income or charges”. All other foreign exchange gains and losses are presented in the income statement also within “Leasing margin”.

Group companies

The results and financial position of all the Group entities (apart from those that operate in a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each income statement are translated at weighted-average annual exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

Exchange differences on foreign currency balances with foreign operations for which settlement is neither planned nor likely to occur in the foreseeable future and therefore form part of the Group’s net investment in these foreign operations, are offset in the cumulative translation adjustment reserve. Cumulative translation differences are recycled from equity and recognised as income or expense on disposal of the operation to which they relate.

Fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in comprehensive income.

The accounts of the subsidiary in Turkey, which operates in a hyperinflationary economy, have been translated wholly at the closing rate, as per the requirements of IAS 29.

The main exchange rates used in the consolidated financial statements for the years ended 31 December 2025 and 31 December 2024 are based on Paris stock exchange rates and are as follows:

	31 December 2025		31 December 2024	
	Period-end Rate	Average Rate	Period-end Rate	Average Rate
EUR / UK Pound	0.8726	0.8552	0.8292	0.8466
EUR / Turkish Lira	50.4838	50.4838	36.7372	35.5649
EUR / Brazilian Real	6.4364	6.2730	6.4253	5.8268
EUR / Czech Koruna	24.2370	24.7232	25.1850	25.1194
EUR / Swedish Krona	10.8215	11.0920	11.4590	11.4307
EUR / Norwegian Krone	11.8430	11.7202	11.7950	11.6268
EUR / Danish Krone	7.4689	7.4634	7.4578	7.4589



3.4.2. Dividends

Ordinary shares are classified as equity. Dividends are recognised as a liability in the balance sheet after approval of the profit distribution by the shareholders. The proceeds of the issue of AT1 capital securities are available to the Group in perpetuity and are undated, deeply subordinated, resettable and callable. As the payment of distributions is wholly discretionary, the proceeds received, and interest coupon paid on these securities are recognised in equity. As there is no formal obligation to reimburse the principal amount or to pay interest, the capital securities are recognised as equity and the distributions paid on these instruments, as well as the transaction costs related to the issuance of the capital securities, are recognised directly in equity.

3.4.3. Lease operations

As a lessor the Group is required to determine at the inception of each lease contract whether the lease arrangement is an operating lease or finance lease. This assessment considers the substance of the transaction rather than the form of the contract and classification is based on the extent to which the lease transfers the risks and rewards incidental to ownership of the underlying asset. A lease is classified as a finance lease if it transfers substantially all the risks and rewards from ownership of an asset. Conversely, an operating lease is a lease that does not transfer substantially all the risks and rewards from the ownership of an asset.

Various criteria are used to determine the lease classification of which the three most important are:

- whether the lease term is for the major part of the economic life of the asset;
- whether the present value of minimum lease payments amounts to at least substantially all of the fair value of the asset; and
- whether the lease transfers ownership of the vehicle to the lessee by the end of the lease term or if it is reasonably certain (>90% chances to be exercised from statistics or estimated discount vs market price >10% in case of no statistics available) that the lessee will exercise the purchase option.

Operating lease

The Group as a lessor presents the assets subject to operating leases under “Rental fleet” in the balance sheet and mainly includes vehicles under operating leases, vehicles under short term rental contracts (less than 1 year) and available for rental vehicles.

The Group leases assets to its customers for durations that normally range between three to five years. In almost all cases, the leased assets are returned to the Group at the end of the contract term. In case of early termination in most of the cases there will be a settlement invoice considering amendments. Under the operating lease classification, the customers are offered various products that have different contractual terms, but where ultimately the risks and rewards incidental to ownership are retained by the Group. A customer may be entitled to receive a portion of the net positive result from factors that have resulted in the vehicle being above its expected residual value and/or better RMT results at the end of the lease. However, any remaining result risk will still be borne by the Group.



Monthly fixed operating lease fees charged to the customer for the use of the vehicle over the duration of the contract period can comprise various components each having its own revenue recognition. Any unpaid lessee receivables are recorded in the balance sheet as “Lease receivables from customers”. See the Revenue recognition policy in Note 3.4.20 for more details.

Measurement

Assets under Operating lease and Rental fleet are measured at cost less accumulated depreciation and impairment losses. The cost of the operating lease cars comprises their purchase price and any incremental and directly attributable costs of bringing the assets held for use in operating leases to working condition for its intended use (e.g. smart phone integration, anti-theft devices, etc.).

Import duties and non-refundable purchase taxes are included in the purchase price and any trade discounts are deducted when calculating the purchase price. Incremental direct costs may include commissions, legal fees and delivery cost. Furthermore, lease incentives and volume bonuses are also taken into account and depreciated over the expected lease term. The carrying amount of the Operating lease portfolio is presented in the category “Rental fleet” on the balance sheet.

The operating lease and other leased car assets are depreciated on a straight-line basis over the estimated useful life (normally the contract period for operating leases) to their estimated residual value.

Depreciation of operating lease assets is recognised on a straight-line basis over the estimated useful life of the vehicle, generally corresponding to the contractual lease term, to its estimated residual value and is presented in the income statement within Leasing margin.

Changes in estimates relating to residual values or useful lives, identified through the Group’s fleet revaluation process, are accounted for prospectively in accordance with IAS 8 and recognised as prospective depreciation adjustments. These adjustments are presented separately from contractual depreciation and are included in Used car sales result and depreciation adjustments.

Upon termination of the lease and reclassification of the vehicle to inventory, no prospective depreciation is carried forward. Any cumulative prospective depreciation balance recognised during the lease term is released to the Used Car Sales result at the time of sale, while inventory is subsequently measured in accordance with IAS 2 at the lower of cost and net realisable value.

Depreciation is not applied to new vehicles available for lease when these vehicles are not in the condition to be leased to customers. This often applies to vehicles bought for signed lease contracts or vehicles bought with the intention to lease that are temporarily stored and not ready to be used.

Upon termination of the lease or rental contract the relevant assets are reclassified to the caption “Inventories” at their carrying amount if the intention is to sell the used car or remain within “Rental fleet” if the intention is to lease the vehicle for another term.

Finance lease

Finance leases are recognised in the balance sheet at an amount equal to the present value of the minimum lease payments and the unguaranteed residual value, after deduction of provisions deemed necessary in respect of bad and doubtful debts and any accumulated impairment losses. Initial direct costs and down-payments that are not refundable security deposits are included in



the initial measurement of the finance lease receivables. The assets are presented within the category “Lease receivables from customers” on the balance sheet (See Note 22 for further details).

The finance lease instalments can comprise various components each having its own revenue recognition. Both invoiced but unpaid amounts and unearned amounts for finance leases are recorded in the balance sheet line as “Lease receivables from customers”. See the Revenue recognition policy in note 3.4.20 for more details.

Fleet Management services

These services include arranging for vehicle delivery and administration of the title and registration process, as well as tax and insurance requirements, ensuring maintenance of the vehicle, pursuing warranty claims, providing fleet policy analysis and recommendations, benchmarking, and providing vehicle recommendations.

Vehicles classified under this category are featured within the Off-Balance Sheet fleet and their related revenue is recognised within the Services revenue line.

3.4.4. Property and equipment

Other property and equipment

Other property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. Subsequent expenditure on property and equipment is recognised in the carrying amount of the item only when it increases the future economic benefits embodied in the specific asset to which it relates, and its costs can be measured reliably. All other expenditure, including repairs and maintenance costs, are charged to the income statement during the period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

- property: 20-50 years.
- IT equipment: 3-5 years.
- machinery and garage equipment: 5-10 years.
- furniture and fixtures and office equipment: 3-10 years.
- company cars: 3-5 years.
- leasehold improvement: remaining leasehold term.

When parts of an item of other property and equipment have different useful lives, they are accounted for as separate items (major components). The carrying amount of a replaced part is derecognised when replaced. Residual values, method of depreciation and useful lives of the assets are reviewed annually and adjusted if appropriate. In case of an indicator that an impairment could exist, an asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.



3.4.5. Right-of-use assets and lease liabilities

Lease term

The lease period to be applied in determining the rental payments to be discounted will match the non-cancellable period of the lease adjusted for:

- options to extend the contract that the lessee is reasonably certain to exercise;
- early termination options that the lessee is reasonably certain to exercise.

The measurement of the reasonable certainty of exercising or not exercising the extension or early termination options takes into account all the facts and circumstances that may create an economic incentive to exercise or not to exercise these options.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of the corresponding lease liability recognised, adjusted for any lease payments made at or before the lease commencement date, plus any initial direct costs incurred and an estimate of costs for dismantling, removing, or restoring the underlying asset and less any lease incentives received.

The right-of-use assets are depreciated over the lease term, defined as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. Depreciation expense is recorded in Depreciation and amortisation in the income statement.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of the expected future lease payments, calculated using the Group's incremental borrowing rate, adjusted to reflect the length of the lease and country of location.

Lease payments included in the lease liability consist of each of the following:

- fixed payments, including in-substance fixed payments;
- payments whose variability is dependent only upon an index or a rate, measured initially using the index or rate at the lease commencement date. The lease liability is revalued when there is a change in future lease payments arising from a change in an index or rate;
- any amounts expected to be payable under a guarantee of residual value; and
- the exercise price of a purchase option that the Group is reasonably certain to exercise, the lease payments after the date of a renewal option if the Group is reasonably certain to exercise its option to renew the lease, and penalties for exiting a lease agreement unless the Group is reasonably certain not to exit the lease early.

Variable leasing costs (other than those referred to above and including those linked to usage) and the costs of non-lease components are not included in the lease liability and are charged to Leasing costs as incurred.



The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change to the forecast lease payments or change in lease term. When the lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset.

Short-term leases and low-value assets

Leases with a term of less than or equal to 12 months or those with asset value of less than Euro 5,000 are not recognised in the balance sheet. The Group recognises payments for these leases as an expense on a straight-line basis over the lease term within “General and administrative expenses”.

Income taxes

Deferred tax will be recorded based on the amount of taxable and deductible temporary differences. Generally, on the date of the initial recording of the right-of-use and the lease liability, no deferred tax is recorded as the asset value is equal to the liability value. The net temporary differences that may result from subsequent changes in the right-of-use and lease liability will result in the recognition of deferred tax.

Further details are provided in Note 15 “Right-of-use assets and lease liabilities”.

3.4.6. Intangible assets

Goodwill

Goodwill arises on the acquisition of subsidiaries, associates and joint ventures and represents the excess of the consideration transferred over the Group’s interest in the net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquirer. Goodwill is measured at cost less any accumulated impairment losses. When the excess is negative (negative goodwill), it is recognised immediately in the statement of income.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units (“CGUs”), or groups of CGUs, which is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes.

Goodwill is monitored at an aggregated level (“regions”) as internal management reporting is organised to measure performance (and prepare business plans) at a higher level (group of CGUs). The Group identified the 4 following regions:

- region 1: France, Portugal, Brazil, Chile, Colombia, Mexico, Peru, and Algeria;
- region 2: Bulgaria, Italy, UK, Ireland, Czech Republic, Greece, Poland, Romania, Slovakia, Turkey, Ukraine, Croatia, Hungary, Serbia, Slovenia, and UAE (not consolidated);
- region 3: Netherlands, Belgium, Denmark, Finland, Luxembourg, Norway, Estonia, Latvia, Lithuania, and Sweden;
- region 4: Austria, Germany, Switzerland, Spain, India, and Malaysia.



Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed. Further details are provided in Note 16 “Goodwill”.

Software intangible assets

Internal software development costs are capitalised during the application development stage. The costs capitalised relate to external direct costs of materials and services and employee costs related to the time spent on the project during the capitalisation period. Capitalised software is evaluated for impairment annually or when changing circumstances indicate that amounts capitalised may be impaired. Impaired items are written down to their estimated fair values at the date of evaluation.

Internally developed software is normally depreciated over its useful life, generally 3 to 5 years; however, in some instances this can be longer.

3.4.7. Impairment of non-financial assets

Assets that are subject to amortisation are reviewed for impairment when there is an indication that the asset may be impaired. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). For the Group’s operating lease activities, cash-generating units are defined at customer portfolio level, reflecting that cash inflows arise from bundled lease and service arrangements rather than from individual assets.

Non-financial assets other than goodwill, that suffered impairment, are reviewed for possible reversal of the impairment at each reporting date. Any reversal of an impairment loss is recognised immediately in profit or loss, but only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised.

Further details of Rental fleet impairment, refer to Note 4.3 “Impairment of Rental fleet”.

3.4.8. Non-current assets (or disposal groups) held for sale and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continued use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal groups is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.



Depreciation or amortisation of property, plant and equipment and intangible assets is stopped once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the consolidated balance sheet.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations;
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

The results of discontinued operations are presented separately in the income statement.

Additional disclosures relating to the Group's Discontinued Operations are provided in Note 7.

3.4.9. Financial instruments

Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss (FVTPL);
- those to be measured subsequently at fair value through other comprehensive income (FVOCI); and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in consolidated income statement or Other Comprehensive Income (OCI). For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). The derivative financial instruments will be classified as subsequently measured at fair value through profit or loss.

The Group has not elected to irrevocably designate any financial liability for FVTPL so all financial liabilities are measured at amortised cost unless they are held for trading, in which case the financial liability will be at FVTPL. Financial liabilities at FVTPL currently only include derivative financial instruments in the Group's financial statements (refer to derivatives policy and Note 3.4.10).

Recognition and measurement

Regular way purchases and sales of financial assets are recognised on the balance sheet:

- as at the settlement/delivery date for securities;
- as at the trade date for derivatives; and
- as at the disbursement date for loans.

A financial liability is recognised when the Group becomes party to a contractual obligation to deliver cash or another financial instrument to another entity.



Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

Offsetting

Financial assets and liabilities are offset, and the net amount is presented in the balance sheet when the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and liability simultaneously. Income and expenses are presented on a net basis only when permitted by IFRS.

Measurement

At initial recognition, the Group measures a financial asset or financial liability at its fair value plus or less, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset or financial liability. Transaction costs of financial instruments carried at FVTPL are expensed in the consolidated income statement.

Financial asset debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- amortised cost: assets that are held for collection of contractual cash flows, where those cashflows represent solely payments of principal and interest, are measured at amortised cost less any impairment losses. Interest income from these financial assets is included in "leasing costs – financing" using the effective interest rate method. Transaction costs (including qualifying fees and commissions) are part of the amortised cost. Any gain or loss arising on derecognition is recognised directly in the income statement in "leasing costs – financing". Impairment losses are presented as separate line item in the income statement;
- FVOCI: assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in the income statement. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the income statement and recognised in "unrealised gains/losses on financial instruments and other". Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in "unrealised gains/losses on financial instruments and other", and impairment expenses are presented as separate line item in the income statement; and
- FVTPL: assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented net within "other income/(expenses)" in the period in which it arises.



Financial asset equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to the income statement following the derecognition of the investment. Dividends from such investments continue to be recognised in the income statement as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in "other income/(expenses)" in the income statement as applicable.

Financial liabilities at amortised cost

Borrowings and other financial liabilities, including debt securities issued and other borrowings, are initially measured at fair value, net of transaction costs. Borrowings and other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. Transaction costs are included in amortised cost using the effective interest method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate (EIR). The EIR amortisation is included as finance costs in income. For more information, refer to Note 29 "Borrowings from financial institutions, bonds and notes issued".

Fair value estimation

The Group measures financial instruments, such as derivatives, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level of input that is significant to the fair value measurement as a whole.



The fair value of assets and liabilities is presented according to a fair value hierarchy that reflects the level of observability of the data used to make the valuations.

The fair value hierarchy consists of the following levels:

- level 1 – Instruments valued using (unadjusted) quoted prices in active markets for identical assets or liabilities;
- level 2 – Instruments valued using data other than quoted prices referred to in level 1, which are observable for the asset or liability concerned, either directly or indirectly (i.e. data derived from process); and
- level 3 – Instruments for which a significant part of the data used for valuation is not based on observable market data (so-called non observable data).

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level of input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3.4.10. Derivative financial instruments and hedging activities

In order to hedge its exposure to foreign exchange and interest rate, the Group enters into forward, option and swap contracts. None of these contracts meet the own use exemption in IFRS 9 and are accounted for as derivatives. Derivatives are financial instruments, of which the value changes in response to underlying variables. Derivative instruments are used as part of the overall strategy to manage exposure to market risks primarily associated with fluctuations in interest rates and foreign exchange rates through interest rate and currency swaps respectively. As a matter of policy, derivatives are not used for speculative purposes. The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into (trade date) and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The fair value of cross currency and interest rate swaps is the estimated amount that the Group would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. The fair values of not-actively traded instruments are calculated using a generally accepted discounted cash flow method, while considering relevant market observable data such as quoted forward prices and interest rates. As a result of having collateral agreements in place for certain of its derivative counterparts, the requirement to reflect other observable market inputs such as CVA, DVA and FVA is eliminated for discounting purposes. The fair values of various derivative instruments used for hedging purposes are disclosed in Note 26 “Financial instruments”. Movements on the hedging reserve in other comprehensive income are shown in consolidated statement of changes in equity.



The fair value of a hedging derivative is classified as a non-current asset or liability when the remaining hedged item is more than 12 months and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

Changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows (cash flow hedges) are recognised directly in equity through Other Comprehensive Income. The gain or loss relating to the ineffective portion is recognised immediately in the income statement within “unrealised gains/losses on financial instruments”. If the cash flow hedge of a firm commitment or future transaction results in the recognition of a non-financial asset or liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability.

For hedges that do not result in the recognition of a non-financial asset or liability, including the effective portion of interest rate swaps hedging variable rate borrowings, amounts deferred in equity are recognised in the income statement in the same period in which the hedged item affects profit or loss.

The Group only applies fair value hedge accounting for hedging fixed interest risk on borrowings. For an effective hedge of an exposure to changes in fair value, the hedged item is adjusted for changes in fair value attributable to the risk being hedged. The corresponding entry and gains or losses arising from remeasuring the associated derivative are recognised in the income statement within “unrealised gains/losses on financial instruments”.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Group’s material hedging instruments are interest rate swaps and cross currency swaps that have similar critical terms to the related debt instruments, such as payment dates, maturities and notional amount. As all critical terms matched during the year, there was no material hedge ineffectiveness. The Group also uses cross currency swaps to manage foreign exchange risk associated with borrowings denominated in foreign currencies. Where not designated in an accounting hedge there is a natural offset against foreign exchange movements on associated borrowings.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, exercised, revoked, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained until the forecast transaction occurs. If a hedge transaction is no longer expected to occur, the net cumulative gain or loss previously recognised in equity is recycled to the income statement for the period. Changes in the fair value of any derivative instruments that are not designated in a hedge relationship are recognised immediately in the income statement within “Unrealised gains/ (losses) on financial instruments”. Derivatives embedded in other financial instruments or non-financial host contracts (other than financial assets in the scope of IFRS 9) are treated as separate derivatives when their risks and characteristics are not closely related to those of their host contracts and the host contracts themselves are not carried at fair value with unrealised gains or losses reported in the income statement.

Derivatives embedded in contracts which are financial assets in the scope of IFRS 9 are not separated and the whole contract is accounted for at either amortised cost or fair value.

The types of risks that the Group is exposed to and derivatives used to hedge these risks can be found in Note 5.1 “Financial risk factors” and Note 19 “Derivative financial instruments”.



3.4.11. Inventories

Inventories are vehicle assets held for sale from the ordinary course of business. Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Valuation allowances on inventories are included in “Cost of cars sold”. The allowance represents the impact of the write down to the lower net realisable value for vehicle inventories on transfer from “Rental fleet” or if held for over 90 days.

Upon termination of the lease or rental contract, the relevant assets are reclassified from the caption “Rental fleet” to the caption “Inventories” at their carrying amount only if the intention is to sell the car and an impairment review is performed at the time of reclassification. No depreciation is applied to cars that are classified as "Inventories".

If the car will be leased for another term, it remains within the “Rental fleet” and continues to be depreciated.

Other than vehicle inventory assets the Group maintain a certain level of parts for vehicles, gasoline and other accessories for the vehicles that are consumed and used as part of the generation of service revenues for the Group.

3.4.12. Lease receivables from customers

This caption includes:

- finance lease receivables, that represent the present value of the future minimum lease payment receivable and the unguaranteed residual value accruing to the Group (the net investment);
- trade receivables, that consists of unpaid lessee receivables under existing (operating and finance lease) contracts or receivables from vehicle inventory sales; and
- receivables arising from other ordinary business activities.

The receivables are shown after any accumulated impairment provisions and customers disputes are initially measured at fair value and subsequently at amortised cost using the effective interest method. Unearned finance income is the difference between the gross investment in the lease (undiscounted future minimum lease payments and unguaranteed residual value accruing to the Group) and the net investment in the lease.

3.4.13. Impairment of lease receivables from customers

An expected credit loss (ECL) provision is applied to all receivables from customers that are measured at amortised cost with the exception of those receivables deemed to be out of scope. The Group has applied this scope exemption when the receivable meets the low credit risk exemption criteria. The Group has applied this to receivables on used car sales and insurance receivables, where there is zero or almost no history of credit risk or the amounts due are from financial institutions with an investment grade credit rating.

Overall, the Group segments the receivables from customers into sound and doubtful receivables that includes receivables that have met the definition of default.



For sound receivables the Group applies a simplified approach in calculating ECLs from initial recognition of the receivable, which means the Group does not track changes in significant increase in credit risk but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

The Group has established a provision matrix for the sound receivables that is based on its historical credit loss experience by ageing categories, adjusted for forward-looking factors specific to the debtors and the economic environment when the impact of those factors is material to the financial statements.

To establish the forward-looking element of IFRS 9 provision, the Group uses macroeconomic data and analysis through local uplifts to probability of default and loss given default rates.

Since obtaining the financial holding status, the Group has aligned its definition of default to the ECB Regulatory Capital CRR Article 178 definition of default in 2023. For purposes of assessing, recognising and reporting defaults, a customer shall be considered to be in default when either one or both of the following events occur:

- the local entity considers the customer unlikely to pay (“UTP”) and/or;
- the customer is past due more than 90 consecutive days on any material credit obligation

The application of the above guidance is only to the extent of identifying the customers that are in default. There is no change in the method of determining the value of impairment. Where the customer is in default, the whole of the customer balance is classified as doubtful, and impairment is based upon the full outstanding amount, except where we have adjudged there are mitigating circumstances.

Expected credit losses are reassessed at each reporting date and reflect all reasonable information that is available at the reporting date. Judgement is required from management for applying appropriate models and setting assumptions for the measurement of ECL. The methodology, assumptions and data, including any forecasts of future economic conditions, macroeconomic impacts and the Group’s provision matrix are reviewed regularly by management in determining the expected credit losses and the write-off of receivables. Doubtful debts should be written off as soon as the definitive loss is known.

Where the Group have acquired credit-impaired receivables from customers as part of a business combination, the gross receivable is initially recognised at fair value with no carrying impairment allowance.

The Group only recognises the cumulative changes in lifetime expected credit losses since initial recognition as a loss allowance for originated purchased credit-impaired financial assets in the income statement.

Disputes often arise in the collection of lease receivables and tend to range from issues relating to the performance of various services under the contract to the amount of end-of-contract billing. A dispute has no impact on the solvency of the customer or the risk of default and therefore is not a credit loss.



As such these amounts are removed from sound receivables and a provision is applied based on our provisions accounting policy. For presentation purposes the provision is netted against the “Receivables from customers” balance sheet line item.

Details about the assumptions and estimation techniques used in measuring ECL for finance lease receivables and trade receivables from operating lease contracts are provided in the section Credit risk management and disclosure on the impairment provided in Note 22 “Lease receivables from customers”.

3.4.14. Other receivables, prepayments and contract assets

Other receivables, prepayments and contract assets include amounts still to be received, prepayments for expenses attributable to future periods and contract assets representing incremental costs of obtaining customer contracts. These assets are financial assets measured at amortised cost under IFRS9, except for prepayments and contract assets, which fall outside its scope and are amortised on a straight-line basis.

Reinsurance assets and Insurance contract assets are recognized and measured in accordance with the insurance accounting policy.

For the financial assets measured under IFRS 9, the Group applies the low-risk scope exemption when there is zero or minimal history of credit risk for the relevant type of receivable, when the amounts due are from financial institutions or other counterparties with an investment grade credit rating, or where the judgement is that any credit impairment would have an insignificant impact on the Group. Where the exemption applies any impairment will be based on observable events.

Further details are provided in Note 24. Other receivables, prepayments and contract assets.

3.4.15. Cash and cash equivalents

In the consolidated statement of cash flows and consolidated balance sheet, cash and cash equivalents comprise of cash at hand, central bank deposits, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in liabilities on the consolidated balance sheet. Cash and cash equivalents are defined as short-term, highly liquid investments that are readily convertible to known amounts of cash, and which are subject to an insignificant risk of changes in value.

The short-term characteristic of a cash equivalent is generally taken as a term of three months or less from the date of acquisition. Cash and cash equivalents are measured at amortised cost.



3.4.16. Employee benefits

Group companies operate various employee benefit schemes. The schemes are generally funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations. The Group has defined benefit and defined contribution pension plans as well as other post-employment benefits.

Defined contribution pension plans

A defined contribution plan is a pension plan under which the Group pays fixed contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the pension contributions have been paid if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution pension plans are recognised as expenses in the consolidated income statement when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined benefit pension plans

A defined benefit plan is a pension plan that is not a defined contribution plan. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors, such as age, years of service and compensation.

The Group's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the number of future benefits that employees have earned in return for their services in the current and prior periods. The present value of the defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The benefit is discounted at the yield at the balance sheet date on high quality corporate bonds denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

The net benefit obligation recognised in the balance sheet is the present value of the defined benefit obligation at the balance sheet date together with adjustments for unrecognised past-service costs less the fair value of the plan assets. For determining the pension expense, the expected return on plan assets is determined using a high-quality corporate bond rate identical to the discount rate used in determining the defined benefit obligation.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise without recycling to the consolidated income statement. Past-service costs are recognised immediately in the income statement.

Settlements and curtailments invoke immediate recognition in the income statement of the relevant change in the present value of the defined benefit obligations and in the market value of the plan assets. A settlement is an early termination of all or part of the defined benefit obligation. A curtailment occurs when the Group is demonstrably committed to materially reducing the number of employees in the defined benefit plan or the pension benefits for future services.

Further details are provided in Note 31 "Retirement benefit obligations and long-term benefits".



Other long-term post-employment benefits

Some Group companies provide other long-term employment benefits to their employees based on local legal requirements. These benefits mainly comprise medium-term bonus and profit-sharing schemes, and extra leave entitlements.

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the Group's shareholders after certain adjustments.

The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when the entity has a detailed formal plan to terminate the employment of current employees without possibility of withdrawal.

In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

3.4.17. Provisions

Provisions for restructuring costs and legal claims are recognised when the Group has a present legal or constructive obligation because of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount could be reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure expected required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to passage of time is recognised as interest expense.

Damage risk provision

The risk of damage to owned Group vehicles is part of the IFRS 15 allocation of revenue and IAS 37 provisioning, whereas insurance contracts issued to customers for accepting significant insurance risk is subject to IFRS 17 accounting. The Group provides customers with an own damage and repair cover in exchange of the payment of a monthly fee. Own damage revenues are recorded in the caption "Services Revenues" and revenue is recognised on a straight-line basis over the duration of the contract (unless the expected release of risk differs materially from a straight-line basis). Further details are provided in Note 8 Revenues and cost of revenues. Where the fees are unearned based on the invoiced amounts, this amount is deferred income included under "Other receivables, prepayments and contract assets" caption in the consolidated balance sheet (refer to Note 24).



Damage services provisions are measured at the amount of the “best estimate” expected expenditure required to settle the present obligations to repair the damage at the reporting date. An estimate for Incurred But Not Reported (IBNR) and Incurred But Not Enough Reserved (IBNER) is made to determine appropriate damage provision levels. These estimates are based on historical data of accident frequency in the local market and the cost per claim updated for current assumptions.

The measurement includes a margin for risks and uncertainties that is inherent to the historical data adjusted for recent pricing developments. The damage service provision is expected to be recovered or settled within a maximum of 12 months. Expenses for damage services are expensed to the income statement when incurred and the best estimate of the provision is updated at each reporting period, with any adjustment recognised along with the expenses incurred in “Cost of Services Revenues” caption in the income statement.

Where there is a stop-loss policy in place, limiting the risk of losses above a set level, provisions are booked only up to the level of the stop-loss. Beyond that level, all claims are debited to the reinsurance provider of the stop-loss cover. Any stop-loss cover on individual incidents is also taken into account in evaluation of the provision for IBNR and IBNER. Gross claim costs are reduced to the level of cap per incident. Even where stop-loss cover is in place, if total claims are anticipated to be below the level of premium and stop-loss cover, then profit is booked in the normal way.

Insurance contracts

The insurance contracts issued are one of the services offered to the customers of the Group in addition to the lease of the vehicles and other related leasing services. Insurance contracts are contracts under which the Group accepts a significant risk – other than a financial risk – from a policyholder by agreeing to compensate the beneficiary on the occurrence of an uncertain future event by which he or she will be adversely affected. Contracts that have been classified as insurance at inception are not reclassified subsequently.

For measurement purposes, the insurance contracts are grouped into portfolios of insurance contracts that have similar risks and are managed together. Portfolios are further grouped in year cohorts of issuance and divided based on expected profitability at inception into two categories: onerous contracts and not-onerous contracts. Insurance contracts are recognised at the earlier of the beginning of the coverage period or when it becomes onerous. Insurance contracts are derecognised when the contract is expired, is discharged or cancelled. Modifications to contracts that are not considered changes in estimates will result in that the contract is derecognised, and a new contract is recognised.

All insurance contracts issued, and reinsurance contracts held are eligible to be measured by applying the premium allocation approach, which has been fully adopted. Under the premium allocation approach, non-life insurance contract provisions include liabilities for remaining coverage and liabilities for incurred claims. The liability for remaining coverage reflects premiums received less amounts recognised in revenue for insurance contracts provided. Insurance acquisition cash flows are recognised as expenses when incurred, if the coverage period is no more than one year. As the premiums are received within one year of the coverage period no discounting is applied to reflect financial risk or the time value of money. The liability for incurred claims is determined on a discounted probability-weighted expected value basis and includes an explicit risk adjustment for non-financial risk. The risk adjustment reflects the compensation the Group requires for bearing the uncertainty about the amount and timing of the future cash flows and is determined using a confidence-level (quantile) approach, set at the 76th percentile for Group reporting purposes.



The liability includes the Group's obligation to pay other incurred insurance expenses. The liability for incurred claims is the obligation to pay valid claims for insured events that have already been occurred (IBNR and IBNER), including events that have occurred but for which claims have not been reported (IBNYR).

The liability for incurred claims is estimated as the fulfilment cash flows measured as an explicit, unbiased, and probability-weighted estimate (i.e., expected value of the present value of the future cash outflows minus the present value of the future cash inflows that will arise as the entity fulfils insurance contracts, including a risk adjustment for non-financial risk. The future cash flows estimated are discounted using a bottom-up approach, based on a risk-free yield curve (swap rate curve) adjusted for an illiquidity premium to reflect the differences in characteristics between the liquid, risk-free financial instruments and the financial instruments backed insurance contracts. The cash outflows include claim handling costs, policy administration and an allocation of directly attributable fixed and variable overheads to fulfilling insurance contracts.

Revenue is recognised on a straight-line basis over the duration of the contract (unless the expected release of risk differs materially from a straight-line basis). Further details are provided in Note 8 Revenues and cost of revenues. Expenses for damage services are expensed to the income statement when incurred and the best estimate of the provision is updated at each reporting period, with any adjustment recognised along with the expenses incurred in "Cost of Services Revenues" caption in the income statement. Portfolios of contracts in an asset position are reported under "Other receivables, prepayments and contract assets" caption in the consolidated balance sheet (refer to Note 24). This includes expenses attributable to a subsequent period plus amounts still to be received and are measured at cost.

Under the premium allocation approach, it is assumed that no contracts in the portfolio are onerous at initial recognition, unless facts and circumstances that are monitored via performance indicators by Group's management indicate otherwise.

Such onerous contracts are separately grouped from other contracts, and the Group recognises a loss in profit or loss for the loss component. If during the coverage period, facts and circumstances indicate that a group of insurance contracts is onerous, the Group recognises a loss in the income statement for the net outflow, resulting in the carrying amount of the liability for the Group being equal to the fulfilment cash flows.

Reinsurance assets

The Group measures its reinsurance assets for a group of reinsurance contracts that it holds on to the same basis as insurance contracts that it issues adapted to reflect the features of reinsurance contracts held that differ from insurance contracts issued. Where the Group recognises a loss on initial recognition of an onerous group of insurance contracts, the Group establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the recovery of losses.

Annually the Group assesses whether its amounts recoverable under a reinsurance contract are subject to impairment. Reinsurance assets are impaired if there is objective evidence, because of an event that occurred after initial recognition of the reinsurance asset, that not all amounts due under the terms of the contract may be received. The carrying value is reduced to this calculated recoverable value, and the impairment loss recognised in the income statement.



3.4.18. Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. If payment is due within one year or less (or in the normal operating cycle of the business if longer) these will be presented as current obligations but otherwise will be presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

The Group recognises a liability and an expense for variable remuneration to employees based on an assessment of the relevant performance of variable remuneration criteria. The Group recognises an accrual where contractually obliged or where there is a past practice that has created a constructive obligation.

3.4.19. Current income and deferred tax

Current income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In that case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group operate and generate taxable income.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted at the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred income tax is booked on temporary differences arising on investments in subsidiaries and associates, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.



Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Current and deferred taxes are recognised in the income statement under Income tax. Deferred taxes related to remeasurement of retirement benefit, cash flow hedges and gains or losses on fair value of debt securities are recognised in other comprehensive income.

3.4.20. Revenue recognition

Revenues represent the fair value of the consideration received or receivable for the sale of goods and services in the Group's ordinary course of business.

Contracts relating to vehicle leasing and service products can take the form of operating leases, finance leases and service agreements. To determine whether a contract includes an agreement for a period of time, the Group has assessed whether, throughout the period of use, the customer has both of the following:

- the right to obtain substantially all of the economic benefits from the use of the identified asset; and
- the right to direct the use of that identified asset

If a contract relating to an asset fails to give the customer both of the above rights, the Group accounts for the agreement as a revenue contract. In situations where management services unrelated to an asset contract are provided, the Group accounts for the contract as a service contract.

Combined contract

In most situations, lease and service contracts are entered into at the same time or as a single contract with our customers. Where the customer is charged a monthly fee that both relates to the rental price of the vehicle (including depreciation and interest) and various other products and services that the customer can subscribe to, the standalone tariffed elements will be recognised as separate performance obligations if the good or service is distinct by meeting both the following criteria:

- the lessee can benefit from using that underlying asset either on its own or together with other resources that are readily available; and
- the asset is neither highly dependent on, nor highly inter-related with, the other assets in the contract.

Activities or costs that transfer a good or service to the lessee are identified as non-lease components. Amounts payable for activities and costs that do not transfer a good or service are part of the total consideration and are allocated to the lease and non-lease components identified in the contract.



Lessor accounting

The lease classification, that is determined on a contract-by-contract basis, will determine if revenue recognition is on an operating lease or finance lease basis.

Operating leases

On operating leases, lease rental revenue (depreciation and interest) is recognised in accordance with IFRS 16 on a straight-line basis over the lease term based on the total of the contractual payments divided by the number of months of the lease term.

Charges to customers may include passed on costs such as fuel, road taxes and other taxes which do not represent the inflow of economic benefits and/or are collected on behalf of third parties and are therefore not presented as revenues.

Upfront payments from customers at the beginning of the lease agreement are recognised in the balance sheet and amortised on a straight-line basis over the period of the lease agreement.

Amounts paid or value provided to lessees as lease incentives are capitalised (e.g., upfront cash payments to the lessee, reimbursement or absorption of costs by the lessor or free or reduced rents given at the beginning of the lease term). Lease incentives are accounted for on a straight-line basis over the term of the related lease as a reduction in revenue.

Where a customer retains the car for a period beyond the normal return date (informal extension), the rent continues to be charged to the customer, and the related contractual depreciation will continue to be recognised.

Finance leases

Regarding finance leases, the IFRS 16 standard is applied, and the earnings are allocated between the capital amount and finance income. The capital amount is used to reduce the receivable balance, and the income is recognised in the income statement in each period using the effective interest rate method to give a constant periodic rate of return on the net investment in the lease.

The Group uses the net investment method to allocate gross earnings, which excludes the effect of cash flows arising from taxes and financing relating to a lease transaction. In addition:

(I) the amount due from the lessee under a finance lease is recognised in the balance sheet as a receivable at an amount equal to the net investment in the lease. Over the lease term, rentals are apportioned between a reduction in the net investment in the lease and finance income. The net investment in a lease is equivalent to the gross investment discounted at the interest rate implicit in the lease; and

(II) at any point in time during the lease term, the net investment is represented by the remaining minimum lease payments, less that part of the minimum lease payments that is attributable to interest.

Upfront payments and initial direct costs are taken into consideration in calculating the implicit interest rate in the lease and recognised evenly over the life of the lease.



Revenue contract

If a contract contains a lease component and one or additional lease or non-lease components, then IFRS 16 requires a lessor always to allocate the consideration in a contract following the approach in IFRS 15 Revenue recognition.

The 5 steps process required by IFRS 15 for non-lease components is summarised as follows:

- identify the contract with customers. Each contract between the Group and the lessee is clearly identified;
- identify the performance obligations in the contract. Identifying separate lease components in a lease contract under IFRS 16 is consistent with identifying performance obligations in a revenue contract under IFRS 15. Revenues also include the various non-lease components of the lease instalment, such as repair, maintenance and tyres, damage risk retention, replacement vehicle etc. Revenues relating to lease components are described in the section Service contracts below. The different services offered by the Group are considered as distinct as they are sold separately, and they are separately disclosed in the contract (non-lease components). Each service is priced separately, and each contract is built with a basic service and additional options which could be elected by the customer;
- determination of transaction price. The transaction price is easily determined as there the Group has no variable consideration at closing of the contract;
- allocation of transaction price. A lessor allocates the consideration in a contract to the separate lease and non-lease components by applying IFRS 15. The Group allocates transaction prices by estimating standalone selling prices of each performance obligation as each service rendered to the customer has a separate price; and
- recognise revenue when (or as) a performance obligation is satisfied. All services provided by the Group are considered as performance obligations satisfied over time as customers simultaneously receive and consume all of the benefits provided by the Group. Once management determines that a performance obligation is satisfied over time, it measures its progress toward completion to determine the timing of revenue recognition. The objective is to recognise revenue in a pattern that reflects the transfer of control of each service provided by the Group to the customer.

Service contracts

Service contract revenues mainly include Fleet Management & other services, Repair, maintenance and tyre services (RMT), Flex Fleet and Damage & insurance services. These revenues are recognized over time, with the pattern of revenue recognition reflecting the nature and expected pattern of service delivery of each service, as described below, and are applied consistently in accordance with the Group's accounting policies.

Fleet Management & other services

Revenue from Fleet Management services is recognised on a straight-line basis over the term of the Fleet Management agreement.

Repair, maintenance & tyres

Income related to repair and maintenance (RM) is recognised over the term of the lease contract. The allocation of income over the term is based on the normal RM cost profile supported by historical statistics and expected service costs. The difference between the amounts charged to customers and amounts recognised as income is accounted for as deferred leasing income. Cost profiles are reviewed periodically to ensure they remain a fair representation of historical RM expenditures, adjusted for reasonable expectations of changes in cost profiles. Income related to tyre services is recognised over the term of the lease



contract on a straight-line basis, as tyre services constitute a distinct performance obligation and their revenue recognition is not based on historical repair and maintenance statistics or cost curves.

Where an accurate or reliable estimate of the RM cost curve is not available, revenue is recognised based on an estimate of expected completion of the performance obligation using an alternative input method.

If income related to services surrounding contracts is not certain until final settlement takes place, this income is not recognised until that time and is presented within the sales result. For all other contracts, expected losses are recognised as an expense immediately when it is probable that total contract costs will exceed total contract revenues.

Flex Fleet

Flex Fleet revenues are recognised on a straight-line basis over the term of the rental agreement.

Damage & insurance services

The revenue from the risk retention schemes is recognised based on the monthly lease instalment. This applies for third-party liability and own damage insurance products. Revenue recognition will cease when the contract is terminated by a customer or at the end of the contractual term, unless the contract is informally extended.

Interest on Late Payment

Where interest on late payment is billed to customers, the related revenue is only recognised when settlements are made by customers.

Proceeds of used car sales and end of contract fees

Revenues also include the proceeds of the sale of vehicles from terminated lease contracts and lease revenues from end of contract billing such as repair costs recharged to the customer. The proceeds from the sale of vehicles are recognised when the vehicles are sold and control of the vehicles is transferred. End of contract fees may consist of fees charged to customers for mileage variation adjustments and excessive wear and tear of the vehicle. Revenues also include charges arising from deviations from the contractual terms, where the fees are recognised upon termination of the lease contract.

3.4.21. Cost of revenues

Direct cost of revenues comprises the cost associated with providing the above-mentioned service components of the lease instalment (including vehicle maintenance, replacement costs and winter tyres, insurance premiums and the provision of short-term replacement vehicles). Volume-based supplier bonuses or rebates related to these services are recognised when it is highly probable that the volume thresholds will be met, and the amount can be reliably estimated. Where this probability threshold is not met, the rebate is recognised on receipt. Bonuses received on purchases of objects for operating lease contracts are deducted from the purchase consideration and as such result in lower depreciation. Bonuses received on purchases of objects for finance lease contracts are recognised immediately in the consolidated income statement.



3.4.22. Interest income and interest charges

Interest income, interest charges and similar charges for all interest-bearing assets and liabilities are recognised in the income statement on an accrual basis using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability to the carrying amount of the financial asset or liability.

The interest income component in operating lease instalments, which is charged on a straight-line basis to the customer, is recognised in “Leasing revenue – operating lease” also on a straight-line basis.

Interest income on finance lease contracts is recognised in the income statement on the basis of accruing interest income on the net investment (using the effective interest method). The receipts under the lease are allocated by the lessor between reducing the net investment and recognising interest income, to produce a constant rate of return on the net investment.

3.4.23. General and administrative expenses

This item includes office overheads, IT costs, marketing costs, professional fees and other general expenses.

3.4.24. Share-based payments

Some employees of the Group receive remuneration in the form of share-based payments via the Group long-term incentive plans and employee share schemes, whereby employees render services in exchange for equity-settled transactions and cash-settled transactions. Information relating to these schemes is set out in Note 28.

Equity-settled transactions

The fair value of shares granted under the Group long-term incentive plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the shares granted. The total expense is recognised over the vesting period, which is the period when all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of shares that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Cash-settled transactions

The Group has variable remuneration awards for the identified staff that consists of a direct payment in cash and a deferred payment in cash and shares. The shares entitle the participant to a payment in cash after a specified period and are recognised as a cash-settled share-based payment arrangement.

The shares part of the deferred award is revalued annually by using Company’s equity value for determining the fair value of the outstanding shares awards.



Liabilities recognised for shares are measured at the estimated fair value. This fair value is established once a year by the (Remuneration Committee of the) Board of Directors and is based on comparing financial performance of the Company to publicly available valuation and financial performance of a selected peer group of comparable companies. All changes to the shares' liabilities are recognised in the statement of profit or loss under staff expenses.

3.4.25. Earnings per share

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent (after adjusting for interest on the AT1 capital) by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent (after adjusting for interest on the AT1 capital) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.



Note 4. Critical accounting estimates and judgements

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In preparing the Group's consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation of uncertainty were largely the same as those that were applied to the consolidated financial statements for the year ended 31 December 2024. However, the estimates and assumptions are updated in case of significant impacts, such as a global crisis, and the key sources of estimation uncertainty are investigated in more depth in specific notes to the consolidated balance sheet.

4.1. Fleet revaluation

The basis for the depreciation of an asset underlying an operating lease contract and rental contracts is the investment value at cost less the estimated residual value as included in the contract, in combination with the agreed contract duration. A change in the estimated residual value and/or contract duration leads to a change in depreciation that has an effect in the current period and/or in subsequent periods. Statistical models and calculations (regression analysis) in combination with forward-looking market expectations are used to calculate a vehicle's future value as accurately as possible.

Residual values are set at the beginning of each contract based on the best available information at the moment of the setting. During the duration of the contract, the contract might be modified resulting in an adjusted residual value based on the new parameters using the information available at that stage.

Residual values of the running fleet are reviewed at least yearly (twice a year for the entities with more than 10,000 vehicles, one in each semester). It is performed at a local country level through a revaluation process which is reviewed and approved at Group level. The local analysts also include additional scenarios in the calculation to take into account elements that are not captured by the statistics. These scenarios include assumptions such as possible decreases of used car prices, concentration mix of vehicles and other local factors.

Current residual values embedded in the contract are compared with the expected market value on a car-by-car basis.

In accordance with IAS 8, a residual value is treated as an accounting estimate. Revision of the expected residual values may result in depreciation adjustments.

"Leasing costs – depreciation" includes depreciation of vehicles which is calculated based on contractual residual values. Any impacts from the revision of residual values are recorded in the "Depreciation costs adjustments" in "Used Car Sales result and depreciation adjustments". For further detail see Note 3.1 Basis of preparation.



4.2. Impairment of goodwill

In determining whether goodwill is impaired requires an estimation of the value in use of the groups of cash generating units to which the goodwill assets have been allocated. The key assumptions calculating the value in use are those regarding discount rates, growth rates and other expected changes in cash flows. The estimates and assumptions used are disclosed in Note 16 Goodwill of these consolidated financial statements.

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated presented in Note 3.4.6 of these consolidated financial statements. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates. The Group uses a five-year business plan for each of the group of CGUs identified. The business plans used incorporated assumptions relevant to the current economic climate such as fleet growth, used car market and credit risk.

For goodwill, sensitivity tests are carried out to measure the impact on each group of CGU's recoverable value based on certain assumptions, refer to Note 16 Goodwill.

4.3. Impairment of rental fleet

In the annual assessment, on a country level, of whether there is any indication that assets may be impaired, the Group considers both external as well as internal sources of information. If such indication for impairment exists, an analysis is performed to assess whether the carrying value of the asset or cash generating unit under an operating lease exceeds the recoverable amount, being the higher of the fair value less costs to sell and the value in use. For operating lease activities, impairment assessments are performed at CGU level. Impairment assessments are carried out at customer CGU level for non-SME customers and at distribution channel CGU level for SME customers. The value in use is determined at the present value of the future cash flow expected to be derived from the object or cash generating unit.

The management closely monitors residual values due to it being an important input in determining value in use. Specifically, a comprehensive fleet revaluation exercise is conducted at least twice a year, which includes, among other things, an analysis of internal and external events and trends to appreciate the existence of any trigger of impairment.

In 2025, there was no indication that an impairment exists.

Further details are provided in Note 13 Rental fleet.

4.4. Fair value of derivatives and other financial instruments

The fair value of certain financial instruments is determined by using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.



The Group has used discounted cash flow analysis for various available-for-sale financial assets that are not traded in active markets. Such assets do not present material amounts in the financial statements.

4.5. Impairment losses on lease receivables

Details about the methodology in measuring ECL for finance lease receivables and trade receivables from operating lease contracts are provided in Note 22 Lease receivables from customers. Expected credit losses are reassessed at each reporting date and reflect all reasonable information that is available at the reporting date. Judgement is required from management for applying appropriate models and setting assumptions for the measurement of ECL. The methodology, assumptions and data, including any forecasts of future economic conditions, macroeconomic impacts and the Group's provision matrix are reviewed regularly by management in determining the expected credit losses and the write-off of receivables.

4.6. Pension benefits

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/ (income) for pensions include the discount rate, inflation, expected return on plan assets, salary increases and mortality rates. Any changes in these assumptions will impact the carrying amount of pension obligations, but the discount rate is the most significant factor that will change year on year.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that is used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation.

Further details are provided in Note 31 Retirement benefit obligations and long-term benefits.

4.7. Income taxes

The Group is subject to income taxes in numerous jurisdictions. The determination of worldwide current and deferred tax involves the application of judgement. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group assumes in the estimates that all tax positions that are not yet final will be examined by tax authorities, that have all relevant information available. The Group recognises deferred tax assets only to the extent that it is probable that future taxable profits will be available. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences are analysed and will impact the income tax and deferred tax assets or liabilities in the year in which such determination is made.



4.8. Own damage reserve

The own damage reserve is based on estimations with respect to incurred but not reported claims. Techniques applied are statistical modelling based on empirical data and assumptions on future claim development, policyholder behaviour and inflation. The assumptions may differ from the actual data as a result of changes in economic and market conditions.

4.9. RMT revenue recognition

Income related to repair and maintenance services is recognised over the term of the contract based on historical statistics and on assumptions regarding expected service costs. The assumptions may differ from the actual data as a result of changes in economic and market conditions and are periodically back tested and adjusted if considered necessary. Income related to tyre services is recognised over the term of the contract on a straight-line basis, as tyre services constitute a distinct performance obligation and their revenue recognition is not based on historical statistics or repair and maintenance cost profiles.

For details in relation to the accounting of RMT services, reference is made to Note 3.4.20 Revenue recognition.

4.10. Other provisions

For litigation, when there is a legal or constructive obligation and it is more likely than not that there will be an outflow of benefits which can be measured reliably, the best estimate of the future outflow of resources has been recognised. In extremely rare situations where no reliable estimate can be made yet on claims expected, no provision will be recognised in the balance sheet but information about a contingent liability will be disclosed.

Every quarter it is assessed whether the litigation provisions are still sufficient and or still relevant.

Further details are provided in Note 32 Provisions



Note 5. Financial and operating risk management

5.1. Financial risk factors

Credit risk

Credit risk refers to the risk of losses resulting from the inability of Group customers, issuers or other counterparties to meet their financial commitments. Credit risk may be aggravated by concentration risk, resulting from a high exposure to a given risk or to one or more counterparties, or to one or more groups of similar counterparties. In addition to the risk of lessees not making payments for the leased vehicles, the Group is exposed to credit risk originating from its banking and treasury activities, which includes deposits and investments placed with financial institutions and hedging instruments, such as derivatives, as well as from its remarketing and reinsurance activities. The Group's maximum exposure to credit risk primarily arises from these financial assets and is as follows:

<i>(in EUR million)</i>	As at 31 December,	
	2025	2024
Cash and cash equivalents	2,045.0	5,023.0
Lease receivables from clients	3,906.9	4,083.6
Other receivables, prepayments and contract assets ⁽¹⁾	1,298.0	1,373.5
Investment in debt and equity securities ⁽¹⁾	238.7	377.8
Derivative financial assets	51.7	133.5
TOTAL EXPOSURE	7,540.2	10,991.4

(1) Excludes prepayments, tax receivables and equity and debt investments held at fair value through other comprehensive income.

The Group's definition of default for the purpose of determining ECLs, and for internal credit risk management purposes aligns to the ECB Regulatory Capital CRR Article 178 definition of default, to maintain a consistent approach with IFRS 9 and associated regulatory guidance.

Credit risk management policy

The Group has issued policies and standards which regulate the governance of the local credit risk management organisation. All Group entities must comply with risk procedures issued centrally which define the way credit requests have to be studied and validated, as well as the roles and responsibilities of all staff involved in the credit assessment process. Each subsidiary has a specific credit authority approved by the Group General Management and the Risk Department of Societe Generale Group, that is determined by the size of the fleet, the maturity of the subsidiary and the type of customer concerned (corporate, retail, financial institution, etc.).

Within its credit delegation, each subsidiary can decide directly on its counterparty risk and concentration risk. Above this threshold, credit acceptance is made at central level jointly with/or at the Risk Department of Societe Generale.

Regular Risk Committees are held by the Group in order to review all potential risk issues and to ensure the credit risk procedures are properly applied. All standard risk indicators (arrears/default/Cost of risk) are also monitored centrally. However, the primary responsibility for debt collection remains with the Group subsidiaries that have dedicated teams in charge of recovering unpaid



invoices in compliance with local regulations and market practices. These local processes are required to be compliant with the corporate instructions and guidelines. Central monitoring of all ageing balances is performed on a monthly basis as part of the regular risk reviews, and action plans are set up whenever necessary. Each local entity is required to maintain a watch list, which is based on credit rating and other available information. These lists are reviewed in regular meetings by the Entity Risk Committees. A qualitative analysis of total credit exposures, defaults and losses is reported on a monthly basis and discussed at the Entity Risk Committee locally (frequency depending on the size of the entity) and quarterly in the Credit Risk Committee centrally.

The Group limits credit risk on liquid funds and derivative financial instruments through diversification of exposures with a range of financial institutions. Counterparty limits are set for each financial institution with reference to credit ratings assigned by Standard & Poor's and Moody's. Limits are set on a legal entity basis and are included in the Group's risk appetite and approved on a yearly basis. The Group's treasury risk management monitors the exposures, against the approved limits, on an ongoing basis.

Credit risk measurement

The Group applies the IFRS 9 simplified approach for measuring expected credit losses which uses a lifetime expected loss allowance for all sound trade and lease receivables. In 2024 the Group has aligned the methodologies used to calculate the expected credit loss (ECL) between the legacy ALD entities and the legacy LeasePlan entities.

Where trade receivables and finance lease receivables are not in default, the Group does not track changes in credit risk but instead recognises a loss allowance based on expected lifetime losses from initial recognition of the receivables. These losses are measured based on a provision matrix for receivables associated with sound customers. Probability of Default (PD) rates are based on observed default rates over the life of the receivables (the average contract length in each entity).

Specific PD rates are calculated for each entity and each exposure class. This process results in PD rates for each age of past-due receivables. The PD rates are applied to the aged receivables of the reporting period to arrive at a total provision.

The final impairment allowance is also adjusted to consider Loss Given Default (LGD) specific to the entity and the historical loss rates are adjusted to reflect current and forward-looking information on specific local economies affecting the ability of the customers to settle the receivables. When in default, the receivables from leases with customers are provisioned at 100%.

Expected credit losses are reassessed at each reporting date and reflect all reasonable information that is available at the reporting date and management considers the current level of provisions to be adequate. The Group will continue to monitor the provision parameters, including the relevance of the local uplift factors, according to the macroeconomic situation. Further information on the expected loss provision on receivables from leases is included in Note 22. Given the diverse nature of the Group's operations (both in relation to customer type and geographically), the Group does not have significant concentration of credit risk with respect to lease receivables from clients, with exposures spread over a large number of customers.

For other financial assets listed above where there is zero or almost no history of credit risk or the amounts due are from financial institutions with an investment grade credit rating, no provision has been applied. For all other counterparties the ECL is based on the General Approach, where the expected credit loss model is calculated by multiplying the PD, LGD and the Exposure at Default (EAD), but the level of provisioning is dependent on the credit deterioration of the asset in line with IFRS 9. The provisioning on other receivables is limited.



Structural risk

Structural risk consists of three individual risks, being liquidity risk, interest rate risk and currency risk. Liquidity risk is the risk that the Group is not able to meet its cash outflow obligations when they fall due, because of a mismatch between its assets and liabilities. Interest rate risk is the risk that the profitability and shareholders' equity of the Group are affected by movements in interest rates. Currency risk is the risk that currency fluctuations have an adverse impact on the Group's capital ratios, result and shareholders' equity.

The key structural risk management principle consists of matching assets and liabilities in terms of maturities, currencies, and interest rate exposure. Group procedures defining the sensitivity measurement of such risks and tolerance levels are applied across the Group to allow a close monitoring of structural risks. These risks are monitored at the Group level by the Asset and Liability Committee (ALCO). This committee is informed about all relevant developments with regards to the Group's structural risk profile and decides any action to mitigate the risks when necessary.

Interest rate risk policy

The Group accepts and offers lease contracts to clients at both fixed and floating interest rates, for various durations and in various currencies. Most lease contracts are on a fixed interest rate basis. Interest rate risk within the Group is managed separately for:

- group entities and associates, carrying interest-bearing assets (mainly lease contracts) and funding on their balance sheet (either intercompany funding supplied by the Group central treasury, or external funding concluded directly by the Group entities);
- Group's Central Treasury.

The main interest rate risk principle is to match the interest rate risk profile of the lease contract portfolio with a corresponding interest rate funding profile to minimise the interest rate risk as measured by interest rate gap reports per Group entity. Group entities carry interest-bearing assets on their balance sheet, funded by interest-bearing liabilities (loans and other indebtedness).

Interest rate risk measurement

The Group central treasury monitors the Group's interest rate risk exposure and instructs subsidiaries to implement adequate hedging operations based on a monthly report measuring interest risk exposure. Each entity and the Group as a whole are subject to sensitivity thresholds and limits validated by the Asset and Liability Committee (ALCO). The Group structural risks are discussed on a quarterly basis during ALCO meetings.

For the Group, the sensitivity metric used is the variation in the net present value of the future residual fixed-rate positions (surplus or deficit) for non-stressed shocks of +10 bps and -10 bps in the yield curve. The table below reflects the balance sheet exposure of the Group's financial liabilities to interest rate risk:

NPV sensitivity impact (in EUR million)	2025	2024
+10 bps	(6.1)	(2.7)
-10 bps	6.1	2.7



For a +10bps scenario, a positive NPV sensitivity represents an excess of fixed rate resources while a negative NPV sensitivity represents a deficit of fixed rate resources. The variation between 2024 and 2025 is mainly explained by the slight decrease of the funding duration, such as term deposits, issued debts and subordinated debts. At the end of 2025, the NPV sensitivity is negative but within the limits. The position is mainly driven by the hedging of the order banks. See Note 29 for further details.

Currency risk policy

The Group's functional currency and the reporting currency for its consolidated financial statements is the euro. However, because of its presence in a significant number of countries outside the Eurozone, the Group has substantial assets, liabilities, revenues and costs denominated in currencies other than the euro. The global nature of the Group's operations therefore exposes the Group to exchange rate volatility as a result of potential mismatches between the currencies in which assets and liabilities are denominated, and as a result of the translation effect on its reported earnings, cash flow and financial condition. The Group is exposed to transactional foreign exchange rate risk when a subsidiary enters into a transaction in a currency other than the subsidiary's functional currency. The Group seeks to manage its transactional foreign exchange rate risk by attempting to limit the Group's exposure to the effects of fluctuations in currencies on its statement of financial condition and cash flows through funding its debt directly or through derivatives in the currency in which assets are originated and allocating capital in the currencies in which assets are denominated.

In short, the Group has the following risk management approach regarding currency risk:

- **matched funding:** The assets on the entity's balance sheet should always be financed in the same currency in which the lease contracts are denominated.
- **structural positions:** The positions in non-euro currencies are related to the Group share equity in entities established outside the Euro zone. These positions are of a non-trading and structural nature. As a result, hereof, structural positions are maintained to minimize the variation of the Group's Common Equity Tier 1 (CET1) ratio to exchange rates fluctuations.

Based on the currency risk management approach, the Group's capital adequacy ratio is minimally exposed to changes in the relevant exchange rates. In order to monitor and manage its currency risk exposure, the Group has defined triggers and limits, in accordance with EBA Guidelines.

Currency risk measurement

The Group quantifies its exposure to structural exchange rate risks for each subsidiary by analysing all assets and liabilities arising from commercial operations and proprietary transactions.

The risk sensitivity is measured by quantifying the impact of a variation of 10% of the exchange rate (hard currencies against local currency) and a threshold is defined for each subsidiary.



The following table shows the net currency position of foreign currencies which the Group is most exposed to as at 31 December 2025, and with all other variables remaining constant, the impact if the Euro strengthened or weakened by 10% against these foreign currencies' positions held by the Group:

Income statement impact (in EUR million)	2025	2025	2025
	Net exposure	10%	-10%
Pound Sterling (GBP)	450.3	(40.9)	50.0
Turkish Lira (TRY)	578.8	(52.6)	64.3
Brazilian Real (BRL)	148.6	(13.5)	16.5
Czech Koruna (CZK)	114.7	(10.4)	12.7
Swedish Krona (SEK)	133.9	(12.2)	14.9
Norwegian Krone (NOK)	126.4	(11.5)	14.0
Danish Krone (DKK)	129.3	(11.8)	14.4
Other ⁽¹⁾	758.6	(68.7)	83.9

(1) The "Other" category consists of all other currencies where the Group has had lower net exposure.

Income statement impact (in EUR million)	2024	2024	2024
	Net exposure	10%	-10%
Pound Sterling (GBP)	561.4	(51.0)	62.4
Turkish Lira (TRY)	712.0	(64.7)	79.1
Brazilian Real (BRL)	184.1	(16.7)	20.5
Czech Koruna (CZK)	110.3	(10.0)	12.3
Swedish Krona (SEK)	126.2	(11.5)	14.0
Norwegian Krone (NOK)	161.8	(14.7)	18.0
Danish Krone (DKK)	201.8	(18.3)	22.4
Other ⁽¹⁾	631.4	(51.6)	63.1

(1) The "Other" category consists of all other currencies where the Group has had lower net exposure.

Liquidity risk policy

The Group is exposed to liquidity risk which is the risk of not being able to meet cash flow requirements when they fall due. A structural liquidity position is defined as resulting from the maturities of all balance sheet or off-balance sheet outstanding positions according to their liquidity profile.

The liquidity risk appetite and tolerance levels are based on the following key principles:

- managing funding and liquidity risk is to accommodate the going concern business objectives without incurring unduly exposure to liquidity or refinancing risk;
- the Group aims to be matched, where the run-off of assets and liabilities are matched within reasonable limits;
- the funding strategy is to maintain good market access at all times; and compliance with minimum regulatory liquidity and other funding requirements at all times.



Liquidity risk measurement

Note 29 details the maturity of the Group borrowing and debt issued.

As a precaution to the risk of not having continued access to financial markets for funding, the Group maintains a liquidity buffer. This buffer includes unencumbered cash and committed (standby) credit facilities to reduce the Group's liquidity risk. The liquidity buffer as per 31 December is specified as follows:

<i>(in EUR million)</i>	2025	2024
Unencumbered cash at banks	548.2	119.7
Unencumbered cash at Central banks	1,252.6	4,335.6
Total on balance liquidity buffer	1,800.8	4,455.3
Committed undrawn facilities	1,750.0	1,750.0
TOTAL	3,550.8	6,205.3

The Group holds total revolving credit facilities with a consortium of banks as at 31 December 2025, of which EUR 1.75 billion is undrawn (31 December 2024: EUR 1.75 billion). In addition, the Group holds a revolving credit facility with Societe Generale of which EUR 3.5 billion was undrawn per 31 December 2025.

Ayvens SA is a Financial Holding Company supervised and regulated by the European Central Bank (ECB). Ayvens Bank NV, a subsidiary 100% owned by LeasePlan Group BV, which is 100% owned by Ayvens SA is regulated as a financial institution. The European Central Bank sets out minimum liquidity level requirements on Ayvens Bank NV demanding that available liquidity exceeds required liquidity at all times as well as a Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) above 100%. These minimum liquidity requirements are complied with.

Derivatives and hedge accounting

Derivatives are used to mitigate the interest rate and currency exposures associated with the funding of lease contracts. Interest rate swaps cover interest rate positions between lease contracts and borrowed funds and currency interest rate swaps cover currency exposures between lease contracts and borrowed funds. The extent of exposure management is in line with internal risk appetite and limits determined by the Group risk management and reviewed on a regular basis. The Group uses a mixture of one-to-one relationships (micro hedging), as well as many-to-many macro hedging (macro-hedging).



5.2. Capital planning

Based on the strategic planning process, a forecast of the regulatory Common Equity Tier 1 (CET1), Tier 1 (T1) and Total Capital (TC) ratios is prepared. The projections of the CET1, T1 and TC ratios are performed to ensure ongoing compliance with the minimum requirements set by the ECB. Next to the projections of the capital ratios, a forecast is made of the development of the minimum requirement which takes into account the requirements of the ECB; based on the latest estimates the Group will remain above the minimum CET1, T1 and TC requirement.

5.3. Asset risk factors

The Group is exposed to asset risk, which can be split into two main underlying risk components: the residual value risk and the risk related to repair and maintenance.

5.3.1. Residual value risk

Residual value risk policy and management

Residual value risk is considered the main asset risk and is defined as the risk of a loss of value due to the changes in the price of vehicles on second-hand car markets. The resale price of the vehicles is estimated at inception of the leasing contract. The actual resale price may differ from this estimated value, thus generating a gain or a loss. This risk is managed in the Group through robust internal procedures applied to all Group subsidiaries in order to set, control and reevaluate the residual values on the running fleet. The residual value setting procedure defines the processes, roles and responsibilities involved in the definition of residual values that will be used for the quotation of future contracts. Residual value setting is performed locally as the expertise in used car market is local and controlled and challenged centrally based on a central scenario. The calculation is based on a refined market segmentation and on statistical models using internal used car sales data for each market segment as well as external references with country specific factors (inflation, market sector adjustments, life cycle, etc.) and second-hand market forward-looking expectations.

Technical valuation and price setting of vehicles is directly overseen by the local Pricing Committees and the central Asset Risk Committee.

Residual value risk exposure

The Group is currently exposed to residual value risk of the total lease portfolio across 40 countries. This geographical diversification, in conjunction with being an independent multi-brand company with a well-diversified brand portfolio, partly mitigates the risk related to residual values.



The Group's residual value position in relation to the total operational lease assets can be illustrated as follows:

<i>(in EUR million)</i>	2025	2024
Residual value	34,882.1	33,133.4

Further details on the residual value risk management and fleet revaluation are disclosed in Note 4.1.

5.3.2. Risk related to repair, maintenance and tyres

Repair, Maintenance and Tyres (RMT) Risk is defined as the exposure to a potential loss due to repair, maintenance and tyres actual costs for the entire contractual period exceeding the technical estimated values at lease inception.

RMT costs setting is done locally using local historical statistics, under the supervision of the Group, in alignment with Group's policies. A global review of the RMT technical costs is carried out for each country on a regular basis in order to back test RMT price setting assumptions (in terms of costs and frequencies) and to make necessary adjustments, if any.

5.4. Motor Insurance Risk

As a result of its normal business activities, the Group is exposed to motor insurance risks.

Motor insurance risk is the risk of financial losses due to costs related to damages and compensation paid or payable. This risk consists of:

- long-tail risks (e.g., motor third-party liability and legal defence); and
- short-tail risks (e.g., motor material damage, passenger indemnity and other ancillary covers).

These two types of risk are managed by:

- (I)** Ayvens subsidiaries which have a local risk retention scheme (LRRS); and
- (II)** the Ayvens' Insurance entity

Ayvens subsidiaries may offer a warranty/service for damage to a vehicle as part of the lease contract if local regulation allows them to do so. This warranty/service is included in the monthly lease instalment which includes a contribution for bearing the risk (to pay the damage to the vehicles, short-tail risks). In addition to these short-tail risks, damage risks also consist of long-tail risks. These long-tail risks are managed by the Group's own insurance company in Dublin, Euro Insurances DAC trading as Ayvens Insurance, an insurance company operating under the freedom of services model in the EEA countries, through a fronting model (reinsurance) in some non-EEA countries and in the UK through a Third Country Branch.



Additionally, throughout the Group, there are a number of entities which hold mediation licences, to sell insurance products, as well as entities which also perform claim handling activities, in relation to insurance and risk retention claims.

Under the motor insurance governance policy, Ayvens has a robust and effective monitoring framework. This monitoring framework enables the entities to manage and monitor the insurance risk portfolio throughout their lifecycle, in line with agreed loss ratio targets, strategy, policies and procedures at portfolio levels. Group entities measure and monitor their motor insurance risk on a quarterly basis and report their risk exposures to central management.

5.5. Legal, Fiscal and Compliance Risk

The Group is subject to a wide range of national sector-specific and cross-cutting laws and regulations on credit transactions, contracting, insurance product distribution, taxation, competition law, the financial markets, sanctions and embargoes compliance, counter-terrorist financing, anti-money laundering, anti-corruption, personal data protection and consumers' rights. The increasing number and diversity of legal, regulatory and tax requirements create a risk in terms of the effective oversight and clarity of the legal framework applicable to the Group's business activities.

At least every quarter, Ayvens reviews tax and legal matters presenting a significant risk for the Group. Such matters may give rise to provisions, the amount of which is determined on a case-by-case basis and may be revised depending on the development of each case. Where relevant, the provisioned amounts are referenced in note 33. This section presents all significant legal and fiscal matters during the financial year ended December 31, 2025.

Identification of the risk

The Group could be subject to legal and/or tax proceedings as well as sanctions for failure to comply with regulations that could harm its interests.

If the Group were unable to comply with its contractual obligations due to provisions being deemed unenforceable or invalid, it could incur civil liability and could also expose it to the risk of criminal or administrative sanctions, guarantee calls, professional and employment restrictions or prohibitions, and other restrictions that would harm its proprietary interests and, consequently its reputation.

In addition to the risk of breach of contract and penalties, commitments may also be required from the supervisory authorities and thus force the Group to review its compliance programme, its commercial practices and in general lead to increased costs related to its internal organisation.

If the Group's entities fail to comply with regulations on tax, anti-corruption, anti-trust, anti-money laundering or compliance with sanctions and embargoes, the Group could be subject to financial, administrative or criminal sanctions.

No detailed information can be disclosed on either the recording or the amount of a specific provision given that such disclosure would likely seriously prejudice the outcome of the disputes in question.



Ongoing tax proceedings

This section mentions the legacy names of entities involved in the various litigations before potential local restructuring. The procedures are currently handled by Ayvens Italy (previously ALD Italy) and Ayvens Spain (previously ALD Spain) as absorbing entities.

Indian tax proceedings

Since 2011, ALD India has been involved in litigation with the Indian tax administration over the application of service tax for the period of March 2006 up to and including June 2017 on leasing contract payments. Whereas the local administration considers this tax to be applicable because in their view the full-service leasing and fleet management services constitute a single inseparable service, ALD India, on the other hand, considers that its leasing activity constitutes a separate financing service which is subject to sales tax only. ALD India paid 7.5% of the total costs as an advance tax and filed an appeal with the service tax tribunal. ALD India received a favourable order from the tribunal on 11 March 2024. The tax authorities appealed the decision in January 2025.

LeasePlan India is involved in a similar case with the Indian tax administration over the application of service tax for the period April 2014 up to and including June 2017 on operating leasing contract payments. A petition has been submitted by LeasePlan India to the relevant tribunal seeking an injunction restraining the payment of the service tax.

Furthermore, ALD India and LeasePlan India are involved in litigation with the Indian tax administration over the deductibility of Goods and Services Tax (GST). The tax authorities are contesting the deductibility of input GST on vehicle purchases by ALD India and LeasePlan India, stating that these two entities act like banks providing financing to customers (who are the owners of the vehicles and can recover input GST).

Italian tax proceedings

- **Road tax:**

ALD Italy is involved in a tax dispute with the Lazio region (Rome) concerning its payment of road/traffic taxes in the Trento region, a widespread standard practice in the car leasing industry, instead of Rome, where its headquarters are located, resulting in an alleged loss of tax revenue for the Lazio region for the financial years 2016-2017. On 19 October 2023, the First Instance Tax Court of Rome ruled in favour of ALD Italy and cancelled both the road tax assessments for financial years 2016-2017. The Lazio region appealed against this judgement. In May 2025, ALD Italy won in second instance on those financial years and is now waiting for the decision of the Supreme Court.

At the same time, on 22 January 2021, ALD Italy received another notice from the tax authorities regarding financial year 2018. The first hearing was held on 19 April 2023. ALD Italy won the case, but the decision was appealed by the Lazio Region on 26 May 2023. ALD Italy won again in appeal on 5 June 2024. ALD Italy is waiting for the decision of the Supreme Court.

The financial year 2019 is prescribed and no reassessment has been received by ALD Italy.



In December 2023, ALD Italy received a notification on road tax for financial year 2020. Due to a change in law, the amounts at stake for financial year 2020 (and after) are lower, ALD Italy being now legally liable for the payment of the road tax only for vehicles in stock, pool/flexi vehicles (used for prelease or replacement vehicles – short term lease) and company cars. ALD Italy lost in first instance on 7 November 2024 and appealed the decision.

ALD Italy received a tax reassessment in respect of financial year 2021 and is waiting for decision in first instance.

LeasePlan Italy is also involved in similar litigations regarding road tax for several periods from financial years 2016 to 2018. LeasePlan Italy won in first instance. The tax authority appealed the decision and LeasePlan Italy won then this second instance for financial years 2016, 2017 and 2018.

The financial year 2019 is prescribed and no reassessment has been received by LeasePlan Italy.

LeasePlan Italy received a notification on road tax for financial year 2020. Due to a change in law, the amounts at stake for financial year 2020 (and after) are lower, LeasePlan Italy being now legally liable for the payment of the road tax only for vehicles in stock, pool/flexi vehicles (used for prelease or replacement vehicles – short term lease) and company cars. LeasePlan Italy won in first instance on 20 November 2024.

The financial year 2021 is prescribed and no reassessment has been received by LeasePlan Italy.

- **Vehicle registration tax:**

In addition, LeasePlan Italy is involved in disputes with the Municipality of Rome regarding I.P.T (Tax on Vehicles registration) for the financials years 2017 to 2021. In 2017, LeasePlan Italy moved its registered office to Trento and paid the I.P.T. in Trento. The Municipality of Rome claims that LeasePlan Italy registered its cars in Trento i.e. a more favorable region to benefit from lower rates. LeasePlan Italy considers that it is in the position to successfully challenge this as: i) there is a specific rule in the I.P.T. discipline that provides for a territorial criterion of the tax, based on the place where the registered office of the owner of the vehicles is located; and ii) its registered office located in Trento was not fictitious. LeasePlan Italy won in first instance on financial year 2017, 2018 and 2021 and is waiting for the decision in respect of 2019. A reassessment has been received in respect of financial year 2020.

- **Corporate income tax and withholding tax on non-deductible interest:**

On 13 November 2025, the Italian Tax Authorities (Lazio Regional Office) issued a tax audit report concerning financial year 2021, challenging the deductibility of intercompany interest expenses from a transfer pricing perspective. The challenge is based on a comparison of the loans granted by Axus Luxembourg to ALD Italy with bond interest rates linked to a specific credit rating, automatically attributed to the Company as borrower through a new tax authority database.

The report also challenges the application of withholding tax on the portion of interest deemed non-arm's length, assessing an additional withholding tax.

The tax audit report is not an assessment but sets out preliminary findings. A draft reassessment has been received in December 2025.



Spanish tax proceedings

Since 2019, a tax audit from the Spanish tax authorities has been open in ALD Spain for financial years 2015 up to and including 2017. The debate focuses on whether the insurance element of the leasing agreement is to be considered as an ancillary service and therefore allows the deduction of input VAT on repair services. Legal proceedings have been brought in relation to that tax reassessment. In November 2023, ALD Spain received a partially estimated VAT resolution from the Central Economic Administrative Court. For this period 2018 to 2021, ALD lost in first instance. However, no notifications have been received, and no disputes are currently pending related to the 2022-2025 period.

In a similar case, LeasePlan Spain is involved in a dispute with the Spanish tax authorities over the application of VAT over insurance activities performed by LeasePlan Spain as an ancillary service to its operating lease activities for the period 2013 up to and including 2020. LeasePlan Spain considers the insurance activities as elements that form part of the main (lease) transaction, which is subject to VAT (which means that input VAT on repair services is 100% recoverable) and not exempt from VAT (which would mean that input VAT on repair services is not recoverable). LeasePlan Spain won in second instance in respect of financial years 2013 to 2015. LeasePlan Spain is waiting for the decision of the National Court in respect of financial years 2016 to 2020. No reassessment has been received in respect of 2021 which is now prescribed. In respect of financial years 2022 to 2025, there is no litigation, but the risk remains.

Brazilian tax proceedings

ALD Brazil is currently involved in two disputes with the Brazilian tax authorities over the application of vehicle resale tax (known as “PIS and COFINS taxes”) and the calculation methods to be used for the application of tax credits (“IPVA”). The PIS and COFINS cases, which cover the financial years 2014 and 2018, exposes ALD Brazil to (potential) adjustments. An independent technical opinion supplied by tax experts and professors on the Brazilian subsidiary’s claim concluded that there seem to be no legitimate grounds for the request for collection of PIS and COFINS on the revenues from used vehicle sales. ALD Brazil filed a second level of appeal at District Court/Court of Appeal.

German tax audit

In Germany, there is a tax audit on the financial years 2016 to 2019. In this framework there are two main topics:

- ALD Group Holding GmbH is challenged by the German tax authorities on the deductibility of interest paid to Axus Luxembourg (Ayvens Treasury Center). The tax authorities are of the opinion that the German subsidiary should have used its dividend income to repay its debts rather than to distribute it to its shareholders, which resulted in the repayment date of the loan received from Axus Luxembourg being postponed.
- The tax authorities consider that ALD Autoleasing Germany unduly applied the VAT exemption to some sales of used cars. ALD Autoleasing Germany accepted a final tax reassessment on this topic end of 2025.



Other legal topics

UK Matters

- **UK Motor Finance Commissions exposure**

Throughout 2025, Ayvens has continued to witness an increase in complaints and potential claims relating to the motor finance sector-wide practice in the UK of entering into discretionary commissions arrangements (DCAs), impacting the interest rate offered to the client. Decisions rendered by the Financial Ombudsman Service (FOS) on 10 January 2024, which entitle selected customers to seek redemption of the discretionary commissions paid with interests, raised discussions and concerns on the existence of potential underlying liabilities for companies in the motor finance sector. The Financial Conduct Authority (FCA) announced a review of historic DCAs in January 2024 as a result of the FOS decisions. The lender challenged the FOS decisions in the English High Court, which ruled in favour of the FOS; although the lender was allowed to appeal, it eventually withdrew the appeal.

Separately, motor finance DCAs have been considered by the English Court of Appeal and the Supreme Court. The Court of Appeal's judgment rendered on 24 October 2024 went against the lenders in those cases and in favour of the customer. The reasoning in the judgment meant that the decision could have had a wider impact than just DCAs or, indeed, beyond credit or regulated business. The lenders in the case sought and were granted permission to appeal by the Supreme Court and the Supreme Court heard the case between 1 – 3 April 2025. The Supreme Court's judgment rendered on 1 August 2025 overturned certain aspects of the Court of Appeal judgment, including the ruling that motor dealers owed a fiduciary duty to consumers. This has resulted in claims against lenders in equity for dishonest assistance and in tort law for bribery falling away. However, the Supreme Court did rule that there was an unfair relationship between one of the consumers and the lender on the particular facts of the case and ordered the lender to pay the customer compensation amounting to the commission plus interest.

On 7 October 2025, the FCA published a consultation on an industry-wide compensation scheme for motor finance customers who, it says, were treated unfairly. It considered that following the Supreme Court and High Court cases there was sufficient legal clarity to move ahead with a scheme. The final rules are expected to be published in February or March 2026. The proposed scheme would cover regulated motor finance credit agreements taken out by consumers between 6 April 2007 and 1 November 2024 where commission was payable by the lender to the broker. A relationship would be considered unfair if it involved inadequate disclosure of one or more of the following: a DCA; high commission (where the commission is equal to or greater than 35% of the total cost of credit and 10% of the loan); or a tied arrangement that gave a lender exclusivity or right of first refusal. In certain circumstances firms can prove that it was not unfair not to disclose one of these arrangements or that the consumer did not suffer any loss, but these circumstances are extremely limited. In scope consumers would be compensated at the average of an estimation of loss based on a proposed FCA method and the commission actually paid. Simple interest would be paid on the compensation, based on the annual average Bank of England base rate per year plus 1% from the date of overpayment to the date compensation is paid. There has been significant opposition to the scope, scale and complexity of the proposed scheme, led, in particular by the UK trade association, the Finance and Leasing Association. It remains to be seen if the FCA will take on feedback with adjustments to the scheme. In the meantime, Ayvens in the UK is taking steps to prepare to meet the scheme rules. Ayvens' preliminary analysis of the proposed redress scheme is that the provision recorded for the potential liabilities relating to



the UK motor finance commissions exposure remains sufficient. Ayvens will continue to assess the developments and implications of this consultation and to review its estimate as appropriate.

- **Others**

In addition, remediation exercises are ongoing for breaches of the UK Consumer Credit Act which relates for the main part to Employee Car Ownership Scheme and for a small part to other breaches.

Italian matter

With a decision served on 9 October 2025, the Italian Competition Authority (“AGCM”) found that ALD Automotive Italia srl had engaged in unfair commercial practices and imposed an administrative fine of EUR 5 million.

ALD Automotive Italia srl has paid the fine and appealed the AGCM’s decision before the Administrative Court of First Instance challenging both the merit of the decision and the quantification of the fine.

AGCM ordered ALD Automotive Italia srl to report the remedies implemented to comply with the order to cease the conduct identified by the AGCM. ALD Automotive Italia srl is in the process of complying with the AGCM order and has submitted the report to the AGCM.

German matter

As part of Ayvens' legal and compliance obligations, investigations in certain past business practices were conducted by Ayvens in Germany. The assessment of financial consequences is ongoing. However, at this stage, it is not expected that the results of such assessment would have a material financial impact for the Group.



Note 6. Segment information

The Group applies a regional structure for its operating segments, which reflects a strategic alignment with its management structure. The regional segmentation corresponds to the management structure. To ensure consistency and enhance decision-making, the regional segmentation is used across the Group's budgeting and internal reporting processes.

The regional segmentation comprises 4 regions with the following countries per region:

- region 1: France, Portugal, Brazil, Chile, Colombia, Mexico, Peru and Algeria.
- region 2: Bulgaria, Italy, UK, Ireland, Czech Republic, Greece, Poland, Romania, Slovakia, Turkey, Ukraine, Croatia, Hungary, Serbia, Slovenia, and UAE (not consolidated, please see Note 8);
- region 3: Netherlands, Belgium, Denmark, Finland, Luxembourg, Norway, Estonia, Latvia, Lithuania, and Sweden;
- region 4: Austria, Germany, Switzerland, Spain, India, and Malaysia.

The performance of the operating segments is assessed based on a measure of revenue and profit before tax as presented in the consolidated financial statements. None of the Group's customers represent more than 10% of the total revenue.

Year ended 31 December 2025				
(in EUR million)	Rental fleet	Total assets	Net financial debt	Revenue from external customers
Region 1	11,137.2	15,780.7	8,833.3	5,611.4
Region 2	16,680.6	23,061.2	13,298.8	8,226.8
Region 3	13,846.7	18,752.3	15,079.4	6,505.6
Region 4	9,503.4	13,256.8	7,913.1	4,863.1
TOTAL	51,167.9	70,851.0	45,124.6	25,206.9

Year ended 31 December 2024				
(in EUR million)	Rental fleet	Total assets	Net financial debt	Revenue from external customers
Region 1	11,333.7	16,850.8	9,700.3	5,369.1
Region 2	16,949.1	24,913.7	14,139.2	8,390.7
Region 3	13,737.9	19,257.1	15,442.8	6,535.5
Region 4	9,529.3	14,094.2	9,216.7	5,055.9
TOTAL	51,550.0	75,115.8	48,500.0	25,351.1



Sales between segments are carried out at arm's length. The revenue from external parties reported to the Board of Directors is measured in a manner consistent with that in the income statement. There has been no inter-segment revenue for the years ending 31 December 2025 and 2024.

<i>(in EUR million)</i>	Year ended 31 December	
	2025	2024
Leasing revenues	11,293.6	11,016.8
Service revenues	5,222.9	5,451.0
Proceeds of cars sold	8,690.3	8,883.3
REVENUE FROM EXTERNAL CUSTOMERS	25,206.9	25,351.1

Revenue from external customers and Rental Fleet by countries with Revenues in excess of EUR 1 billion are detailed below:

<i>(in EUR million)</i>	Year ended 31 December 2025	Year ended 31 December 2024	Year ended 31 December 2025	Year ended 31 December 2024
	Revenue from external customers	Revenue from external customers	Rental fleet	Rental fleet
France	4,078.0	3,805.8	8,457.2	8,794.0
Italy	2,985.9	2,994.6	6,534.1	6,605.6
Netherlands	2,574.2	2,406.7	5,701.7	5,474.8
United Kingdom	2,623.7	2,813.2	4,869.2	5,554.8
Germany	2,271.7	2,372.0	4,097.5	4,134.2
Spain	1,748.0	1,839.5	3,967.8	3,888.4
Belgium	1,611.5	1,627.9	3,626.1	3,612.5
Other countries	7,313.7	7,491.5	13,914.3	13,485.7
TOTAL	25,206.9	25,351.1	51,167.9	51,550.0



Note 7. Assets classified as Held for Sale

LeasePlan Emirates, a joint venture incorporated in Abu Dhabi engaged in leasing activities, is 49% owned by Ayvens S.A. As at December 31, 2025, the carrying amount of this investment is EUR 16.0 million (2024: EUR 18.2 million)

In late 2025, Ayvens SA entered into a Sale and Purchase Agreement (SPA) for this investment. Accordingly, the investment has been classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. Completion of the transaction is subject to regulatory approvals, including anti-competition clearance, and is expected in early 2026.

The investment is measured at the lower of its carrying amount and fair value less costs to sell. No impairment loss has been recognized as of the reporting date. Upon completion, the investment will be derecognized from the Group's equity investments.

As a result of this classification, the investment has been reclassified from non-current assets to current assets in the consolidated balance sheet. There are no liabilities directly associated with this investment classified as held for sale.



Note 8. Revenues and cost of revenues

8a. Leasing margin

<i>(in EUR million)</i>	Year ended 31 December,	
	2025	2024
Leasing revenue - operating leases	11,017.0	10,590.1
Interest income from finance lease	115.0	124.7
Other interest income	161.6	302.0
Leasing revenues	11,293.6	11,016.8
Leasing costs - depreciation	(8,094.3)	(8,085.7)
Leasing costs - financing:		
Interest expenses on loans from financial institutions ⁽¹⁾	(961.1)	(766.4)
Interest expenses on deposits	(357.2)	(381.1)
Interest expenses on issued bonds	(380.2)	(455.8)
Other interest expenses	(180.8)	(294.3)
Total interest expenses	(1,879.3)	(1,897.5)
Leasing costs - depreciation and financing	(9,973.6)	(9,983.2)
Derivatives not in hedges	8.9	45.5
Hedge ineffectiveness - cash flow hedges	0.1	1.0
Unrealised gains/(losses) on derivative financial instruments	9.0	46.5
Financial liabilities - pull to par of the bonds	(81.9)	(127.2)
Unrealised foreign exchange gains/(losses)	(2.6)	(3.6)
Hyperinflation - net monetary gain	19.2	121.4
Total unrealised gains/(losses) on financial instruments and other	(56.3)	37.1
LEASING MARGIN	1,263.7	1,070.7

(1) Including interest expenses from central banks

The leasing margin improved year-on-year due to a higher interest margin earned on the net earning assets. This was driven by more expensive new cars instead of fleet growth and better pricing. This in turn was driven by leasing synergies.

“Other interest income” comprises income received from financial instruments, income received for cash deposits with central banks and other third parties.

“Leasing costs – depreciation” includes depreciation of vehicles which is calculated based on contractual residual values. Any impacts from the revision of residual values are recorded in the “Depreciation adjustments” in “Used car sales result and depreciation adjustments”.

Total interest expenses are in line with previous year. For more details of the funding changes from the acquisition of LeasePlan see Note 29 Borrowing from financial institutions, Bonds and Notes issued.

“Other interest expenses” mainly comprise of interest expenses incurred from asset-backed borrowings, net interest costs on derivative financial instruments, realised gains or losses on translation of financial liabilities and interest expense on lease liabilities.



Financial statements of the Turkish subsidiaries are based on a historic cost. Non-monetary items in the financial statements have been restated for the change in CPI (Consumer Price Index) from the date of their acquisition or initial recognition to the end of the reporting period.

Net monetary gain is derived as the difference resulting from the restatement of non-monetary assets, incomes and expenses at transaction date and the restatement of all components of equity from the beginning of the period.

Included within the “Leasing costs”, for hyperinflation in Turkey is an impairment of EUR (19.8) million for year ending 31 December 2025 (2024: EUR (61.5) million) relating to recoverability of the fleet assets and additional depreciation on the inflationary increase of EUR (88.5) million (2024: EUR (121.3) million).

The Group’s activities are principally related to vehicle leasing and Management (which is recognised in the Note 9b. Service margin). The Group accepts and offers lease contracts to clients at both fixed and floating interest rates, for various periods and in various currencies. For a major part of the funding of the cars, the Group has entered into borrowings from external parties or issued notes to third parties. To mitigate the Group exposure towards future movements in interest rates and currency exchange rates the Group have entered into interest rate swaps and cross currency swap and forward arrangements. While as a result of these arrangements the Group mitigates interest rate risk and currency risk from an economic perspective, these derivatives do not always qualify for hedge accounting from an accounting perspective. The accounting treatment of derivative financial instruments exposes the Group to some volatility in its income statement. For more details see Note 5 Financial Risk Management and Note 19 Derivative financial instruments.

The impact from derivatives not in hedge have decreased due to the unwinding of the former LeasePlan derivatives portfolio. Pull to par of the bonds is the residual impact of the convergence to par of some legacy LeasePlan bonds which were previously in hedge accounting relation. This residual impact is compensated by the removal of the swaps and their impact on the interest costs. Most of legacy LeasePlan bonds will be reimbursed by September 2026.

The “Hyperinflation – net monetary gain” in the “Unrealised gains/ losses on financial instruments and other” line in the income statement, includes the gain for the consumer price index inflation applied to the book value of the Turkish subsidiaries fleet of vehicles, share capital and retained earnings.

8b. Service margin

<i>(in EUR million)</i>	Year ended 31 December,	
	2025	2024
Services revenue	5,222.9	5,451.0
Cost of services revenues	(3,542.7)	(3,824.5)
SERVICES MARGIN	1,680.3	1,626.5

Revenues and costs are derived from the various service components included within the contractual lease instalments, such as repair, maintenance and tyres, damage risk retention and replacement vehicles.



Services margin for the year ended 31 December 2025 includes an amount of EUR 153.9 million (2024: EUR 114.1 million) related to insurance and reinsurance services. Refer to the following table for the breakdown:

<i>(in EUR million)</i>	Year ended 31 December,	
	2025	2024
Insurance revenue	569.9	541.9
Insurance expenses	(406.6)	(397.0)
Insurance finance expenses	(9.4)	(30.9)
INSURANCE RESULT INCLUDING INSURANCE FINANCE EXPENSES	153.9	114.1

8c. Used car sales result and depreciation adjustments

<i>(in EUR million)</i>	Year ended 31 December,	
	2025	2024
Proceeds of cars sold	8,690.3	8,883.3
Cost of cars sold	(8,062.2)	(7,975.4)
Used car sales result	628.1	907.9
Depreciation costs adjustments	(217.3)	(590.9)
<i>Depreciation costs adjustments – revision of residual values</i>	(69.2)	24.3
<i>Impact of previous depreciation adjustments on NBV of vehicles sold</i>	(153.5)	(313.5)
<i>Purchase price allocation adjustments</i>	(28.1)	(301.6)
<i>Other impairments / reversals</i>	33.6	-
USED CAR SALES RESULT AND DEPRECIATION ADJUSTMENTS	410.9	317.1

Used vehicles prices have continued to drive high profit from the used car sales activity but as previously anticipated the used car market has been normalising with a gradual decline throughout 2025. Used car sales results remained strong despite the continued weakness of the EV used car market which was more than offset by the strong performance on ICE. Revision of the expected residual values can result in one of three outcomes for the prospective depreciation over the remaining life of the contract:

- potential car sales losses are recognised as an additional depreciation charge and are booked on a straight-line basis between the date of the revaluation and the end of the contract;
- where the sales proceeds of the vehicle are forecasted to be higher than the previously estimated proceeds but lower than the current net book value, the prospective depreciation is adjusted to the latest expected sales proceeds;
- where the sale proceeds of the vehicles are forecast to be in excess of their net book value, depreciation of those vehicles is stopped.

Depreciation cost adjustments include all impacts from the revision of residual values process performed by the Group. For further detail see Note 3.1 Basis of preparation, section Critical estimates, judgement and errors. For residual value details refer to Note 5.3.1.



Depreciation costs adjustments have been negatively impacted by:

- the revision of estimates of future sales proceeds for the running fleet which resulted in the prospective depreciation charge of EUR -69.2 million largely relating to the Group's fleet in the UK;
- the increase in the net book value of the vehicles sold due to the reduction in depreciation costs which was booked in the previous reporting periods. The impact for the vehicles sold in 2025 is EUR -153.5 million (EUR -313.5 million for the year ended 31 December 2024);
- the release of the purchase price allocation for the vehicles sold related to former LeasePlan entities in 2025 of EUR -28.1 million due to an upward valuation of these vehicles during the initial accounting for business combinations (EUR -301.6 million for the year ended 31 December 2024)

These negative impacts were offset by:

- EUR 33.6 million of reversals mainly relating to the vehicles sold in Turkey and representing release of the impairment initially booked in the context of hyperinflation (see note 3.1 section "Hyperinflation in Turkey")

8d. Revenues

Revenues that are included within the margins analysed in 8a, 8b and 8c are shown in the following table. They are analysed into Revenues derived from the Rental activity and Proceeds of Cars sold at the end of the leasing period.

<i>(in EUR million)</i>	Year ended 31 December,	
	2025	2024
Services Revenues	5,222.9	5,451.0
Proceeds of cars sold	8,690.3	8,883.3
REVENUES FROM CONTRACTS WITH CUSTOMERS EXCLUDING LEASES	13,913.3	14,334.3
Leasing revenues	11,293.6	11,016.8
TOTAL REVENUES	25,206.9	25,351.1

<i>(in EUR million)</i>	Year ended 31 December,	
	2025	2024
Services Revenues	5,222.9	5,451.0
Leasing revenue - operating leases	11,017.0	10,590.1
Interest revenues	276.6	426.7
Leasing revenues	11,293.6	11,016.8
Sub-total - revenues from lease activity	16,516.6	16,467.8
Proceeds of Cars Sold	8,690.3	8,883.3
TOTAL REVENUES	25,206.9	25,351.1
TOTAL REVENUES EXCLUDING INTEREST INCOME	22,030.7	22,304.1



Note 9. Impairment charges on receivables

The breakdown of the impairment charges on receivables is presented below:

<i>(in EUR million)</i>	Year ended 31 December,	
	2025	2024
Impairment	(370.4)	(298.7)
Operating losses	-	(6.7)
Reversal of impairment ⁽¹⁾	257.5	176.8
Impairment charges on receivables	(112.8)	(128.5)

(1) Reversal of impairment represents doubtful receivables recovered in the year and the movement in IFRS 9 provision.

The reduction in impairment charges of EUR 15.7 million is mainly coming from Germany EUR 5.6 million, UK EUR 6.4 million and Italy EUR 3.8 million.



Note 10. Operating expenses

Staff expenses

The breakdown of staff expenses is as follows:

<i>(in EUR million)</i>	Year ended 31 December,	
	2025	2024
Wages and salaries	(864.2)	(882.8)
Social security charges	(154.7)	(163.3)
Defined benefit post-employment costs	(5.7)	(7.5)
Other staff costs	(96.2)	(126.9)
TOTAL	(1,120.8)	(1,180.5)

The average number of staff employed (including temporary staff) by the Group during the year was 13,236 (2024: 14,455). At year-end, the full-time equivalent number of staff employed by the Group was 11,989 (2024: 12,661).

The breakdown of the components of the defined benefit pension cost is identified in Note 31.

General and administrative expenses

The breakdown of general and administrative expenses is as follows:

<i>(in EUR million)</i>	Year ended 31 December,	
	2025	2024
Professional services expenses	(163.7)	(167.6)
Facilities	(207.6)	(239.1)
Marketing and sales	(25.5)	(41.5)
Other general and administrative expenses	(108.2)	(98.2)
TOTAL	(505.1)	(546.3)

As part of General and administrative expenses are included fees, rental charges, IT services, maintenance and equipment expenses and expenses related to marketing.



Depreciation and amortisation expenses

<i>(in EUR million)</i>	Year ended 31 December,	
	2025	2024
Depreciation of other property and equipment	(37.4)	(41.1)
Depreciation of intangible assets	(97.8)	(80.7)
Impairment of intangible assets	(23.2)	-
Depreciation of right of use assets	(41.7)	(50.7)
TOTAL	(200.2)	(172.5)

Ayvens continues to invest in IT as part of the Group's commitment to be the preferred choice for mobility solutions within the market. There has been a specific focus on digital solutions to further enhance customer experience, including fleet manager and driver web portals as well as investment in the development of new Flexible products for customers.

As part of the Group's IT application rationalization, including decision made between redundant applications, certain software assets were identified as no longer in use. Consequently, an impairment test was performed, resulting in an impairment loss of EUR 23.2 million recognized in 2025 (nil in 2024).



Note 11. Other income/(expense)

<i>(in EUR million)</i>	Year ended 31 December,	
	2025	2024
FV gain on the investment in equity instruments	(0.5)	(2.2)
Gain on sale of subsidiaries	(0.9)	4.8
Other income/(expenses)	(11.3)	(4.8)
TOTAL	(12.6)	(2.2)

This caption includes the fair value adjustment on the investment in equity instruments related to SG Fleet Group and Constellation Group and the dividend income from these investments. EUR -7.3 million in other expense relates to the settlement of the contingent consideration in 2025.



Note 12. Income tax expense

(in EUR million)	Year ended 31 December,	
	2025	2024
Current tax	(428.7)	(404.0)
Deferred tax	18.7	119.9
Income tax expense	(410.0)	(284.2)

The variation in deferred tax charge/credit between 2024 and 2025 is mainly caused by timing differences (differences between accounting and tax bases of assets and liabilities EUR -139.9 million) and:

- variation in prior year adjustments (EUR + 46.0 million);
- variation in recognition of tax credits (EUR - 3.1 million);
- variation in change of tax rates (EUR - 4.2 million).

The deferred tax charge/credit relating to components of other comprehensive income is as follows:

(in EUR million)	Year ended 31 December,	
	2025	2024
Cashflow hedges	1.5	(8.4)
Debt instruments at fair value through OCI	(0.1)	(0.6)
Remeasurement of retirement benefit	-	0.2
Deferred tax charged to OCI	1.4	(8.8)

Effective tax rate reconciliation

(in EUR million)	Year ended 31 December,			
	%	2025	%	2024
Profit before tax		1,409.6		994.3
Standard tax rate in France	25.83%		25.83%	
Tax expense at standard rate		(364.0)		(256.8)
Tax calculated at domestic tax rates applicable to profits in the respective countries	-1.57%	22.1	-1.68%	16.7
Weighted average taxation	24.26%	(342.0)	24.15%	(240.1)
Tax effects of:				
Associates' results reported net of tax	-0.30%	4.3	-0.58%	5.8
Income not subject to tax	1.18%	(16.6)	-0.20%	2.0
Expenses deductible/ non-deductible for tax purposes	3.85%	(54.3)	4.73%	(47.0)
Utilisation of previously unrecognised tax losses	-0.36%	5.1	0.46%	(4.6)
Tax losses for which no deferred income tax asset was recognised	0.41%	(5.8)	0.00%	-
Re-measurement of deferred tax	0.35%	(4.9)	-0.17%	1.7
Adjustment in respect of prior years	-0.08%	1.1	0.51%	(5.1)
Other ⁽¹⁾	-0.22%	3.0	-0.32%	3.2
TOTAL	29.08%	(410.1)	28.58%	(284.2)

(1) Mainly regional taxes based on the productive activities



Tax calculated at domestic tax rates applicable to profits in the respective countries (EUR 22.1 million): The weighted average of the local tax rates applicable to the Group for 2025 is 24.26% (2024: 24.15%) which is lower than the domicile country nominal tax rate of 25.83% predominantly as a result of the fact that the Group realises on average relatively more profits in jurisdictions with a tax rate lower than 25.83%.

The recognition of deferred tax asset on tax credits in Luxembourg is reported under "Tax calculated at domestic tax rates applicable to profits in the respective countries".

Expenses not deductible for tax purposes are mainly related to non-deductible expenses with respect to hyperinflation (Turkey) and the deduction of interest on the AT1 instrument (the Netherlands). The variance between 2024 and 2025 is mainly related to non-deductible expenses with respect to hyperinflation.

Net deferred tax variation

<i>(in EUR million)</i>	Year ended 31 December,	
	2025	2024
Net deferred tax liabilities at 1 January	(809.7)	(930.3)
Income statement charge	18.7	119.9
Tax charged/(credited) directly to equity	1.4	(10.7)
Exchange differences	33.9	23.9
Scope changes ⁽¹⁾	-	4.8
Transfer to assets held for sale	-	(19.8)
Other	8.4	2.6
Net deferred tax liabilities at 31 December	(747.3)	(809.7)

(1) Mainly relates to the acquisition of LeasePlan on 22 May, 2023. See Note 3 for further details.

Deferred income tax by nature

<i>(in EUR million)</i>	Year ended 31 December,	
	2025	2024
Accelerated tax depreciation	(1,345.8)	(1,394.7)
Provisions	191.5	108.8
Impairment losses	63.0	54.9
Tax losses	266.8	258.5
Fair value gains	(8.1)	3.2
Retirement benefit obligation	4.0	5.0
Other timing differences	81.3	154.6
Net deferred tax asset/(liability)	(747.3)	(809.7)

Tax losses

The Group recognises deferred tax assets for the tax value of losses and tax credits carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable.



The Group performs an annual review of its capacity to use tax loss carry-forwards, taking into account the tax legislation applicable to each tax entity concerned and a realistic forecast of its tax results. For this purpose, the tax results are determined based on the projected performance of the businesses (i.e. tax forecast)

The tax forecast takes into consideration permanent and timing differences applicable to the various entities in the respective jurisdictions. The permanent and timing differences taken into account in the tax forecast are determined on the basis of a best assessment based on the entities' expertise.

The Group has not recognised deferred tax assets in respect to tax losses of EUR 19.4 million (2024: EUR 23.5 million) as the group considers it not probable that future taxable profits will be available to offset these tax losses (also taking into account expiry dates when applicable). The unrecognised tax losses relate to Ayvens Greece and Ayvens India. In this respect, the unrecognized tax losses with an expiry date amount to EUR 11.8 million (2024: EUR 7.5 million) and the unrecognized tax losses without an expiry date amount to EUR 7.6 million (2024: EUR 16.0 million).

Deferred tax assets on carried forward tax losses for the year are attributable to:

<i>(in EUR million)</i>	Year ended 31 December,	
	2025	2024
Netherlands	87.0	101.6
France	119.2	87.7
Italy	-	2.4
India	16.2	24.5
Norway	11.0	7.8
Greece	10.3	11.6
Chile	-	5.9
Belgium	-	6.2
UK	9.0	5.9
Brazil	9.0	-
Others	5.1	4.9
TOTAL	266.8	258.5

The increase in total deferred tax assets on carried forward tax losses (EUR 8.3 million) is mainly attributable to:

- Addition of deferred tax assets on carried forward tax losses in France (EUR + 31.5 million);
- Offsetting of deferred tax assets on carried forward tax losses in the Netherlands (EUR - 14.6 million).

Expiry periods of the losses carried forward can be illustrated as follows:

<i>(in EUR million)</i>	Year ended 31 December,	
	2025	2024
Expiry within 1 year	-	8.5
Expiry within 1-5 years	12.9	11.7
Expiry >5 years	2.5	-
Without expiry	251.4	238.3
TOTAL	266.8	258.5



Note 13. Rental fleet

(in EUR million)

	Rental fleet
At 1 January 2024	
Gross value	66,533.8
Accumulated depreciation & impairment ⁽¹⁾	(16,742.7)
Net book value as at 1 January 2024	49,791.2
Year ended 31 December 2024	
Opening net book value	49,791.2
Additions	19,204.6
Disposals	(8,105.7)
Scope changes	(3.2)
Depreciation charge	(8,615.1)
Impairment related to hyperinflation	(61.5)
Transfer to inventories	(898.8)
Hyperinflation adjustment	393.3
Currency translation differences	(154.7)
Closing net book value as at 31 December 2024	51,550.0
At 31 December 2024	
Gross value	68,923.8
Accumulated depreciation & impairment ⁽¹⁾	(17,373.7)
Net book value as at 31 December 2024	51,550.0
Year ended December 31, 2025	
Opening net book value	51,550.0
Additions	17,768.7
Disposals	(8,381.4)
Depreciation charge	(8,551.2)
Impairment related to hyperinflation	(19.8)
Transfer to inventories	(891.1)
Hyperinflation adjustment	181.5
Currency translation differences	(488.7)
Closing net book value as at 31 December 2025	51,167.9
At 31 December 2025	
Gross value	69,224.5
Accumulated depreciation & impairment ⁽¹⁾	(18,056.6)
Net book value as at 31 December 2025	51,167.9

(1) Including the prospective depreciation for the amount of EUR 82.1 million as per 31 December 2025 (2024: 303.7 million).

Minimum undiscounted lease payments receivable on operating leases are as follows:

(in EUR million)	Year ended 31 December,	
	2025	2024
Within 1 year	7,165.4	4,396.5
Between 1 and 2 years	6,520.9	5,360.8
Between 2 and 3 years	6,124.2	6,562.9
Between 3 and 4 years	4,329.8	5,272.5
Between 4 and 5 years	1,769.8	1,918.8
Later than 5 years	670.3	499.4
TOTAL	26,580.4	24,010.9



As at 2025 and 2024, all the carrying amounts represent owned vehicles that are intended to be leased.

Hyperinflation adjustment and related impairment

The Hyperinflation adjustment reflects the consumer price index inflation applied to the book value of the Turkish subsidiary's fleet of vehicles (see Note 3.1 for more details). Impairment is a result of the book value restated for inflation being above the expected recoverable amount of the vehicles representing a disconnect between CPI and Auto indices in Turkey.

Residual values

Used vehicles prices have continued to drive high profit from the used car sales activity but as previously predicted, the used car market has been normalising with a gradual decline throughout 2025.

Sensitivity analysis on expected sales proceeds

+Increase/-decrease in expected sales proceeds per vehicle	Income statement net Impact (in EUR million)	
	2025	2024
- EUR 1,000	(315.2)	(250.6)
+EUR 1,000	186.8	246.6

The impacts of the sensitivity analysis are not linear.

Asset-backed securitisation transactions

The Group concluded a number of assets-backed securitisation programmes which involve the sale of future lease instalment receivables and, in some cases, related residual value receivables originated by various Group subsidiaries to special purpose companies which are included in the consolidated financial statements of the Group. For further details on the securitisation transactions and transferred assets reference is made to Note 29.

As a result of this sale, net book value of securitised operating lease assets amounts to EUR 3,960 million at 31 December 2025, (EUR 4,648 million at 31 December 2024) and present value of transferred lease receivables derived from these assets is EUR 4,168 million (EUR 5,007 million at 31 December 2024). The transferred lease receivables cannot be sold.



Note 14. Other property and equipment

Other property and equipment

<i>(in EUR million)</i>	Land	Property	Equipment	Total
At 1 January 2024				
Gross value	12.2	81.4	331.0	424.6
Accumulated depreciation & impairment	-	(52.5)	(177.9)	(230.4)
Net book value as at 1 January 2024	12.2	28.9	153.2	194.2
Year ended 31 December 2024				
Opening net book amount	12.2	28.9	153.2	194.2
Additions	-	10.1	67.6	77.7
Disposals	-	(1.2)	(41.2)	(42.4)
Depreciation charge	-	(5.9)	(38.1)	(44.0)
Transfer to assets qualified as held-for-sale	-	(1.0)	(0.9)	(1.9)
Scope changes	-	-	(0.2)	(0.2)
Hyperinflation adjustment ⁽¹⁾	-	-	1.2	1.2
Currency translation differences	-	-	(0.7)	(0.7)
Closing net book value as at 31 December 2024	12.2	30.9	140.9	184.0
At 31 December 2024				
Gross value	12.2	70.9	316.7	399.8
Accumulated depreciation & impairment	-	(40.0)	(175.8)	(215.8)
Net book value as at 31 December 2024	12.2	30.9	140.9	184.0
Opening net book amount	12.2	30.9	140.9	184.0
Additions	-	26.9	71.3	98.2
Disposals	-	(7.5)	(39.6)	(47.1)
Depreciation charge	-	(5.8)	(31.9)	(37.7)
Transfer to assets qualified as held-for-sale	-	-	-	-
Hyperinflation adjustment ⁽¹⁾	-	-	0.2	0.2
Currency translation differences	-	(0.1)	(1.6)	(1.6)
Closing net book value as at 31 December 2025	12.2	44.4	139.4	196.0
At 31 December 2025				
Gross value	12.2	88.4	296.2	396.8
Accumulated depreciation & impairment	-	(44.0)	(156.8)	(200.8)
Net book value as at 31 December 2025	12.2	44.4	139.4	196.0

(1) Hyperinflation adjustment relating to company vehicles

The title to the other property and equipment is not restricted and these assets are not pledged as security for liabilities.

At 31 December 2025 and 2024 there was no impairment on the “Other property and equipment”.



Note 15. Right-of-use assets and lease liabilities

<i>(in EUR million)</i>	Right-of-use assets (vehicles and equipment)	Right-of-use assets (property leases)	Lease liabilities
At 1 January 2024			
Gross value	24.1	477.9	252.3
Accumulated depreciation & impairment	(14.7)	(252.8)	-
Net book value as at 1 January 2024	9.4	225.2	252.3
Year ended 31 December 2024			
Opening net book amount	9.4	225.2	252.3
Additions	12.9	63.1	66.4
Disposals	(5.3)	(25.1)	(40.9)
Depreciation charge	(14.4)	(58.0)	-
Impairment charge	-	(1.3)	-
Impairment reversal	-	0.3	-
Scope changes	-	(0.1)	(0.1)
Interest	-	-	6.0
Payments	-	-	(54.9)
Currency translation differences	-	(1.0)	(1.0)
Closing net book value as at 31 December 2024	2.6	203.1	227.9
At 31 December 2024			
Gross value	13.9	487.6	227.9
Accumulated depreciation & impairment	(11.3)	(284.5)	-
Net book value as at 31 December 2024	2.6	203.1	227.9
At 1 January 2025	2.6	203.1	227.9
Additions	0.7	89.3	102.1
Disposals	-	1.9	(9.1)
Depreciation charge	(2.1)	(54.7)	-
Impairment charge	-	(1.7)	-
Interest	-	-	7.9
Payments	-	-	(63.0)
Currency translation differences	-	(0.3)	(0.6)
Closing net book value as at 31 December 2025	1.2	237.6	265.1
As at 31 December 2025			
Gross value	9.2	546.5	265.1
Accumulated depreciation & impairment	(8.0)	(308.8)	-
Net book value as at 31 December 2025	1.2	237.6	265.1

In December 2025 a total impairment charge was booked amounting to EUR 1.7 million (December 2024: EUR 1.3 million), representing the closing of the rented office space in Amsterdam Zuid and Rueil Malmaison (2024: LeasePlan Nederland NV (Almere)).

Amounts recognised in the consolidated balance sheet

The consolidated balance sheet shows the above amounts for right-of-use leases and lease liabilities. These property leases are generally for office spaces and car storage and range from 1 to 12 years.



Lease liabilities balance and maturity analysis:

<i>(in EUR million)</i>	As at December 31,	
	2025	2024
Not later than one year	51.2	59.5
1 - 2 years	36.3	47.1
2 - 3 years	33.8	41.5
3 - 4 years	31.7	33.1
4 - 5 years	27.1	23.3
Later than five years	120.9	34.8
Total	301.1	239.3
Effect of discounting	(36.0)	(11.4)
Lease liability	265.1	227.9

Amounts recognised in the income statement

The income statement shows the following amounts relating to lease. The cost of leases other than short term leases less than 12 months, variable leasing costs and leases of low value assets are allocated between the depreciation of right-of-use assets and a finance charge representing the unwind of the discount on lease liabilities.

<i>(in EUR million)</i>	Year ended December 31,	
	2025	2024
Depreciation of right-of-use assets ⁽¹⁾	(56.8)	(72.4)
Interest expense	(7.9)	(6.0)
Result from sub-leasing right-of-use assets	2.1	(0.7)
Expense relating to short term leases less than or equal to 12 months, variable leasing costs and leases of low value	(20.1)	(13.5)

(1) See note 11 for further details.

Amounts recognised in the consolidated cash flow statement

For the year ended 31 December 2025, the total amount of cash paid in respect of leases recognised on the consolidated balance sheet is EUR 63 million (2024: EUR 55 million).



Note 16. Goodwill

(in EUR million)

	Goodwill
Carrying amount as at 1 January 2024	
Year ended 31 December 2024	
Opening net book value	2,128.3
Closing net book value as at 31 December 2024	2,128.3
Carrying amount as at 31 December 2024	
Cost	2,167.6
Accumulated impairment	(39.3)
Net book value as at 31 December 2024	2,128.3
Period ended 31 December 2025	
Opening net book value	2,128.3
Transfer to held for sale	(0.8)
Closing net book value as at 31 December 2025	2,127.6
At 31 December 2025	
Cost	2,166.8
Accumulated impairment	(39.3)
Net book value as at 31 December 2025	2,127.5

Goodwill by group of cash-generating units

(in EUR million)	Year ended 31 December,	
	2025	2024
Region 1	667.7	667.7
Region 2	469.3	470.1
Region 3	538.6	538.6
Region 4	451.9	451.9
TOTAL	2,127.5	2,128.3

Please refer to Note 6 Segment information for the composition of the four regions.

During the year, goodwill of EUR 0.8 million relating to the UAE operations was reclassified to assets held for sale in accordance with IFRS 5.

The accumulated impairment of EUR 39.3 million relates entirely to the goodwill impairment recognized in 2023 for the German subsidiary Fleetpool Holding GmbH. No impairment was recognized in 2024 or 2025.

On an annual basis, the Group performs an impairment test for each (group of) cash-generating unit (CGU) to which goodwill has been allocated.

An impairment loss is recognised in the income statement if the carrying amount of the CGU, including its allocated goodwill, is higher than its recoverable amount. This impairment loss is then allocated first to reduce the carrying amount of goodwill.

The recoverable amount of the CGU is calculated using the most appropriate method, generally the discounted cash flow (DCF) method. Cash flows were projected on actual financial results and the 5-year business plans, for which management has assessed and approved the reasonableness of its assumptions by examining the causes of differences between past cash flow projections and actual cash flows.



A discount rate was applied which is built up of a risk-free interest, a market premium multiplied by a market specific beta.

In 2025, there was no impairment recognised, neither in 2024.

The key assumptions used for value-in-use calculations in 2025 are as follows:

Assumptions in 2025

<i>(in EUR million)</i>	Discount rate 2025	Perpetuity rate 2025
Region 1	9.3%	2.0%
Region 2	11.2%	2.0%
Region 3	8.6%	2.0%
Region 4	9.5%	2.0%

The Group has performed additional sensitivity analysis for the future cashflow projections. The analysis used the following sensitivities:

- 1.5% increase in expected discount;
- 1.5% decrease in Lease and Service revenue and Cost of Sales;
- 1.5% increase in Overheads and Corporate costs.

Based on the assumptions made by the Group, even with these stresses, no need for impairment of goodwill, has been identified in 2025.



Note 17. Other intangible assets

<i>(in EUR million)</i>	Software (internally generated)	Software licenses (external)	Customer relationships	Assets under construction	Other	Total
At 1 January 2024						
Gross value	475.9	152.7	303.9	270.0	9.8	1,212.2
Accumulated depreciation & impairment	(428.8)	(113.7)	(19.2)	-	(4.7)	(566.4)
Net book value as at 1 January 2024	47.1	39.0	284.7	270.0	5.1	645.9
Year ended 31 December 2024						
Opening net book amount	47.1	39.0	284.7	270.0	5.1	645.9
Additions	19.8	17.7	-	86.5	-	124.0
Divestments	(6.3)	-	(0.5)	-	(0.1)	(6.8)
Reclassification	267.5	(0.1)	-	(267.5)	-	-
Amortisation	(62.3)	(13.5)	(20.5)	-	(4.9)	(101.2)
Currency translation differences	1.0	(0.2)	-	-	-	0.8
Closing net book value as at 31 December 2024	267.0	43.1	263.7	89.0	0.1	662.9
At 31 December 2024						
Gross value	553.0	153.4	303.9	89.0	9.7	1,109.0
Accumulated depreciation & impairment	(286.0)	(110.3)	(40.2)	-	(9.6)	(446.0)
Net book value as at 31 December 2024	267.0	43.1	263.7	89.0	0.1	662.9
Year end 31 December 2025						
Opening net book amount	267.0	43.1	263.7	89.0	0.1	662.9
Additions	60.6	31.9	-	15.1	-	107.7
Divestments	(10.1)	(16.4)	(1.5)	-	(0.1)	(28.2)
Reclassification	17.8	-	-	(17.8)	-	-
Amortisation	(76.6)	(12.8)	(19.5)	-	-	(108.9)
Impairment	(23.2)	-	-	-	-	(23.2)
Currency translation differences	(1.1)	0.1	-	-	-	(1.1)
Closing net book value as at 31 December 2025	234.4	45.9	242.6	86.2	-	609.2
At 31 December 2025						
Gross value	618.4	153.8	296.3	86.2	9.6	1,164.3
Accumulated depreciation & impairment	(384.0)	(107.9)	(53.6)	-	(9.6)	(555.2)
Net book value as at 31 December 2025	234.4	45.9	242.6	86.2	-	609.2

(1) Hyperinflation adjustment relating to company vehicles

Customer relationships are assessed annually to determine whether there is any indication that those assets have suffered an impairment loss. As a result of this assessment, no impairment was recognised in 2025 (2024: nil).



Note 18. Investments in associates and jointly controlled entities

Name	Country of incorporation	Activity	Type of equity investment	Carrying value (EUR million)	% Ownership
Flottenmanagement GmbH	AUSTRIA	Leasing	Joint venture	8.1	49%
PLease S.C.S.	FRANCE	Leasing	Joint venture	4.5	99%

LeasePlan Emirates, with the carrying amount of EUR 16.0 million (2024: EUR 18.2 million) is classified as Assets held for sale.

PLease is a société en commandite simple (SCS) under French law, whereby the Group is one of the partners. PLease is governed by a steering committee and a strategic committee whereby the Group can nominate two of the four members of each committee. In the steering committee decisions require a majority of its member votes and in the strategic committee decisions can only be taken unanimously.

(in EUR million)	2025			2024		
	Associates	Joint Ventures	Total	Associates	Joint Ventures	Total
Balance as at 1 January	-	28.8	28.8	9.5	23.9	33.4
Share of result for the year	-	6.3	6.3	2.3	7.8	10.1
Dividends paid	-	(3.7)	(3.7)	(0.5)	(3.3)	(3.8)
Currency translation differences	-	(1.9)	(1.9)	0.3	1.1	1.4
Scope changes	-	-	-	(11.6)	(0.7)	(12.3)
Reclassification to assets held for sale	-	(16.0)	(16.0)	-	-	-
Other movements	-	(0.9)	(0.9)	-	-	-
Balance as at 31 December	-	12.5	12.5	-	28.8	28.8

The summarised statement of comprehensive income below does not represent the proportionate share of entity, but the actual amount included in the separate financial statements of the material interests in investments accounted for using the equity method.

(in EUR million)	2025	2024
	Joint Ventures	Joint Ventures
Income Statement		
Revenues	121.8	186.3
Direct costs	(114.1)	(157.3)
Gross operating income	7.7	29.0
Total operating costs	(2.2)	(9.7)
Other income/costs	(0.6)	-
Income tax	(1.3)	(3.2)
Profit for the period	3.6	16.1
Total comprehensive income at 100%	3.6	16.1
Group share of profit for the year	2.0	9.7



The summarised financial information below does not represent the proportionate share of the entity, but the actual amount included in the separate financial statements of the material interests in investments accounted for using the equity method.

<i>(in EUR million)</i>	2025	2024
	Joint Ventures	Joint Ventures
Balance Sheet		
Current assets	49.5	40.9
Non-current assets	183.4	350.5
Current liabilities	(66.2)	(121.1)
Non-current liabilities	(149.1)	(223.6)
Equity/Net assets at 100%	17.6	46.7
Group Carrying value	12.5	28.8

The loans to investments accounted for using the equity method are accounted for at amortised cost (less impairment). In 2024 the full amount was repaid (EUR 41.5 million).



Note 19. Derivative financial instruments

Derivative instruments that are measured at fair value on a recurring basis are included in the caption “Derivative financial instruments” in the consolidated balance sheet and are made up as follows:

(in EUR million)	Year ended 31 December 2025			Year ended 31 December 2024		
	Notional amounts	Assets	Liabilities	Notional amounts	Assets	Liabilities
Cash flow hedges						
Interest rate swaps	3,525.3	5.0	2.8	3,892.7	9.4	17.8
Foreign Exchange swaps	461.0	22.6	11.4	492.6	44.8	13.0
Total Derivatives in hedge	3,986.3	27.7	14.3	4,385.3	54.3	30.9
Interest rate swaps	4,982.1	22.3	13.1	18,499.6	77.0	210.3
Foreign exchange swaps	848.9	1.7	0.2	609.5	2.3	18.2
Total Derivatives not in hedge	5,831.0	24.0	13.3	19,109.0	79.2	228.5
TOTAL	9,817.3	51.7	27.5	23,494.3	133.5	259.4
Less non-current portion:						
Interest rate swaps - hedged		-	-		5.1	17.8
Foreign exchange swaps - hedged		-	-		27.1	3.2
Interest rate swaps - not hedged		9.6	-		43.7	181.9
Foreign exchange swaps - not hedged		-	-		2.3	0.8
TOTAL NON-CURRENT PORTION		9.6	-		78.1	203.8
CURRENT PORTION		42.1	27.5		55.4	55.5

Upon the acquisition of LeasePlan, fair value hedging was in place (through the use of interest rate swaps) as part of the Treasury risk management policy to mitigate exposure to changes in fair value of recognised liabilities, driven by the impact of the interest rate risk component of debt capital market transactions (publicly issued fixed rate bonds). The amortisation of the de-designation of fair value changes are recognised in the line impact on de-designation, that will be smoothed over the residual lifetime of the debt and is included in the line of income statement “Unrealised gains/losses on financial instruments and other”, and amounted to EUR 81.9 million for the year ending 31 December 2025 (2024: EUR 127.2 million).

The impact on the income statement of derivatives is summarised below:

(in EUR million)	2025	2024
Derivatives not in hedges	8.9	45.5
Hedge ineffectiveness - cash flow hedges	0.1	1.0
Unrealised gains/(losses) on derivative financial instruments	9.0	46.5



Note 20. Other financial assets

<i>(in EUR million)</i>	As at 31 December	
	2025	2024
Investment in debt securities	538.8	405.9
Investment in equity securities	19.0	19.4
Long-term investments	52.4	125.6
Guarantee deposits	66.2	272.8
Other	8.2	13.8
TOTAL	684.6	837.5
Current portion	433.4	409.3
Non-current portion	251.2	428.2

Investment in debt securities includes bonds and notes held at fair value (through profit and loss or other comprehensive income) and bonds and notes held at amortised cost.

Investment in equity securities includes the interest in Constellation Automotive Holdings S.a.r.l. Refer to Note 26 Financial Instruments for more information on the method of valuation and related assumptions. No impairment or expected credit loss has been booked for the period ending 31 December 2025 and 2024.

Long-term investments are a resource resulting from the policy of the Group and of its main shareholder, Societe Generale, to monitor the Group's interest rate risk through the matching of assets and liabilities by maturity. Available equity is considered as a long-term resource which needs to be matched with long-term assets (refer to Note 5). Equity reinvestments are made in long term amortising deposits within Societe Generale in order to remain within the interest rate sensitivity limit set for each entity (variation in the net present value of the future residual fixed rate positions, surplus or deficit, for a 1% parallel increase in the yield curve). These deposits will roll-out in approximately 1 year time and will not be renewed.

The guarantee deposits mainly include:

- cash collateral deposited for securitisation transactions; and
- cash collateral deposited for derivative financial instruments originates from Credit Support Annexes (CSAs) to International Swaps and Derivatives Association (ISDA) master agreements



Note 21. Inventories

<i>(in EUR million)</i>	As at 31 December	
	2025	2024
Inventories - gross value	891.2	898.8
Valuation allowance	(73.3)	(56.1)
Inventories net	817.9	842.7



Note 22. Lease receivables from clients

This item includes amounts receivable under lease contracts and trade receivables, after deduction of allowances for debtor risks, where necessary.

<i>(in EUR million)</i>	Year ended 31 December,	
	2025	2024
Amounts receivable under finance lease contracts ⁽¹⁾	1,902.8	2,037.4
Provision for impairment of receivables under finance lease contracts ⁽¹⁾	(25.4)	(22.5)
<i>of which</i>		
<i>provision for doubtful receivables</i>	(16.8)	(8.8)
<i>provision for sound receivables⁽¹⁾</i>	(8.7)	(13.6)
Trade receivables	2,424.9	2,417.9
Provision for impairment of trade receivables	(368.5)	(328.7)
<i>of which</i>		
<i>provision for doubtful receivables</i>	(325.7)	(291.1)
<i>provision for sound receivables⁽¹⁾</i>	(42.7)	(37.6)
Provision for customer disputes	(26.9)	(20.6)
TOTAL RECEIVABLES	3,906.9	4,083.6

(1) Include forward looking provision

The fair value of receivables is equivalent to the carrying value.

Expected credit losses

The table below presents the analysis of receivables which are in and out of scope of the simplified approach of IFRS 9 for sound customers. The Group considers some specific receivable types as out of scope (see Note 3.4.12).

<i>(in EUR million)</i>	As at 31 December 2025			As at 31 December 2024		
	In scope ⁽¹⁾	Out of scope ⁽²⁾	Total	In scope ⁽¹⁾	Out of scope ⁽²⁾	Total
Amounts receivable under finance lease contracts ⁽¹⁾⁽²⁾	1,849.4	53.5	1,902.8	2,005.8	31.6	2,037.4
Provision for impairment of receivables under finance lease contracts ⁽³⁾	(8.7)	(16.8)	(25.4)	(13.6)	(8.8)	(22.5)
Trade receivables ⁽²⁾	1,455.9	969.0	2,424.9	1,471.8	946.1	2,417.9
Provision for impairment of trade receivables ⁽³⁾	(37.8)	(330.6)	(368.5)	(37.6)	(291.1)	(328.7)
Provision for customer disputes	-	(26.9)	(26.9)	-	(20.6)	(20.6)
TOTAL RECEIVABLES	3,258.7	648.2	3,906.9	3,426.4	657.2	4,083.6

(1) Including remaining capital.

(2) These amounts represent doubtful and non-lease receivables.

(3) Includes forward looking provision

Based on the receivables which are in the IFRS 9 scope, as of 31 December 2025 the sound receivables amount to EUR 3,305.2million (2024: EUR 3,477.6 million). Provisions in scope amounted to EUR (46.5) million (2024: 51.2 million).



The loss allowance for both trade and financial lease sound receivables as of 31 December 2025 was split as follows for the Group.

Provision Matrix 31 December 2025

<i>(in EUR million)</i>	Not past due	0-30 days pas	31-60 days	61-90 days	>90 days past	Total
ECL rate	1%	2%	2%	5%	8%	
Gross carrying amount of receivables in IFRS 9 scope	2,872.1	255.7	82.6	21.7	73.1	3,305.2
Loss Allowance	(33.9)	(4.0)	(1.4)	(1.0)	(6.2)	(46.5)
Net carrying amount of receivables in IFRS 9	2,838.2	251.7	81.2	20.7	67.0	3,258.7

The loss allowance for both trade and financial lease sound receivables as of 31 December 2024 was split as follows for the Group.

Provision Matrix 31 December 2024

<i>(in EUR million)</i>	Not past due	0-30 days pas	31-60 days past	61-90	>90 days past	Total
ECL rate	1%	4%	9%	7%	7%	
Gross carrying amount of receivables in IFRS 9	3,100.7	262.3	46.4	23.5	44.7	3,477.6
Loss Allowance	(31.6)	(10.2)	(4.1)	(1.7)	(3.6)	(51.2)
Net carrying amount of receivables in IFRS 9	3,069.1	252.1	42.3	21.8	41.1	3,426.4

The movement in impairment of finance lease receivables is as follows:

<i>(in EUR million)</i>	As at 31 December	
	2025	2024
Balance at 1 January	(22.5)	(21.5)
Net Impairment charges ⁽¹⁾	(5.3)	(3.9)
Receivables written off	1.7	3.5
Other and currency translation differences	0.6	(0.6)
Balance as at 31 December 2025	(25.4)	(22.5)

(1) Includes reversal of provision due to receivables written off.

Information on maturity of sound finance lease receivables

The amounts presented in the tables below include loans and finance receivables by Basel II portfolio that are not past due and that are past due but not individually impaired.

<i>(in EUR million)</i>	Year ended 31 December 2025					Total
	Banks	Corporates	Small and medium	Credit to individuals	Very small companies	
Amounts not past due	11.3	1,042.1	270.2	48.7	376.6	1,748.9
Amounts including past due between 1 to 30 days	0.3	40.3	7.6	0.2	8.1	56.5
Amounts including past due between 31 to 60 days	-	25.7	1.4	0.1	2.4	29.6
Amounts including past due between 61 to 90 days	-	0.4	-	-	0.4	0.8
Amounts including past due between 91 to 180 days	-	0.7	0.9	-	-	1.6
Amounts including past due between 181 days to 1 year	-	1.5	-	-	0.2	1.7
Amounts including past due over 1 year	-	7.6	-	-	2.7	10.3
TOTAL	11.6	1,118.3	280.1	49.0	390.4	1,849.4



Year ended 31 December 2024
Loans and receivables to customers

(in EUR million)

	Banks	Corporates	Small and medium	Credit to individuals	Very small companies	Total
Amounts not past due	6.3	1,006.5	492.7	63.1	151.1	1,719.7
Amounts including past due between 1 to 30 days	0.3	20.3	43.1	0.6	24.9	89.2
Amounts including past due between 31 to 60 days	0.1	24.7	4.6	0.2	9.5	39.1
Amounts including past due between 61 to 90 days	0.1	3.7	2.9	0.3	4.3	11.3
Amounts including past due between 91 to 180 days	-	110.5	0.9	-	1.1	112.5
Amounts including past due between 181 days to 1 year	-	16.4	1.7	-	0.7	18.8
Amounts including past due over 1 year	0.1	14.8	-	-	0.3	15.2
TOTAL	7.0	1,196.9	545.8	64.1	191.9	2,005.8

A description of the impairment policy is contained in the Credit risk measurement section of Note 5 Financial Risk Management.

The movement in impairment of trade receivables is as follows:

(in EUR million)	As at 31 December	
	2025	2024
Balance at 1 January	(328.7)	(258.0)
Net Impairment charges ⁽¹⁾	(110.9)	(124.6)
Receivables written off	68.5	53.7
Transfer of disposal groups to assets held for sale	-	(3.4)
Other and currency translation differences	2.7	3.8
Balance as at 31 December 2025	(368.5)	(328.7)

(1) Includes reversal of provision due to receivables written off

The maturity analysis is as follows:

(in EUR million)	As at 31 December	
	2025	2024
Trade receivables not overdue	1,590.7	1,714.1
Past due up to 90 days	394.0	370.9
Past due between 90 - 180 days	103.1	81.1
Past due over 180 days	337.1	251.8
TOTAL	2,424.9	2,417.9



Finance lease contracts

The amounts receivable from customers includes finance lease receivables, which can be analysed as follows:

Gross investment in finance leases, with remaining maturities

<i>(in EUR million)</i>	As at 31 December	
	2025	2024
Less than one year	591.4	599.9
1 - 2 years	334.4	460.6
2 - 3 years	290.1	302.4
3 - 4 years	143.7	191.2
4 - 5 years	88.0	70.2
More than 5 years	32.3	32.1
Gross investment in finance lease payments	1,479.9	1,656.4
Unguaranteed residual value	613.7	566.5
Unearned finance income	(190.8)	(185.5)
Net investment in finance leases	1,902.8	2,037.4

Net investment in finance leases, with remaining maturities

<i>(in EUR million)</i>	As at 31 December	
	2025	2024
Current	761.7	737.9
Non-current	1,141.1	1,299.5
Net investment in finance leases	1,902.8	2,037.4

Asset securitization

A part of the finance lease assets is encumbered (securitised) because of the asset-backed securitisation transactions concluded by the Group. The total value of the securitised lease assets amounts to EUR 4,206.2 million (2024: EUR 5,179.4 million). For further details on the transactions refer to Note 29 of the consolidated financial statements.

Collateral

In the event of legal proceedings taken against a customer that is in default, the vehicle would be recovered and as such the fair value of that vehicle less costs to recover would be considered collateral and reduce significantly any loss on default.



Note 23. Receivables from credit and other institutions

<i>(in EUR million)</i>	As at 31 December	
	2025	2024
Amounts receivable from credit institutions	359.9	583.6
Loans and receivables from related parties	4,770.7	4,811.5
Other ⁽¹⁾	25.3	22.6
TOTAL	5,155.9	5,417.7

(1) Mainly accrued interest on loans receivable

These financial assets are all recorded at amortised cost and only held with financial institutions that have an investment grade credit rating. Receivables from credit institutions include amounts from commercial banks with fixed or determinable payments. Loans and receivables from related parties are those due from Societe Generale and inter-group in nature. As such the low-risk exemption has been applied or out of scope where inter-group in nature and no expected credit loss has been applied to these balances.

For loans to joint ventures and associates refer to Note 18 that provides the movement analysis.



Note 24. Other receivables, prepayments and contract assets

<i>(in EUR million)</i>	As at 31 December,	
	2025	2024
VAT and other taxes	708.6	786.5
Prepaid motor vehicle tax and insurance premiums	193.9	253.0
Reclaimable damages	46.6	23.1
Prepaid expenses and accrued income	831.3	749.3
Reinsurance contract assets ⁽¹⁾	43.2	51.1
Rebates from dealers and manufacturers	665.5	640.6
Other	542.7	658.7
TOTAL	3,031.8	3,162.3

(1) See Note 32 for further details.

Balances written-off from other receivables were not significant for the year ending 31 December 2025 and 2024.

The Expected Credit Losses for Rebates and bonuses and commission receivable, Reclaimable damages, Reinsurance assets and Insurance Contract assets amount to EUR -0.1 million (2024: EUR -1.3 million). These credit losses are based on observable events during the period.



Note 25. Cash and cash equivalents

<i>(in EUR million)</i>	As at 31 December	
	2025	2024
Cash and balances at central banks	1,252.6	4,335.6
Cash at bank and on hand	750.6	640.4
Short-term bank deposits	41.8	47.0
Cash and cash equivalents excl. bank overdrafts	2,045.0	5,023.0
Bank overdrafts	(244.1)	(567.6)
Balance as at for the purpose of the statement of cash flow	1,800.8	4,455.3
Mandatory reserve deposits	128.6	122.0

All cash and balances at central banks are available at call except for the mandatory reserve deposits at the Dutch Central Bank. These reserve cash deposits are the so-called minimum reserves required to be held with respective national banks for successive periods of four to five weeks as part of the monetary policy of the European Central Bank. Thanks to cash reserve requirements, banks depend on the European Central Bank's liquidity-providing mechanism for their liquidity needs.

As the Group operates its own insurance and re-insurance program, the cash balance includes funds required for this business.

The average interest rate on the outstanding cash and balances at central banks is 2.0% (2024: 2.8%).

Cash and cash equivalent amounts are only held with financial institutions that have an investment grade credit rating, so the low-risk exemption has been applied, and no expected credit loss has been applied to these balances.

The Group has pledged part of its short-term deposits to fulfil collateral requirements. Refer to Note 29 for further details.



Note 26. Financial instruments

For financial assets and liabilities which are traded on an active market, such as listed investments or listed debt instruments, fair value is determined by reference to market value. For non-traded financial assets and liabilities, fair value is calculated using discounted cash flows, considered to be reasonable and consistent with those that would be used by a market participant, and based on observable market data where available (for example forward exchange rate or interest rate), unless carrying value is considered the approximate fair value.

Where discounted cash flow models based on management's assumptions are used, the resulting fair value measurements are considered to be at level 3 in the fair value hierarchy, as defined in IFRS 13 Fair Value Measurement, as they depend to a significant extent on unobservable valuation inputs.

All derivatives that have been designated into hedge relationships have been separately disclosed.

The Company's financial assets and liabilities are categorised as below. Where the financial instrument does not include fair value information, it is due to the carrying amount being a reasonable approximation of fair value.

Financial assets

As at 31 December 2025 (in EUR million)	Carrying Value	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets measured at FVTPL					
Derivative financial instruments in hedge	27.7	-	27.7	-	27.7
Derivative financial instruments not in hedge	24.0	-	24.0	-	24.0
Investment in equity securities	19.0	-	-	19.0	19.0
Financial assets measured at FVOCI					
Investment in debt securities	319.1	319.1	-	-	319.1
Financial assets measured at amortised cost					
Cash and cash equivalents	2,045.0	-	-	-	-
Investment in debt securities	219.7	220.4	-	-	220.4
Other financial instruments	48.6	-	-	-	-
Lease receivables from clients	3,906.9	-	3,906.9	-	3,906.9
TOTAL	6,610.0	539.5	3,958.6	19.0	4,517.1



As at 31 December 2024 (in EUR million)	Fair Value				Total
	Carrying Value	Level 1	Level 2	Level 3	
Financial assets measured at FVTPL					
Derivative financial instruments in hedge	54.3	-	54.3	-	54.3
Derivative financial instruments not in hedge	79.2	-	79.2	-	79.2
Investment in equity securities	19.4	-	-	19.4	19.4
Financial assets measured at FVOCI					
Investment in debt securities	309.2	309.2	-	-	309.2
Financial assets measured at amortised cost					
Cash and cash equivalents	5,023.0	-	-	-	-
Investment in debt securities	96.8	97.2	-	-	97.2
Other financial instruments	257.7	-	-	-	-
Lease receivables from clients	4,083.6	-	4,083.6	-	4,083.6
TOTAL	9,923.2	406.4	4,217.1	19.4	4,643.0

Financial liabilities

As at 31 December 2025 (in EUR million)	Fair Value				Total
	Carrying Value	Level 1	Level 2	Level 3	
Financial liabilities measured at FVTPL					
Derivative financial instruments in hedge	14.3	-	14.3	-	14.3
Derivative financial instruments not in hedge	13.3	-	13.3	-	13.3
Financial liabilities measured at amortised cost					
Trade payables	5,861.1	-	5,861.1	-	5,861.1
Deposits	14,308.4	-	14,353.2	-	14,353.2
Borrowings from financial institutions	22,955.1	-	22,467.7	-	22,467.7
Bonds issued	13,424.3	11,916.3	1,633.3	-	13,549.6
TOTAL	56,576.5	11,916.3	44,342.9	-	56,259.2

As at 31 December 2024 (in EUR million)	Fair Value				Total
	Carrying Value	Level 1	Level 2	Level 3	
Financial liabilities measured at FVTPL					
Derivative financial instruments in hedge	30.9	-	30.9	-	30.9
Derivative financial instruments not in hedge	228.5	-	228.5	-	228.5
Financial liabilities measured at amortised cost					
Trade payables	6,024.5	-	6,024.5	-	6,024.5
Deposits	13,890.6	-	13,842.6	-	13,842.6
Borrowings from financial institutions	23,346.9	-	23,381.8	-	23,381.8
Bonds issued	17,235.0	15,621.0	1,712.5	-	17,333.5
TOTAL	60,756.3	15,621.0	45,220.7	-	60,841.7



Valuation techniques

Level 1 – for the equity instruments measured at this level the Group has used the current bid price for the equity instrument in a quoted market while for financial asset debt securities the Group has used the quoted government bond price in an active market.

Level 2 – loans to associates and jointly controlled entities have been fair valued using a discounted cashflow model using market observable inputs for the discount rate while the key inputs used in valuing the derivative hedge and hedging instruments are directly observable inputs including forward exchange rates, yield curves and spot rates. For details on lease receivables fair value measurement see Note 22.

Level 3 – the Group has an equity investment in Constellation Automotive Holdings S.a.r.l., where the discounted cashflow valuation model has a significant part of the inputs that are not market observable. Unobservable in this context means that there is little or no current market data available from which to derive a price that an unrelated, informed buyer would be expected to purchase the asset or liability.

For each level there has been no change to the valuation techniques used during the period. For financial instruments that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year. There were no transfers between the different levels during the current reporting or prior period.

Other financial assets and liabilities not measured at fair value have a carrying amount which is a reasonable approximation of fair value, due to being short-term in nature.

The movements in the fair value of the level 3 financial assets and liabilities are shown as follows:

Level 3 financial asset (in EUR million)	2025	2024
At 1 January	19.4	15.4
Net profit /(loss) recorded in the income statement	(0.5)	4.0
At 31 December	19.0	19.4



Note 27. Shareholders' equity

Share capital and share premium

The authorised capital as of 31 December 2025 amounted to EUR 1.175,8 million (2024: EUR 1,225.4 million). The authorised capital is divided into 783,862,091 ordinary shares (2024: 816,960,428) with a nominal value of EUR 1.50 each. At 31 December 2025 the share premium amounted to EUR 3.499 million (2024: EUR 3,819.4 million).

The holders of the shares are entitled to receive dividend as declared at Annual General Meetings and are entitled to vote at meetings of the Company.

Buyback program

Ayvens received an approval from the European Central Bank and the Board of Directors, held on 29 October 2025, for the implementation of a share buyback program for a maximum amount of EUR 360 million for the purpose of shares cancellation. The purchase period started on 31 October 2025 and ended on 9 December 2025.

On 15 December 2025, 33,098,337 shares were cancelled which led to a decrease of EUR 49.6 million in capital stock and a decrease of EUR 320.4 million in capital surplus including tax related impacts.

Other equity instruments

Other Equity Instruments in the consolidated balance sheet and statement of changes in equity are split as follows:

<i>(in EUR million)</i>	AT1 Capital	Warrants	Treasury shares	Total
Balance as at 1 January 2024	750.0	128.1	(18.2)	859.9
Issue of treasury shares to employees	-	-	2.9	2.9
Balance as at 31 December 2024	750.0	128.1	(15.3)	862.8
Issue of treasury shares to employees	-	-	3.9	3.9
Other	-	-	(0.9)	(0.9)
Balance as at 31 December 2025	750.0	128.1	(12.3)	865.8

AT1 capital with Societe Generale

At the closing date of the acquisition of LeasePlan, for regulatory capital purposes, ALD issued EUR 750 million of Additional Tier 1 (AT1) and EUR 1,500 million of Tier 2 debt (see Note 2) which were fully subscribed by Societe Generale.

AT1 capital qualifies as an equity instrument under IFRS. It is a perpetual deeply subordinated loan agreement with no maturity date fixed, for a maximum principal amount of EUR 750 million repayable only once and with an option of an early repayment 5



years after the signing of the contract. The issuer has the ability to cancel interest payments at its sole discretion. The coupon on this loan is calculated on the basis of a fixed rate of 9.642% per annum.

Interest coupon on these AT1 capital securities, in the year ending 31 December 2025, amounts to EUR 73.3 million (2024: 73.5 million). During 2025 an amount of EUR 73.7 million (2024: EUR 73.1 million) of interest was paid out of the retained earnings. The remaining interest of EUR 37.1 million is payable on 30 June 2026.

Warrants

In the context of the acquisition of LeasePlan, the Group issued 26,310,039 ordinary shares with one for one warrant attached to them. The Group has undertaken to issue such warrants (ABSA) for the benefit of the former LeasePlan shareholders.

These warrants are defined as equity instruments under IAS 32 as there is a contract between the holder and the issuer which will be settled solely by the delivery of a fixed number of shares in exchange for a fixed amount of cash. These warrants are measured at fair value of EUR 128.1 million as at 22 May 2023 and would become exercisable based on the formula set out in the Framework Agreement allowing exercise at any time between 1 and 3 years from the date of the acquisition with the exercise period ending in May 2026.

Treasury shares

At a previous General Meeting, the Group was authorized to buy back its own shares to support employee share plans, savings schemes, and allocations to employees and executive directors, in line with applicable laws and regulations. These shares may also be used for hedging related to employee shareholding schemes. As of 31 December 2025, the Group holds 682,934 treasury shares (2024: 998,955). Treasury shares carry no voting rights

Translation reserve

Translation reserves in 2025 have been positively impacted by:

- the restatement effect on equity, recorded in this reserve, due to the hyperinflation accounting applied in the Turkish subsidiaries from 2022 in amount of EUR 151 million (2024: +EUR 231 million).



Other reserves

Other reserves in the consolidated balance sheet and statement of changes in equity are split as follows:

<i>(in EUR million)</i>	Hedging reserve ⁽¹⁾	Actuarial gain/ (loss) reserve ⁽¹⁾	Share-based payments	Total
Balance as at 1 January 2024	(26.2)	(2.1)	5.5	(22.8)
Changes in cash flow hedges	12.2	-	-	12.2
Changes in fair value of debt instruments	4.4	-	-	4.4
Remeasurement of post-employment benefit	-	(0.4)	-	(0.4)
Share-based payments	-	-	2.4	2.4
Issue of treasury shares to employees	-	-	(2.9)	(2.9)
Balance as at 31 December 2024	(9.7)	(2.5)	5.0	(7.2)
Changes in cash flow hedges	1.5	-	-	1.5
Changes in fair value of debt instruments	1.8	-	-	1.8
Remeasurement of post-employment benefit	-	(0.1)	-	(0.1)
Share-based payments	-	-	1.6	1.6
Issue of treasury shares to employees	-	-	(3.9)	(3.9)
Balance as at 31 December 2025	(6.3)	(2.6)	2.7	(6.2)

(1) Net of tax

The change in fair value of the debt instruments is designated as part of the cash flow hedge and as such the fair value movement has been included in equity rather than the income statement.

Non-controlling interests

Non-controlling interests in the consolidated balance sheet and statement of changes in equity are as follows:

<i>(in EUR million)</i>	Total
Balance as at 1 January 2024	525.6
Currency translation differences	(0.1)
Net income ⁽¹⁾	26.6
Dividends	(6.6)
Scope change	0.1
Settlement of AT1 capital	(500.0)
Dividend payment on AT1 capital	(18.4)
Balance as at 31 December 2024	27.2
Currency translation differences	0.2
Net income ⁽¹⁾	3.8
Dividends	(2.0)
Balance as at 31 December 2025	29.2

(1) including AT1 interest coupon.

At the acquisition date 22 May 2023, the acquired net assets of LeasePlan include AT1 capital for EUR 513 million recorded in scope change line (including EUR 18.4 million of accrued interest) which was previously issued by LeasePlan Corporation NV in 2019. These capital securities qualified as an equity instrument and were undated, deeply subordinated, resettable and callable until their redemption on 29 May 2024. There was a fixed interest coupon of 7.375% per annum, payable semi-annually.



Note 28. Share-based payments

In 2025, five new equity-settled share-based payment plans were approved by the Ayvens Board of Directors. The plans are designed to provide long-term incentives for selected employees across the Group to deliver long-term shareholder returns. Under the plans, participants are granted free shares in the parent company Ayvens SA which will only vest if certain performance and service conditions are met. Participation in the plan is at the Board's discretion, and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits. Shares are granted under the plans for no consideration and carry no dividend or voting rights. Prior to approval of the plans Ayvens SA did not hold any shares bound to be distributed to its own employees, therefore Ayvens SA can either issue new shares or acquire its own shares on the market between the grant date and vesting date in order to settle the obligation to its employees.

Summary of 2025 long-term incentives plans approved by the Board of Directors

	Plan 15.A	Plan 15.B	Plan 16.A	Plan 16.B	Plan 16.C
Date of Board meeting	March 21, 2025				
Total number of shares granted	33,126	33,130	9,986	9,986	9,989
Vesting date	March 31, 2028	March 31, 2029	March 31, 2028	March 31, 2029	March 31, 2030
Holding period end date	March 31, 2029	March 31, 2030	March 31, 2029	March 31, 2030	March 31, 2031
Fair value (in EUR)	6.73	6.61	6.73	6.61	6.23
Number of employees in the plan	14	14	3	3	3

Summary of 2024 long-term incentives plans approved by the Board of Directors

	Plan 13.A	Plan 13.B	Plan 14.A	Plan 14.B	Plan 14.C
Date of Board meeting	21 March 2024				
Total number of shares granted	23,841	23,843	8,492	8,492	8,495
Vesting date	31 March 2027	31 March 2028	31 March 2027	31 March 2028	31 March 2029
Holding period end date	31 March 2028	31 March 2029	31 March 2028	31 March 2029	31 March 2030
Fair value (in EUR)	4.85	4.80	4.85	4.80	4.58
Number of employees in the plan	11	11	2	2	2

Summary of 2023 long-term incentives plans approved by the Board of Directors

	Plan 11	Plan 12.A	Plan 12.B
Date of Board meeting	23 March 2023	23 March 2023	23 March 2023
Total number of shares granted	395,017	19,123	19,127
Vesting date	31 March 2026	31 March 2026	31 March 2027
Holding period end date	no holding period	30 September 2026	30 September 2027
Fair value (in EUR)	8.31	8.31	8.31
Number of employees in the plan	393	6	6



Vesting conditions are based on Ayvens' profitability, as measured by the average Group Net income over the 4, 3 or 2 years of the vesting period. The Ayvens Group Net income corresponds to the published Ayvens Group Net income. At 31 December 2025, 311 employees (564 employees as at 31 December 2024) benefit from the long-term incentives plans.

The following table shows the shares granted and outstanding shares at the beginning and end of the reporting period.

	Number of shares
As at 1 January 2024	1,043,089
Granted during the year	73,163
Vested during the year	(274,602)
Forfeited during the year	(50,827)
As at 31 December 2024	790,823
As at 1 January 2025	790,823
Granted during the year	96,217
Vested during the year	(407,132)
Forfeited during the year	(45,928)
As at 31 December 2025	433,980

For equity settled share-based payments, the fair value of these instruments, measured at the grant date, is spread over the vesting period and recorded in shareholders' equity under retained earnings and other reserves. At each accounting date, the number of these instruments is revised in order to take into account vesting conditions and adjust the overall cost of the plan as originally determined. Expenses recognized under Staff expenses from the start of the plan and adjusted accordingly.

Expenses recorded in the income statement

<i>(in EUR Million)</i>	31 December 2025	31 December 2024
Net expenses from free share plans	(1.6)	(2.5)

Cash settled share-based payments

In the former LeasePlan entities, there are variable remuneration schemes. The maximum amount is capped at 50% of fixed remuneration for employees and 20% for employees who work for the Dutch operating entity.

Variable remuneration for senior management consists of cash (50%) and non-cash elements (50%), i.e. PSUs. 50% of the variable remuneration of senior management is paid upfront and 50% of the variable remuneration is deferred for a period of four years, whereby every year one-fourth vests. The Managing Board has a deferral period of five years and 60% is deferred. PSUs have a retention period of one year after vesting.

The expense during the year ended 31 December 2025 is included in the "Staff expenses" and is not material to the Group.



Note 29. Borrowings from financial institutions, bonds and notes issued

(in EUR million)	As at 31 December	
	2025	2024
Bank borrowings	13,838.9	11,996.8
Tier 2 subordinated debt	1,500.0	1,500.0
Non-current borrowings from financial institutions	15,338.9	13,496.8
Bank overdrafts	244.1	567.6
Bank borrowings	7,370.5	9,271.8
Tier 2 subordinated debt	1.6	10.6
Current borrowings from financial institutions	7,616.3	9,850.1
Total borrowings from financial institutions	22,955.1	23,346.9
Bonds and notes-originated from securitisation transactions	1,117.8	2,060.2
Bonds and notes-originated from EMTN and other programmes	7,088.0	9,473.0
Bonds and notes - fair value adjustment	(1.5)	(33.1)
Non-current bonds and notes issued	8,204.3	11,500.1
Bonds and notes-originated from securitisation transactions	1,769.1	1,491.7
Bonds and notes-originated from EMTN and other programmes	3,482.5	4,325.1
Bonds and notes - fair value adjustment	(31.6)	(81.9)
Current bonds and notes issued	5,220.0	5,734.9
Total bonds and notes issued	13,424.3	17,235.0
TOTAL BORROWINGS FROM FINANCIAL INSTITUTIONS AND BONDS	36,379.4	40,581.8
Non-current deposits	7,926.7	7,906.6
Current deposits	6,381.7	5,984.0
TOTAL DEPOSITS(1)	14,308.4	13,890.6
Total non-current financial debt	31,469.9	32,641.4
Total current financial debt	19,217.9	21,831.0
TOTAL FINANCIAL DEBT	50,687.8	54,472.4
As percentage of total Debt		
Total borrowings	45.3%	42.9%
Total deposits ⁽¹⁾	28.2%	25.5%
Total bonds	20.8%	25.1%
Total securitisation programme	5.7%	6.5%

(1) Savings deposited by customers with the Group's licensed bank in Netherlands and Germany.

Societe Generale funding

As at 31 December 2025, the net amount of loans granted to the Group entities by Societe Generale and its affiliates minus the deposits placed by the Group entities with Societe Generale Group entities, was EUR 11,474.4 million (2024: EUR 12,511.2 million).

Most of the funding provided by the Societe Generale Group is granted through Societe Generale Paris and Societe Generale Luxembourg. Societe Generale Paris and Societe Generale Luxembourg funds Ayvens Central Treasury which grants loans in different currencies to the Group subsidiaries and holding companies.



Included in Societe Generale funding is Tier 2 subordinated debt which has been issued at a variable rate of (Euribor 3-month +336bps margin) and has a 10-year maturity with a non-cancellable period of 5 years. As the instrument qualifies as a debt instrument measured at amortised cost, interest is accounted for using the effective interest rate method. Debt issue costs were deducted from the initial fair value of the liability.

Tier 1 subordinated debt (AT1 capital) qualifies as an equity instrument under IFRS. For further information on Tier 1 debt, see Note 27.

External funding

An amount of EUR 6,138.8 million or 13.7% of total funding is provided by external banks (2024: 9.7% at EUR 5,286.6 million).

Maturity of borrowings

<i>(in EUR million)</i>	2025	2024
Less than 1 year	7,616.3	9,850.1
1-5 years	15,070.9	11,995.1
Over 5 years	268.0	1,501.7
TOTAL BORROWINGS	22,955.1	23,346.9

Currencies of borrowings

The carrying amounts of the Group's borrowings are denominated in the following currencies:

<i>(in EUR million)</i>	As at 31 December	
	2025	2024
Euro	11,687.5	12,363.2
UK Pound	4,370.0	5,056.9
Danish Krone	975.6	1,026.4
Swedish Krona	941.3	889.4
Norwegian Krona	878.9	703.5
Turkish Lira	87.0	11.4
Other currencies	4,014.8	3,296.0
TOTAL BORROWINGS	22,955.1	23,346.9



Bonds and notes originated from EMTN and other programmes

EMTN programme

Within this programme, the Group has the following outstanding bonds issued as at 31 December 2025:

Issued date	Maturity date	Currency	Amount (in million)	Rate
Ayvens SA				
February 2022	March 2026	EUR - Euro	700	1.250%
July 2022	July 2027	EUR - Euro	500	4.000%
January 2023	January 2027	EUR - Euro	750	4.250%
October 2023	October 2028	EUR - Euro	1000	4.875%
November 2023	November 2026	EUR - Euro	500	4.375%
January 2024	January 2031	EUR - Euro	500	4.000%
January 2024	January 2028	EUR - Euro	1000	3.875%
February 2024	February 2027	EUR - Euro	1000	3.875%
March 2024	March 2029	CHF - Swiss Franc	220	2.225%
July 2024	July 2029	EUR - Euro	750	3.875%
February 2025	February 2030	EUR - Euro	500	3.250%
February 2025	November 2027	EUR - Euro	500	Euribor 3M + 0.68%
October 2025	October 2028	NOK - Norwegian Krone	1750	Nibor 3M + 0.77%
October 2025	October 2028	SEK - Swedish Krona	600	Stibor 3M + 0.81%
Ayvens Bank⁽¹⁾				
February 2021	February 2026	EUR - Euro	1000	0.250%
September 2021	September 2026	EUR - Euro	1000	0.250%

(1) Excluding private placements.

Maturity of bonds – EMTN and other programmes

(in EUR million)	2025	2024
Less than 1 year	3,450.9	4,243.2
1-5 years	7,086.5	8,939.9
Over 5 years	-	500
TOTAL BONDS	10,537.4	13,683.0

Currencies of bonds – EMTN and other programmes

The carrying amounts of the Group's bonds are denominated in the following currencies:

(in EUR million)	As at 31 December	
	2025	2024
Euro	10,461.0	13,164.0
Norwegian Krona	50.7	264.9
Other currencies	25.8	254.1
TOTAL BONDS	10,537.4	13,683.0



Bonds and notes-originated from securitisation transactions (Asset-backed borrowing)

The following debt securities are currently issued:

Programme and special purpose company	Deal type	Country	Currency	Amount (in million) ⁽¹⁾	Set up / Renewal date
ALD Funding Limited	Private	UK	GBP	500	February 2025
Axus Finance SPRL	Private	Belgium	EUR	400	May 2025
FCT Red & Black Auto Lease France 2	Public	France	EUR	137	June 2023
C_NL16 - Bumper NL 2023-1 BV	Public	Netherlands	EUR	276	September 2023
Bumper NL 2024-1 BV	Public	Netherlands	EUR	544	September 2024
C_NL17 - Axus Finance NL BV	Private	Netherlands	EUR	500	June 2025
Bumper NL 2025-1		Netherlands	EUR	400	July 2025
Bumper DE SA 2023-1	Public	Germany	EUR	57	February 2023

(1) Transaction outstanding amount at 31 December 2025

The interest outstanding at the balance sheet date was EUR 193.4 million (2024: 225.1 million).

Maturity of bonds and notes-originated from securitisation transactions

The maturity of the asset-backed securitisation programmes is as follows:

(in EUR million)	As at 31 December	
	2025	2024
Less than 1 year	1,769.1	1,491.7
1-5 years	1,117.8	2,060.2
TOTAL SECURITISATION PROGRAMME	2,886.9	3,552.0

Currencies of bonds and notes-originated from securitisation transactions

The carrying amounts of the Group's asset-backed securitisation programmes are denominated in the following currencies:

(in EUR million)	As at 31 December	
	2025	2024
Euro	2,313.9	2,949.0
UK Pound	573.0	603.0
TOTAL SECURITISATION PROGRAMME	2,886.9	3,552.0



Transferred assets and associated liabilities

Securitisation programmes involve the sale of future lease instalment receivables and, in some cases, related residual value receivables originated by various Group subsidiaries to special purpose companies which are included in the consolidated financial statements of the Group. Debt securities were issued by these special purpose companies to finance these transactions. The special purpose companies are responsible for making interest and principal payments to the note holders. The Group continues to retain substantially all of the risks and rewards of the lease receivables as in all asset-backed securitisation programmes they subscribed to the first class of notes which will result in the Group bearing any realised losses. Therefore, the Group continues to recognise the transferred lease assets in their entirety.

<i>(in EUR million)</i>	Receivables from clients (finance and operating leases)	Cash collateral deposited	Total
At 31 December 2025			
Carrying amount of transferred assets	3,960.2	52.9	4,013.1
Carrying amount of associated liabilities ⁽¹⁾			(2,886.9)
Net carrying amount position			1,126.2
Fair value of transferred assets	4,167.6	52.9	4,220.5
Fair value of associated liabilities ⁽¹⁾			(2,886.9)
Net fair value position as at 31 December 2025			1,333.6
At 31 December 2024			
Carrying amount of transferred assets	4,648.0	66.7	4,714.7
Carrying amount of associated liabilities ⁽¹⁾			(3,552.0)
Net carrying amount position			1,162.7
Fair value of transferred assets	5,006.6	66.7	5,073.3
Fair value of associated liabilities ⁽¹⁾			(3,552.0)
Net fair value position as at 31 December 2024			1,521.3

⁽¹⁾ Bonds and notes originated from asset-backed securitisation transactions

Deposits

Saving deposits raised by Ayvens Bank amount to EUR 14.3 billion at 31 December 2025 of which 45.4% is deposited for a fixed term (2024: 48.4% at EUR 13.9 billion). Savings deposits are raised by Ayvens Bank N.V. which holds a banking licence in the Netherlands. Ayvens Bank also operates on the German savings deposit market with a cross border offering from the Netherlands.

The maturity analysis of these deposits is as follows:

<i>(in EUR million)</i>	As at 31 December	
	2025	2024
Deposits ⁽¹⁾	14,186.4	13,767.4
Payables related to deposits	121.9	123.2
TOTAL	14,308.4	13,890.6
<i>of which:</i>		
Less than 1 year	6,381.7	5,984.0
1 - 5 years	7,926.0	7,906.6
Over 5 years	0.7	-

⁽¹⁾ Including EUR 95.7 million of deposits from self-funded clients



The average interest rates on the outstanding balances of the fixed term savings deposits in original maturity terms are as follows:

	Year ended 31 December,	
	2025	2024
Three months or less	1.45%	1.79%
Longer than three months, less than a year	2.34%	3.04%
Longer than a year, less than 5 years	3.00%	3.01%

The interest of the on-demand accounts is set monthly. The interest outstanding at the balance sheet date was EUR 121.2 million (2024: EUR 122.6 million).

Undrawn borrowing facilities

Refer to note 5.1 Financial risk factors, section Liquidity risk measurement, for an overview of the undrawn borrowing facilities.

Guarantees given

A guarantee at first demand has been granted to ING Luxembourg for an amount of EUR 50 million on behalf of Axus Luxembourg SA.

A guarantee has been granted to Stellantis SA for an amount of EUR 20 million on behalf of Fleetpool, under the condition negotiated in the frame of the distribution agreement concluded with this financial institution.

The Group has issued guarantees to the total value of EUR 334.9 million of which EUR 308.2 million is related to residual value guarantees issued to clients.



Note 30. Changes in liabilities arising from financing activities

Changes in liabilities arising from financing activities are shown in the table below:

<i>(in EUR million)</i>	Balance as at 1 January 2025	Financing cash flows	Interest accrued	Movement in fair value	Foreign exchange adjustment	Scope changes	Other non-cash movements	Balance as at 31 December 2025
Overdraft	567.6	(323.1)	-	-	(0.5)	-	-	244.1
Borrowings from financial institutions excl. overdraft	22,779.2	85.0	(37.9)	-	(115.3)	-	-	22,711.0
Bonds and notes issued	17,235.0	(3,830.9)	(31.7)	81.9	(30.0)	-	-	13,424.3
Deposits	13,890.6	419.1	(1.3)	-	-	-	-	14,308.4
Lease liabilities	227.9	(63.0)	7.9	-	(0.6)	-	93.0	265.1

<i>(in EUR million)</i>	Balance as at 1 January 2024	Financing cash flows	Interest accrued	Movement in fair value	Foreign exchange adjustment	Scope changes	Other non-cash movements	Balance as at 31 December 2024
Overdraft	315.3	266.8	-	-	0.4	-	(14.9)	567.6
Borrowings from financial institutions excl. overdraft	21,173.1	752.9	133.9	-	(44.5)	-	763.8	22,779.2
Bonds and notes issued	16,138.3	474.6	91.0	127.2	(9.9)	381.3	32.5	17,235.0
Deposits	11,784.7	2,038.1	67.7	-	-	-	-	13,890.6
Lease liabilities	252.3	(54.9)	(5.9)	-	(1.0)	(0.1)	37.4	227.9



Note 31. Retirement benefit obligations and long-term benefits

Overview

The Group operates a number of defined contribution and defined benefit pension plans with the most significant plans being in France, Belgium, Germany, Italy and Switzerland. It also operates post-employment benefit plans, the majority of which are unfunded, where the Group meets the benefit payment obligation as it falls due. The post-employment benefit plans are for legally required termination indemnities, which are payable at either the retirement date or the date the employee leaves the Group. The amount of the benefit depends on the length of service of the employee at the dismissal or retirement date.

The main defined contribution plans provided to employees of the Group are located in France. They include state pension plans and other national pension plans such as ARRCO and AGIRC, as well as pension schemes put in place by some entities of the Group for which the only commitment is to pay annual contributions (PERCO).

The Group has sponsored defined benefits plans that are final salary pension plans, which provide benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement. In the plans, pensions generally do not receive inflationary increases once in payment.

Defined contribution plan

The charge for the year for defined contribution pension plans (net of amounts capitalised) was EUR 45.1 million (2024: EUR 45.9 million).

Defined benefit pension plans

Characteristics of plans

The majority of the defined benefit pension plans are unfunded. The assets of these plans are held separately from those of the Group, in independently administered funds, in accordance with statutory requirements or local practice in the relevant jurisdiction. The responsibility for the governance of the funded retirement benefit plans, including investment and funding decisions, lies with the Trustees of each scheme.

Contributions

Employer contributions are made in accordance with the terms of each plan and may vary from year to year. Employer contributions made to funded pension plans in the year ended 31 December 2025 were EUR 3.8 million (2024: EUR 3.8 million). The Group expects to contribute EUR 3.7 million to its pension plans in 2026.



Components of the cost of the defined benefits

<i>(in EUR million)</i>	As at 31 December	
	2025	2024
Current service cost including social security contributions	2.7	2.0
Employee contributions	(0.5)	(0.2)
Past service cost / curtailments	(0.2)	(0.3)
Net interest	0.4	0.4
<i>Components recognised in income statement</i>	2.4	1.9
Actuarial gains and losses due to assets ⁽¹⁾	2.4	(2.1)
Actuarial gains and losses due to changes in demographic assumptions	0.1	0.1
Actuarial gains and losses due to changes in economical and financial assumptions	(0.2)	1.9
Actuarial gains and losses due to experience	0.3	0.7
Change in asset ceiling	-	0.2
<i>Components recognised in unrealised or deferred gains and losses</i>	2.6	0.8
TOTAL COMPONENTS OF THE COST OF THE DEFINED BENEFITS	4.9	2.7

(1) Actuarial gains and losses due to assets from which the actuarial gains and losses due to assets included in the net interest cost is deducted.

Balance sheet

A summary of the net pension plan assets and retirement benefit obligations on the Consolidated balance sheet is as follows:

<i>(in EUR million)</i>	As at 31 December	
	2025	2024
A - Present value of defined benefit obligations	52.0	59.5
B - Fair value of plan assets	(52.2)	(55.2)
D = A - B + C = DEFICIT OF FUNDED PLANS RECORDED IN THE BALANCE SHEET	(0.3)	4.3
E - Present value of unfunded defined benefit obligations	14.5	8.6
D + E = TOTAL DEFICIT RECORDED IN THE BALANCE SHEET	14.3	12.9

Post-employment benefit plans include annuity payments, end-of-career indemnities as well as mixed plans (cash balance). Annuity payments are added to pension plans paid by state and mandatory benefit plans.

The present values of defined benefit obligations have been valued by independent qualified actuaries on an annual basis.



Movement analysis

Changes in the present value of defined benefit obligations:

<i>(in EUR million)</i>	As at 31 December	
	2025	2024
Balance at January 1	68.2	69.8
Current service cost including social security contributions	2.7	2.4
Employee contributions	-	0.3
Past service cost / curtailments	(0.2)	(0.3)
Settlement	-	(0.1)
Net interest	1.9	2.0
Actuarial gains and losses due to assets	0.5	-
Actuarial gains and losses due to changes in demographic assumptions	0.1	0.1
Actuarial gains and losses due to changes in economical and financial assumptions	(0.2)	1.9
Actuarial gains and losses due to experience	0.3	0.7
Foreign exchange adjustment	-	(0.1)
Benefit payments	(8.3)	(5.4)
Change in scope	1.8	-
Transfers and others	(0.3)	(3.1)
Balance at December 31	66.5	68.2

Changes in fair value of plan assets and separate assets:

<i>(in EUR million)</i>	As at 31 December	
	2025	2024
Balance at January 1	55.2	51.9
Expected return on plan assets	-	1.5
Net Interest	1.6	-
Actuarial gains and losses due to assets	(1.9)	2.1
Foreign exchange adjustment	-	(0.1)
Employee contributions	0.5	0.5
Employer contributions to plan assets	3.8	3.7
Benefit payments	(7.0)	(1.2)
Transfers and others	0.1	(3.1)
Balance at December 31	52.2	55.2

Pension plan assets

Funds only contain quoted investments, the breakdown of the plan assets is as follows:

<i>(in EUR million)</i>	As at 31 December	
	2025	2024
Bonds	21.00%	16.47%
Equities	26.80%	19.11%
Money market instruments	0.00%	3.12%
Property	4.80%	3.86%
Other	47.40%	57.44%



The fair value of assets is used to determine the funding level of the plans to enable them to be sufficient to cover the benefits that have accrued to Group members after allowing for expected increases in future earnings and pensions. The actual returns on plan and separate assets were:

<i>(in EUR million)</i>	As at 31 December	
	2025	2024
Plan assets	0.3	3.7

The expected return on plan assets is determined by considering the current level of expected returns on risk free investments (primarily government bonds), the historical level of the risk-free premium associated with the respective asset classes and the expectations for future returns on each asset class. The expected return for each asset class was then weighted based on the target asset allocation to develop the expected long-term rate of return on assets. The expected returns of the individual plans have been weighted based on the fair value of the assets of the plans to determine the average expected return on plan assets.

Actuarial assumptions by geographical area

The principal assumptions used to determine the actuarial present value of benefit obligations and pension charges and credits are detailed below (shown as weighted averages):

<i>(in EUR million)</i>	As at 31 December	
	2025	2024
Discount rate		
Europe	3.2%	2.6%
Long-term inflation		
Europe	1.8%	1.5%
Future salary increase		
Europe	0.4%	0.6%
Average remaining working lifetime of employees (in years)		
Europe	8.0	6.7
Duration (in years)		
Europe	7.7	7.5

The assumptions described above have been applied on post-employment benefit plans.

The assumptions by geographical area are averages weighted by the present value of the liabilities (DBO). The yield curves used to discount the liabilities are corporate AA yield curves (source: Merrill Lynch) observed at the end of October for GBP and EUR and corrected at the end of December if the decrease in discount rates had a significant impact. Inflation rates used are the long-term targets of the central banks of the monetary areas above.



Sensitivity analysis

Significant actuarial assumptions for the determination of pension plan liabilities are the discount rate, inflation rate and salary increase. The sensitivity analysis below has been provided by local actuaries on an approximate basis based on changes in the assumptions occurring at the end of the year, assuming that all other assumptions are held constant, and the effect of interrelationships is excluded. The effect on plan liabilities is as follows:

(Percentage of item measured)	As at 31 December	
	2025	2024
Variation of +0.5% in discount rate		
Impact on the present value of defined benefit obligations at December 31,	(3.65%)	(3.30%)
Variation of +0.5% in long-term inflation		
Impact on the present value of defined benefit obligations at December 31	1.07%	1.04%
Variation of +0.5% in future salary increases		
Impact on the present value of defined benefit obligations at December 31	2.26%	2.03%

The disclosed sensitivities are averages of the variations weighted by the present value of defined benefit obligations.

Maturity breakdown of future payments

The expected maturity analysis of undiscounted post-employment benefits is:

(in EUR million)	As at 31 December	
	2025	2024
N+1	1.1	1.8
N+2	0.8	4.9
N+3	0.9	5.6
N+4	0.9	5.0
N+5	2.5	4.6
N+6 to N+10	7.0	21.8

The weighted average duration of the defined benefit obligation is 7.7 years (2024: 7.5 years).

Other long-term benefits

Some entities of the Group may award their employees other long-term benefits, like long-term deferred variable remunerations, time saving accounts (French Term) “comptes épargne temps” or long service awards. They are different from post-employment benefits and termination benefits, which are not fully due within twelve months following the financial year during which the services are rendered by the employees.

The net balance of other long-term benefits recorded in the balance sheet as at 31 December 2025 is EUR 19.3 million (2024: EUR 17.8 million). The total amount of charges for other long-term benefits in the income statement for the period ending 31 December 2025 is EUR 3.4 million (2024: EUR 3.7 million).



Note 32. Provisions

The Group provisions are split as below for General and Damage risk provisions recognized under IAS 37 and insurance provisions recognised in accordance with IFRS 17.

<i>(in EUR million)</i>	As at 31 December	
	2025	2024
Damage risk and Legal & other	524.0	487.9
Insurance contracts	761.3	706.7
TOTAL	1,285.3	1,194.6

<i>(in EUR million)</i>	Damage risk	Legal & Other	Total
As at 1 January 2025	148.5	339.3	487.9
Charge to income statement	105.3	39.5	144.8
Utilised and released	(109.0)	(59.2)	(168.2)
Reclassification	51.4	12.1	63.5
Currency translation differences	(0.2)	(3.8)	(4.1)
At 31 December 2025	196.1	327.9	524.0
Current	137.6	207.9	345.5
Non-current	58.5	120.0	178.5
At 31 December 2025	196.1	327.9	524.0

<i>(in EUR million)</i>	Damage risk	Legal & Other	Total
As at 1 January 2024	137.5	266.7	404.1
Charge to income statement	29.6	130.3	160.0
Utilised and released	(16.8)	(63.7)	(80.5)
Reclassification	(1.5)	5.2	3.7
Currency translation differences	(0.2)	0.8	0.6
As at 31 December 2024	148.5	339.3	487.9
Current	73.5	107.9	181.4
Non-current	75.0	231.4	306.4
As at 31 December 2024	148.5	339.3	487.9

Damage risk

The provision for damage risk is the “best estimate” expected expenditure required to settle the present obligations to repair the damage at the reporting date including IBNR and IBNER provisions (see policy Note 3.4.17). The majority of damage service provisions are expected to be recovered or settled within 12 months.



Legal & Other

Litigation provisions have been set up to cover legal and administrative (including tax) proceedings that arise in the ordinary course of business. These provisions are not employee related. Legal provisions depend mainly on court proceedings.

In the UK, it was common practice for intermediaries to introduce business to financing companies and to receive a commission in return.

On 28 January 2021, the Financial Conduct Authority (FCA) banned the practice of Discretionary Commissions Arrangements (DCAs) which were commonly used in connection with regulated credit agreements. Under DCAs, the credit broker increased the interest rate paid by the customer and kept some or all of the difference between the rate set by the lender and what the customer paid, as a commission from the lender to the credit broker.

Following the Financial Ombudsman Service (FOS) decision in favor of complainants against lenders and regarding the use of DCAs on 10 January 2024, the FCA announced their review into historic DCAs on 11 January 2024

Following the ruling by the Court of Appeal in October 2024, the provision for UK motor finance commissions was increased to EUR 93 million at the end of 2024 to reflect the potential extension of the scope of liability resulting from the Court of Appeal decision. Following the FCA consultation announcement dated 7 October 2025 relating to its proposed redress scheme for UK motor finance commissions, Ayvens updated its provision assessment accordingly. As at the end of 2025, the provision for UK motor finance commissions amounts to EUR 88 million. During 2025 there was a reversal of the provision for the UK Consumer law breaches, primarily for the Employee Car Ownership Scheme, which resulted in the residual provision of EUR 9.6 million as at 31 December 2025.

The Company has recognised provisions for tax litigation and disputes across multiple countries.

No detailed information can be disclosed on either the recording or the amount of a specific provision given that such disclosure would likely seriously prejudice the outcome of the disputes in question.

For information on contingencies refer to Note 39 Contingencies.

Insurance provisions

The insurance provision breaks down as follows:

<i>(in EUR million)</i>	As at 31 December 2025			As at 31 December 2024		
	Gross	Reinsurance	Net	Gross	Reinsurance	Net
Insurance liabilities	(761.3)	43.2	(718.2)	(706.7)	51.1	(655.7)
Net insurance provisions	(761.3)	43.2	(718.2)	(706.7)	51.1	(655.7)



Reconciliation of the remaining coverage and incurred claims components

The following table provides a reconciliation of the net insurance liability for all insurance products issued by the Group:

<i>(in EUR million)</i>	Liabilities for remaining coverage		Liabilities for incurred claims		Total
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	
Insurance contract liabilities as at January 1, 2025	19.7	(12.1)	(699.9)	(14.5)	(706.7)
Net insurance contract (net assets/(liabilities) as at January 1, 2025	19.7	(12.1)	(699.9)	(14.5)	(706.7)
Insurance revenue	569.9	-	-	-	569.9
Insurance expenses	-	0.5	(416.6)	(2.1)	(418.2)
<i>Incurred claims and other expenses</i>	-	-	(631.8)	(7.8)	(639.7)
<i>Losses on onerous contracts and reversals of those losses</i>	-	0.5	-	-	0.5
<i>Changes to liabilities for incurred claims</i>	-	-	215.2	5.7	220.9
Insurance result	569.9	0.5	(416.6)	(2.1)	151.7
Insurance finance expenses	-	-	9.1	0.3	9.4
TOTAL CHANGES IN THE STATEMENT OF COMPREHENSIVE INCOME	569.9	0.5	(407.5)	(1.8)	161.1
Premiums received/paid	(540.3)	-	-	-	(540.3)
Claims and other expenses paid	-	-	646.5	-	646.5
TOTAL CASH FLOWS	(540.3)	-	646.5	-	106.2
Other movements	(49.3)	(0.5)	(262.7)	(9.4)	(321.9)
Net insurance contract (net assets/(liabilities) as at December 31, 2025	-	(12.1)	(723.6)	(25.6)	(761.3)
Insurance contract liabilities as at December 31, 2025	-	(12.1)	(723.6)	(25.6)	(761.3)
NET INSURANCE CONTRACT (NET ASSETS/(LIABILITIES) AS AT DECEMBER 31, 2025	-	(12.1)	(723.6)	(25.6)	(761.3)



(in EUR million)	Liabilities for remaining coverage		Liabilities for incurred claims		Total
	Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	
Insurance contract liabilities as at January 1, 2024	39.7	(5.7)	(625.1)	(15.6)	(606.6)
Insurance contract assets as at January 1, 2024	2.8	-	(2.0)	-	0.8
Net insurance contract (net assets/(liabilities) as at January 1, 2024)	42.5	(5.7)	(627.1)	(15.6)	(605.9)
Insurance revenue	541.9	-	-	-	541.9
Insurance expenses	(2.4)	1.2	(396.9)	1.0	(397.0)
<i>Incurring claims and other expenses</i>	-	-	(530.3)	(6.7)	(537.0)
<i>Losses on onerous contracts and reversals of those losses</i>	-	1.2	-	-	1.2
<i>Insurance acquisition cash flows amortisation</i>	(2.4)	-	-	-	(2.4)
<i>Changes to liabilities for incurred claims</i>	-	-	133.4	7.7	141.1
Insurance result	539.6	1.2	(396.9)	1.0	144.9
Insurance finance expenses	-	(0.2)	(29.6)	(1.0)	(30.8)
Effect of movements in exchange rates	(4.7)	0.3	(1.0)	0.1	(5.3)
TOTAL CHANGES IN THE STATEMENT OF COMPREHENSIVE INCOME	534.8	1.3	(427.4)	0.2	108.8
Premiums received/paid	(529.5)	-	-	-	(529.5)
Claims and other expenses paid	-	-	311.5	-	311.5
TOTAL CASH FLOWS	(529.5)	-	311.5	-	(218.1)
Other movements	(28.1)	(7.7)	43.2	1.0	8.4
Net insurance contract (net assets/(liabilities) as at December 31, 2024)	19.7	(12.1)	(699.9)	(14.5)	(706.7)
Insurance contract liabilities as at December 31, 2024	19.7	(12.1)	(699.9)	(14.5)	(706.7)
NET INSURANCE CONTRACT (NET ASSETS/(LIABILITIES))	19.7	(12.1)	(699.9)	(14.5)	(706.7)



Reinsurance reconciliation of the remaining coverage and incurred claims components

The following table provides a reconciliation of the reinsurance liability for reinsurance contracts issued by the Group:

<i>(in EUR million)</i>	Liabilities for remaining coverage		Liabilities for incurred claims	
	Remaining coverage	Estimates of the present value of future cash flows	Risk adjustment	Total
Reinsurance contract assets as at January 1, 2025	3.4	46.0	1.7	51.1
Net reinsurance contract (net assets/(liabilities) as at January 1, 2025	3.4	46.0	1.7	51.1
Reinsurance expenses	(12.2)	-	-	(12.2)
Changes that relate to past service - adjustments to insured claims	-	(2.0)	-	(2.0)
Net income/(Expenses) from Reinsurance contracts held	(12.2)	(2.0)	-	(14.2)
Finance income from reinsurance contracts held	-	0.2	-	0.2
TOTAL CHANGES IN THE STATEMENT OF COMPREHENSIVE INCOME	(12.2)	(1.8)	-	(14.0)
Premiums paid	9.7	-	-	9.7
TOTAL CASH FLOWS	9.7	-	-	9.7
Other movements	1.5	(5.4)	0.3	(3.6)
Net insurance contract (net assets/(liabilities) as at December 31, 2025	2.4	38.8	2.0	43.2
Reinsurance contract assets as at December 31, 2025	2.4	38.8	2.0	43.2
NET REINSURANCE CONTRACT (NET ASSETS/(LIABILITIES) AS AT DECEMBER 31, 2025	2.4	38.8	2.0	43.2



(in EUR million)	Liabilities for remaining coverage		Liabilities for incurred claims		Total
	Remaining coverage	Estimates of the present value of future cash flows	Risk adjustment		
Reinsurance contract liabilities as at January 1, 2024	(0.5)	-	-	(0.5)	
Reinsurance contract assets as at January 1, 2024	16.5	33.2	2.6	52.3	
Net reinsurance contract (net assets/(liabilities) as at January 1, 2024	16.1	33.2	2.6	51.9	
Reinsurance expenses	(10.9)	-	-	(10.9)	
Claims recovered	-	12.6	-	12.6	
Changes that relate to past service - adjustments to insured claims	-	0.1	-	0.1	
Net income/(Expenses) from Reinsurance contracts held	(10.9)	12.7	-	1.8	
Finance income from reinsurance contracts held	-	0.1	-	0.1	
TOTAL CHANGES IN THE STATEMENT OF COMPREHENSIVE INCOME	(10.9)	12.8	-	2.0	
Premiums paid	0.1	-	-	0.1	
TOTAL CASH FLOWS	0.1	-	-	0.1	
Other movements	(2.0)	-	(0.9)	(2.9)	
Net insurance contract (net assets/(liabilities) as at December 31, 2024	3.4	46.0	1.7	51.1	
Reinsurance contract assets as at December 31, 2024	3.4	46.0	1.7	51.1	
NET REINSURANCE CONTRACT (NET ASSETS/(LIABILITIES) AS AT DECEMBER 31, 2024	3.4	46.0	1.7	51.1	

Insurance claims development

Underwriting years	<2020	2021	2022	2023	2024	2025	Total
At end of accident year	1,175.8	117.7	138.9	252.3	338.8	428.1	
• one year later	1,156.2	113.7	202.5	408.6	232.1	-	
• two years later	1,141.0	207.3	224.5	367.6	-	-	
• three years later	2,007.0	233.8	218.5	-	-	-	
• four years later	2,044.6	235.5	-	-	-	-	
• five years later and more	2,015.5	-	-	-	-	-	
Estimate of cumulative claims	2,015.5	235.5	218.5	367.6	232.1	428.1	
Cumulative payments to date	(1,898.8)	(130.8)	(164.3)	(250.7)	(113.0)	(143.4)	
Gross undiscounted outstanding claim liabilities	116.6	104.7	54.3	116.9	119.2	284.6	796.3
Effects of discounting	(6.1)	(5.5)	(4.9)	(6.1)	(9.7)	(14.9)	(47.1)
Reinsurance contracts	(23.3)	(1.4)	(2.7)	(4.3)	(8.4)	(3.1)	(43.2)
Gross outstanding claim liabilities net of Reinsurance	87.3	97.8	46.7	106.5	101.2	266.6	706.1



The expected maturity analysis of the gross outstanding liabilities is as follows:

	Up to 1	1-2 yrs	2-3 yrs	3-4 yrs	4-5 yrs	>5 yrs	Total
Insurance liabilities for incurred claims	525.7	68.6	53.3	30.5	22.9	60.9	761.9

Reinsurance receivables

Underwriting years	<2020	2021	2022	2023	2024	2025	Total
At end of accident year	44.8	6.8	5.7	21.1	4.7	4.0	
• one year later	42.7	5.8	5.7	16.8	9.2	-	
• two years later	38.0	7.7	4.2	12.4	-	-	
• three years later	55.2	7.6	3.8	-	-	-	
• four years later	65.8	5.8	-	-	-	-	
• five years later and more	61.7	-	-	-	-	-	
Estimate of cumulative claims	61.7	5.8	3.8	12.4	9.2	4.0	
Cumulative payments to date	(35.9)	(3.9)	(0.5)	(7.1)	-	-	
Gross undiscounted Reinsurance	25.8	1.8	3.4	5.3	9.2	4.0	49.5
Effects of discounting	(3.6)	(0.5)	(0.8)	(1.3)	(1.1)	(1.2)	(8.4)
Effect of risk adjustment for non financial risk	1.0	0.1	0.1	0.3	0.3	0.3	2.1
Gross outstanding Reinsurance receivable	23.3	1.4	2.7	4.3	8.4	3.1	43.2

The expected maturity analysis of the gross reinsurance receivable is as follows:

	Up to 1	1-2 yrs	2-3 yrs	3-4 yrs	4-5 yrs	>5 yrs	Total
Reinsurance receivable	29.8	3.9	3.0	1.7	1.3	3.5	43.2



Note 33. Trade and other payables

<i>(in EUR million)</i>	As at 31 December	
	2025	2024
Trade payables	2,426.4	2,495.3
Deferred leasing income ⁽¹⁾	796.7	796.6
Other accruals and other deferred income ⁽²⁾	1,068.3	1,144.5
Advance lease instalments received	614.1	690.3
Accruals for contract settlements	439.6	476.8
VAT and other taxes	513.0	407.6
Other	3.1	13.5
TRADE AND OTHER PAYABLES	5,861.1	6,024.5

(1) Deferred leasing income relates to maintenance and tyre revenue which is profiled in line with historical maintenance expenditure in order to match revenue and costs.

(2) Including EUR 40 million of contingent consideration for the acquisition of LeasePlan.

The majority of the trade and other payables and deferred income, except for deferred leasing income, have a remaining maturity of less than one year.

Other accruals and other deferred amounts contain accruals for different staff expenses, including for the variable remuneration.



Note 34. Dividends

A dividend related to the period ended 31 December 2024 for an amount of EUR 302.0 million (EUR 0.37 per share) was paid to Ayvens shareholders on 28 May 2025 of which the dividend paid to Societe Generale was EUR 159 million (2024: a dividend related to the period ended 31 December 2023 for an amount of EUR 383.5 million (EUR 0.47 per share) was paid to Ayvens shareholders on 4 June 2024 of which the dividend paid to Societe Generale was EUR 201.9 million). A dividend related to the period ended 31 December 2025 for an amount of EUR 73.7 million was paid to AT1 capital holders (see Note 27 for further details).

An exceptional interim dividend related to the period ended 31 December 2025 for an amount of EUR 328.9 million (EUR 0.42 per share) was paid to Ayvens shareholders on 18 December 2025 of which the dividend paid to Societe Generale was EUR 180.5 million (2024: no exceptional interim dividend was paid).



Note 35. Earnings per share

The weighted average number of shares outstanding in the computation of diluted earnings per share includes the number of shares to be issued for the warrants at no consideration adjusted for deduction of the ordinary shares that would be purchased in the open market using the expected proceeds.

The Group is authorised to purchase its own shares for the purposes of attributing, covering and paying off any scheme for the allocation of free shares, employee savings scheme and any other form of allocation to employees and executive directors of the Company or of companies related to it under the conditions set out in applicable legislative and regulatory provisions. Rights to free ordinary shares granted to employees will be settled with treasury shares under the long-term incentives employee plans. Treasury shares are included in the calculation of diluted earnings per share assuming all outstanding rights will vest.

Basic earnings per share

	As at 31 December	
	2025	2024
Net income Group share (in EUR million)	995.8	683.6
Attributable remuneration to AT1 capital holders (in EUR million)	(73.7)	(73.5)
Net income from continuing operations Group share (in EUR million)	922.1	610.1
Weighted average number of ordinary shares with voting rights (in thousands)	813,361	815,827
BASIC EARNINGS PER SHARE FROM CONTINUING OPERATIONS (in cents)	1.13	0.75
Net income Group share (in EUR million)	995.8	683.6
Attributable remuneration to AT1 capital holders (in EUR million)	(73.7)	(73.5)
Net income Group share (in EUR million)	922.1	610.1
Weighted average number of ordinary shares with voting rights (in thousands)	813,361	815,827
Basic earnings per share (in cents)	1.13	0.75

Diluted earnings per share

	As at 31 December	
	2025	2024
Net income from continuing operations Group share (in EUR million)	922.1	610.1
Weighted average number of ordinary shares (in thousands)	833,972	834,984
Diluted earnings per share from continuing operations (in EUR)	1.11	0.73
Net income Group share (in EUR million)	922.1	610.1
Net income from continuing operations Group share (in EUR million)	833,972	834,984
Diluted earnings per share (in cents)	1.11	0.73



Note 36. Related parties

Identity of related parties

Related party transactions relate mainly to transactions with companies of the Societe Generale Group, the Group majority shareholder, and transactions with companies of TDR Capital as a result of the acquisition of LeasePlan. There was no material change in the nature of the transactions conducted by the Group with related parties from prior year. All business relations with Societe Generale are handled at normal market conditions.

Key management compensation

Key management includes the following members of the Executive Committee: Chief Executive Officer, three Deputy Chief Executive Officers, Chairman of the Board and the Board directors.

The compensation paid to key management include Share based payments as well, which are reflected in Note 28 Share- based payments.

The compensation paid or payable to key management for employee services is shown below:

<i>(in EUR million)</i>	As at 31 December	
	2025	2024
Salaries and other short-term employment benefits	3.0	2.9
Remuneration for the activity of the Board members	0.4	0.4
Other long-term benefits	1.0	1.5
TOTAL	4.4	4.8

Sales of goods and services

Societe Generale and its subsidiaries are customers of the Group. The Group leases to Societe Generale and its subsidiaries a fleet of 7,171 vehicles across 19 countries (2024: 7,371 vehicles across 19 countries). Rentals have been priced at normal market conditions. More than 58% of the total fleet leased to Societe Generale Group is leased by Ayvens France (2024: 64%). Rental paid by Societe Generale Group to France for the year ending 31 December 2025 amounted to EUR 20.4 million (2024: EUR 20.6 million). The amount outstanding as at 31 December 2025 amounted to EUR 5.3 million (2024: EUR 2.5 million).

TDR Capital has a controlling interest in Constellation Automotive Group, which had a controlling interest in British Car Auction (BCA) and CN Group BV. The Group sells ex-lease vehicles on an arm's length basis under a long-term service agreement. The total sales revenues from transactions during 2025 amounted to EUR 0.1 billion (2024: EUR 0.4 billion). The result of transactions with Constellation Automotive Holdings for the year ending 31 December 2025 and 2024 is not material at the Group level. As at 31 December 2025 a balance is owed from Constellation Automotive Holdings of EUR 1.3 million (2024: EUR 11.7 million).



Purchases of goods and services

Information Technology (“IT”) Services

The Group has a contract with Societe Generale Global Services Centre (India), with which the Group subcontracts IT services including development, maintenance and support of international applications. The Group also subcontracts some technical infrastructure services to Societe Generale, mainly in France. The overall amount of IT services subcontracted to Societe Generale and its subsidiaries for the year ending 31 December 2025 amounts to EUR 15.1 million (2024: EUR 31.3 million). The amount outstanding as of 31 December 2025 amount to EUR 3 million (2024: EUR 9.6 million).

Regulatory reporting services

The Group has a contract with Societe Generale Global Services Centre (Romania) with which the Group subcontracts the following services: entity regulatory reporting (European Banking Authority based rules reporting), data quality platform and support functions. The overall amount of regulatory reporting services subcontracted to Societe Generale and its subsidiaries for the year ending 31 December 2025 amounts to EUR 2.1 million (2024: EUR 1.1 million).

Premises

Some Group entities share premises with Societe Generale or with Societe Generale business divisions in some countries (mainly France which represent around 78% of the total rentals paid to Societe Generale). Rentals have been priced at arm’s length and amounted to EUR 0.8 million for the year ending 31 December 2025 (2024: EUR 0.9 million).

Brokerage

Societe Generale retail and corporate banking network sells long term rental contracts to customers on behalf of the Group against a commission for each contract sourced. In the year ending 31 December 2025, around 14,000 contracts have been signed through the Societe Generale distribution network in three different countries (2024: around 21,000 contracts). The rental contract brokerage’s commission paid to Societe Generale by Ayvens France represented EUR 4.9 million for the year ended 31 December 2025 (2024: EUR 4.2 million).

Third Party Liabilities (TPL) Insurance policy

Ayvens Italy has subscribed to a TPL insurance policy for part of their fleet through Sogessur, the Car insurance company of Societe Generale. Sogessur acts as a frontier and is reinsured through Ayvens Insurance, the reinsurance company of the Group. Insurance premiums have been fixed at arm’s length. The overall amount of insurance premium paid by the Italy subsidiary to Sogessur for the year ending 31 December 2025 amounted to EUR 47.1 million (2024: EUR 47.3 million). There are no outstanding balances at the year end.



Corporate services

Societe Generale Group, as a shareholder, provides Ayvens with the following intercompany corporate services:

- Providing support and advice on various general secretary, and other matters at a holding level;
- Performing periodical audits in order to verify the effectiveness of governance, risk management, and permanent control;
- Supervising the Human Resources departments of the subsidiaries;

These Corporate services provided by Societe Generale have been subject to compensation of EUR 20 million in the year ending 31 December 2025 (2024: EUR 7.8 million).

In addition, for the year ending 31 December 2025, there were 34 employees seconded from Societe Generale (2024: 55) to the Group. For certain employees, they remained on the payroll of Societe Generale and were re-billed to the Group, which amounted to re-billing for staff seconded of EUR 13.6 million in the year ending 31 December 2025 (2024: EUR 16.4 million). The amount outstanding as at 31 December 2025 amount to 1.3 million (2024: EUR 1.1 million).

Loans with related parties

As at 31 December 2025, the net amount of loans granted to the Group entities by Societe Generale and its affiliates minus the deposits placed by the Group entities with Societe Generale Group entities, was EUR 11,474.4 million (2024: EUR 12,511.2 million).

Most of the funding provided by the Societe Generale Group is granted through Societe Generale Paris and Societe Generale Luxembourg. Societe Generale Paris and Societe Generale Luxembourg funds Ayvens Central Treasury which grants loans in different currencies to the Group subsidiaries and holding companies. Societe Generale also provides bank guarantees on behalf of the Group and its subsidiaries in relation to external funding. Overall guarantees released by Societe Generale amounted up to EUR 1,005.9 million as of 31 December 2025 (2024: EUR 1,685.6 million).

Societe Generale also provides the Group with derivatives instruments which have a nominal amount of EUR 3,991 million and are represented on the balance sheet as of 31 December 2025 for a total amount of EUR 7 million in assets and EUR 15.9 million in liabilities (2024: nominal of EUR 5,002 million, with EUR 16.3 million in assets and EUR 13.5 million in liabilities).

The Group has long-term cash deposits with Societe Generale for a total of EUR 53 million as of 31 December 2025 (2024: EUR 120.2 million). These deposits will roll-out in approximately 2 years' time and will not be renewed.

All business relations with investments accounted for using the equity method are in the ordinary course of business and are handled on normal market terms. In 2024 the full amount was repaid (EUR 41.5 million). (see Note 18).

Tax consolidation agreement

ALD Automotive Italia SRL has joined Societe Generale tax consolidation group in Italy in 2016. This regime allows the determination of a single IRES taxable base comprised of the taxable income and losses of each of the participating entities.



Note 37. Auditors' fees

The consolidated financial statements of Ayvens are jointly audited by KPMG S.A., represented by Maxime Van Den Broek and Guillaume Mabile, and PricewaterhouseCoopers Audit, represented by Amel Hardy-Ben Bdira and Ridha Ben Chamek.

Approval of any non-audit services (NAS) provided by the statutory auditors is carried out in accordance with European audit regulations, ensuring that such services comply with independence requirements before they begin.

The table below shows the fees charged by KPMG S.A. and PricewaterhouseCoopers Audit to Ayvens S.A. and its subsidiaries.

(in EUR million)	2025				
	PWC	Deloitte	KPMG	Other	Total
Issuer	1.4	-	1.3	-	2.7
Fully consolidated subsidiaries	5.0	-	9.1	0.1	14.2
Audit services	6.4	-	10.4	0.1	16.9
Non-audit related services – Issuer	0.1	-	0.1	-	0.2
Non-audit related services – Fully consolidated subsidiaries	0.2	-	0.1	0.2	0.5
Sustainability audit	0.3	-	0.3	-	0.6
TOTAL AUDIT FEES	7.0	-	10.9	0.3	18.1

In 2025, non-audit services mainly consist of missions of provision of expertise and benchmarks, internal control reviews in the context of the compliance with ISAE (International Standard on Assurance Engagements) standards and extended audit procedures (agreed upon procedures and complementary audits).

(in EUR million)	2024				
	PWC	Deloitte	KPMG	Other	Total
Issuer	0.7	0.7	0.7	0.1	2.2
Fully consolidated subsidiaries	3.8	1.9	10.4	1.3	17.4
Audit services	4.5	2.6	11.1	1.4	19.6
Non-audit related services – Issuer	0.1	0.1	0.1	0.1	0.4
Non-audit related services – Fully consolidated subsidiaries	0.1	0.3	0.7	0.3	1.4
Sustainability audit	0.3	-	0.3	-	0.6
TOTAL AUDIT FEES	5.0	3.0	12.2	1.8	22.0



Note 38. Commitments

The Group has entered into commitments relating to the forward purchase of property and equipment under operating lease and rental fleet amounting to EUR 5.4 billion (2024: EUR 6.4 billion) as at the balance sheet date. These commitments are entered into in the ordinary course of business and the majority is back-to-back matched with lease contracts entered with customers.

In addition, the Group has provided guarantees and counter-guarantees on behalf of its subsidiaries in the event of external financing or property leases of a total amount of EUR 2.1 billion as at 31 December 2025.



Note 39. Contingencies

Investigations in Germany

As part of Ayvens' legal and compliance obligations, investigations in certain past business practices were conducted by Ayvens in Germany. The assessment of financial consequences is ongoing. However, at this stage, it is not expected that the results of such assessment would have a material financial impact for the Group.

Investigations in UK

As part of Ayvens' legal and compliance obligations, Ayvens in the UK is undertaking investigations into certain business practices within LeasePlan UK Limited. At this early stage, no reliable assessment can be made regarding a potential liability or financial impact.

Investigations in Mexico

Ayvens in Mexico is investigating certain market situations related to automotive taxation in the specific context of the Federal Mexican Tax system.



Note 40. Events after the reporting period

No material events occurred after 31 December 2025 that require disclosure in accordance with IFRS, nor events affecting the financial position of the Group as at 31 December 2025 or the result for the period ended 31 December 2025.



Note 41. Scope of consolidation

Country	Ayvens SA (formerly known as ALD International SA) Consolidated companies under global integration	Method ⁽¹⁾	As at December 31,		As at December 31,	
			2025	2024	2025	2024
			Parent interest %	Parent interest %	Voting rights %	Voting rights %
Algeria	ALD Automotive Algeria SPA	FULL	100.00	100.00	100.00	100.00
Austria	Ayvens Austria GmbH	FULL	100.00	100.00	100.00	100.00
Belgium	Axus SA NV-BELGIUM	FULL	100.00	100.00	100.00	100.00
Belgium	LeasePlan Fleet Management NV ⁽²⁾	FULL	-	100.00	-	100.00
Belgium	Axus Finance SPRL	FULL	100.00	100.00	100.00	100.00
Belgium	LeasePlan Partnerships & Alliances ⁽²⁾	FULL	-	100.00	-	100.00
Belgium	Bumper BE	FULL	100.00	100.00	100.00	100.00
Brazil	ALD Automotive SA-BRAZIL	FULL	100.00	100.00	100.00	100.00
Brazil	LeasePlan Brasil Ltda. ⁽²⁾	FULL	-	100.00	-	100.00
Brazil	LeasePlan Arrendamento Mercantil SA	FULL	100.00	100.00	100.00	100.00
Brazil	AYVENS HOLDING DO BRASIL LTDA	FULL	100.00	-	100.00	-
Bulgaria	ALD Automotive EOOD - BULGARIA	FULL	100.00	100.00	100.00	100.00
Chile	Ayvens LTDA - CHILE	FULL	100.00	100.00	100.00	100.00
Colombia	ALD Automotive SAS-COLOMBIA	FULL	100.00	100.00	100.00	100.00
Croatia	Ayvens Croatia d.o.o. za operativni i financijski leasing - CROATIA	FULL	100.00	100.00	100.00	100.00
Czech Republic	Ayvens s.r.o.	FULL	100.00	100.00	100.00	100.00
Czech Republic	Accident Management Services s.r.o.	FULL	100.00	-	100.00	-
Denmark	Ayvens Danmark A/S - DENMARK	FULL	100.00	100.00	100.00	100.00
Denmark	LeasePlan Danmark A/S ⁽²⁾	FULL	-	100.00	-	100.00
Denmark	NF Fleet A/S-DENMARK	FULL	80.00	80.00	80.00	80.00
Denmark	Auto Claim Handling Danmark A/S	FULL	100.00	100.00	100.00	100.00
Egypt	ALD Automotive for Cars Rental and Fleet Management SAE-EGYPT	FULL	100.00	100.00	100.00	100.00
Estonia	ALD Automotive Eesti AS - ESTONIA	FULL	75.00	75.00	75.00	75.00
Finland	Axus Finland OY	FULL	100.00	100.00	100.00	100.00
Finland	NF Fleet OY-FINLAND	FULL	80.00	80.00	80.00	80.00
France	Ayvens SA	FULL	100.00	100.00	100.00	100.00
France	ALD International Participations SAS	FULL	100.00	100.00	100.00	100.00
France	TEMSYS-France (including merged entity LeasePlan France SAS)	FULL	100.00	100.00	100.00	100.00
France	PARCOURS	FULL	100.00	100.00	100.00	100.00
France	PARCOURS ANNECY	FULL	100.00	100.00	100.00	100.00
France	PARCOURS BORDEAUX	FULL	100.00	100.00	100.00	100.00
France	PARCOURS NANTES	FULL	100.00	100.00	100.00	100.00
France	PARCOURS STRASBOURG	FULL	100.00	100.00	100.00	100.00
France	PARCOURS TOURS	FULL	100.00	100.00	100.00	100.00
France	LEASEPLAN FRANCE S.A.S	FULL	100.00	100.00	100.00	100.00
France	SOCIETE DE COURTAGES D'ASSURANCES GROUPE	FULL	100.00	100.00	100.00	100.00
France	ADMINISTRATIVE AND MANAGEMENT SERVICES	FULL	100.00	100.00	100.00	100.00
France	BUMPER FR 2022-1	FULL	100.00	100.00	100.00	100.00
France	RED & BLACK AUTO LEASE FRANCE 2	FULL	100.00	100.00	100.00	100.00
France	BREMANY LEASE SAS	FULL	100.00	100.00	100.00	100.00
Germany	ALD Autoleasing D GmbH - GERMANY	FULL	100.00	100.00	100.00	100.00
Germany	LeasePlan Deutschland GmbH ⁽²⁾	FULL	-	100.00	-	100.00
Germany	Lean Autovermietung GmbH	FULL	100.00	100.00	100.00	100.00
Germany	LeasePlan Versicherungsvermittlungsgesellschaft mbH	FULL	100.00	100.00	100.00	100.00
Germany	Fleetpool GmbH	FULL	100.00	100.00	100.00	100.00
Germany	ALD International GmbH	FULL	100.00	100.00	100.00	100.00
Germany	Interleasing Dello Hamburg G.m.b.H.	FULL	100.00	100.00	100.00	100.00
Germany	ALD INTERNATIONAL GROUP HOLDINGS GMBH	FULL	100.00	100.00	100.00	100.00
Greece	LeasePlan Hellas Commercial Vehicle Leasing And Fleet Management	FULL	100.00	100.00	100.00	100.00
	Services Single-Member Société Anonyme - GREECE					
Hungary	ALD Automotive Magyarország KFT - HUNGARY ⁽²⁾	FULL	-	100.00	-	100.00
Hungary	LeasePlan Hungaria Gépjármu Kezelo és Fiannszirozo Részvénytársasag	FULL	100.00	100.00	100.00	100.00
India	ALD Automotive Private Limited-INDIA	FULL	100.00	100.00	100.00	100.00
India	LeasePlan India Private Ltd.	FULL	100.00	100.00	100.00	100.00
India	AYVENS INSURANCE SERVICES INDIA PRIVATE LIMITED	FULL	100.00	100.00	100.00	100.00



Country	Ayvens SA (formerly known as ALD International SA) Consolidated companies under global integration	Method ⁽¹⁾	As at December 31,		As at December 31,	
			2025	2024	2025	2024
			Parent interest %	Parent interest %	Voting rights %	Voting rights %
Ireland	Ayvens Ireland Limited	FULL	100.00	100.00	100.00	100.00
Ireland	Euro Insurances Designated Activity Company	FULL	100.00	100.00	100.00	100.00
Ireland	Leaseplan Digital B.V. (dublin branch)	FULL	100.00	100.00	100.00	100.00
Italy	ALD AUTOMOTIVE ITALIA S.R.L- ITALY	FULL	100.00	100.00	100.00	100.00
Italy	LeasePlan Italia SpA ⁽²⁾	FULL	-	100.00	-	100.00
Latvia	ALD Automotive SIA-LATVIA	FULL	75.00	75.00	75.00	75.00
Lithuania	UAB ALD Automotive-LITHUANIA	FULL	75.00	75.00	75.00	75.00
Luxembourg	Axus Luxembourg SA	FULL	100.00	100.00	100.00	100.00
Luxembourg	ZEUS FINANCE LEASING S.A.	FULL	100.00	100.00	100.00	100.00
Luxembourg	ALD International Services S.A.	FULL	100.00	100.00	100.00	100.00
Luxembourg	RED & BLACK AUTO LEASE GERMANY S.A.	FULL	100.00	100.00	100.00	100.00
Luxembourg	LEASEPLAN GLOBAL PROCUREMENT (A LUXEMBOURGISH BRANCH OF LEASEPLAN GLOBAL B.V.)	FULL	100.00	100.00	100.00	100.00
Luxembourg	Axus Luxembourg SPV SA	FULL	100.00	100.00	100.00	100.00
Malaysia	AYVENS MHC MOBILITY SERVICES MALAYSIA SDN. BHD.-MALAYSIA	FULL	60.00	60.00	60.00	60.00
Mexico	ALD Automotive SA de CV-MEXICO	FULL	100.00	100.00	100.00	100.00
Mexico	Mexico SOFOM ⁽²⁾	FULL	-	100.00	-	100.00
Mexico	LeasePlan Mexico SA de CV ⁽²⁾	FULL	-	100.00	-	100.00
Norway	Ayvens Norge AS	FULL	100.00	100.00	100.00	100.00
Norway	NF Fleet AS-NORWAY	FULL	80.00	80.00	80.00	80.00
Norway	Accident Management Services Norge AS	FULL	100.00	100.00	100.00	100.00
Peru	ALD Automotive Peru S.A.C.	FULL	100.00	100.00	100.00	100.00
Poland	Ayvens Poland Sp.z o.o.	FULL	100.00	100.00	100.00	100.00
Poland	Ayvens Financial Services Poland spółka z ograniczoną odpowiedzialnością	FULL	100.00	100.00	100.00	100.00
Poland	Fleet Accident Management Services Sp.z o.o.	FULL	100.00	100.00	100.00	100.00
Portugal	LeasePlan Portugal Comércio e Aluguer de Automóveis e Equipamentos Lda.	FULL	100.00	100.00	100.00	100.00
Portugal	Fleet Cover-Sociedade Mediacao de Seguros, Lda.	FULL	100.00	100.00	50.00	50.00
Romania	ALD Automotive SRL-ROMANIA	FULL	100.00	100.00	100.00	100.00
Romania	LeasePlan Romania SRL ⁽²⁾	FULL	-	100.00	-	100.00
Romania	Accident Management Services S.R.L.	FULL	100.00	100.00	100.00	100.00
Romania	Ayvens Service Center S.R.L.	FULL	100.00	100.00	100.00	100.00
Serbia	Ayvens d.o.o., Beograd	FULL	100.00	100.00	100.00	100.00
Slovakia	ALD Automotive Slovakia SRO ⁽²⁾	FULL	-	100.00	-	100.00
Slovakia	Ayvens Slovakia s.r.o.	FULL	100.00	100.00	100.00	100.00
Slovakia	InsurancePlan s.r.o.	FULL	100.00	100.00	100.00	100.00
Slovenia	Ayvens Slovenija d.o.o.	FULL	100.00	100.00	100.00	100.00
Spain	AYVENS SPAIN MOBILITY SOLUTIONS S.A.U.	FULL	100.00	100.00	100.00	100.00
Spain	LeasePlan Servicios, SA ⁽²⁾	FULL	-	100.00	-	100.00
Spain	Soluciones De Renting Movilidad SL	FULL	100.00	100.00	100.00	100.00
Spain	Garanthia Plan S.L.U.	FULL	100.00	100.00	100.00	100.00
Sweden	ALD Automotive AB - SWEDEN ⁽²⁾	FULL	-	100.00	-	100.00
Sweden	Ayvens Sweden AB	FULL	100.00	100.00	100.00	100.00
Sweden	NF fleet AB-SWEDEN	FULL	80.00	80.00	80.00	80.00
Sweden	Claims Management Sverige AB	FULL	100.00	100.00	100.00	100.00
Switzerland	Ayvens Switzerland AG	FULL	100.00	100.00	100.00	100.00
Switzerland	LeasePlan (Schweiz) AG ⁽²⁾	FULL	-	100.00	-	100.00
The Netherlands	Axus Nederland N.V. (including merged entity Leaseplan Nederland N.V.)	FULL	100.00	100.00	100.00	100.00
The Netherlands	Ayvens Bank N.V. (formerly know as LeasePlan Corporation N.V.)	FULL	100.00	100.00	100.00	100.00
The Netherlands	LeasePlan Digital B.V.	FULL	100.00	100.00	100.00	100.00
The Netherlands	LeasePlan Finance B.V.	FULL	100.00	100.00	100.00	100.00
The Netherlands	LeasePlan Global B.V.	FULL	100.00	100.00	100.00	100.00
The Netherlands	LeasePlan Group B.V.	FULL	100.00	100.00	100.00	100.00
The Netherlands	AXUS FINANCE NL B.V.	FULL	100.00	100.00	100.00	100.00
The Netherlands	Ford Fleet Management B.V.	FULL	50.10	50.10	50.10	50.10
The Netherlands	AALH PARTICIPATIES B.V.	FULL	100.00	100.00	100.00	100.00
The Netherlands	FIRENTA B.V.	FULL	100.00	100.00	100.00	100.00
The Netherlands	AYVENS RECHTSHULP B.V.	FULL	100.00	100.00	100.00	100.00



Country	Ayvens SA (formerly known as ALD International SA) Consolidated companies under global integration	Method ⁽¹⁾	As at December 31,		As at December 31,	
			2025	2024	2025	2024
			Parent interest %	Parent interest %	Voting rights %	Voting rights %
The Netherlands	LEASE BEHEER VASTGOED B.V.	FULL	100.00	100.00	100.00	100.00
The Netherlands	TRANSPORT PLAN B.V.	FULL	100.00	100.00	100.00	100.00
The Netherlands	ACCIDENT MANAGEMENT SERVICES (AMS) B.V.	FULL	100.00	100.00	100.00	100.00
The Netherlands	LEASEPLAN CN HOLDING B.V.	FULL	100.00	100.00	100.00	100.00
The Netherlands	BUMPER NL 2020-1 B.V.	FULL	100.00	100.00	100.00	100.00
The Netherlands	BUMPER NL 2022-1 B.V.	FULL	100.00	100.00	100.00	100.00
The Netherlands	BUMPER NL 2023-1 B.V.	FULL	100.00	100.00	100.00	100.00
The Netherlands	BUMPER NL 2024-1 B.V.	FULL	100.00	100.00	100.00	100.00
The Netherlands	BUMPER NL 2025-1 B.V.	FULL	100.00	100.00	100.00	100.00
Turkey	LeasePlan Otomotiv Servis ve Ticaret A.Ş.	FULL	100.00	100.00	100.00	100.00
Ukraine	Ayvens Ukraine Limited Liability Company	FULL	100.00	100.00	100.00	100.00
United Kingdom	ALD Automotive Group Limited - UK	FULL	100.00	100.00	100.00	100.00
United Kingdom	Ayvens INS (including merged entities ALD Insurance and Euro Insurances DAC trading as LeasePlan Insurance)	FULL	100.00	100.00	100.00	100.00
United Kingdom	Inula Holding UK Ltd.	FULL	100.00	100.00	100.00	100.00
United Kingdom	Ford Fleet Management UK Limited	FULL	100.00	100.00	100.00	100.00
United Kingdom	RED & BLACK AUTO LEASE UK 1 PLC	FULL	100.00	100.00	100.00	100.00
United Kingdom	Internal Fleet Purchasing Limited	FULL	100.00	100.00	100.00	100.00
United Kingdom	Automotive Leasing Limited	FULL	100.00	100.00	100.00	100.00
United Kingdom	Dial Contracts Limited	FULL	100.00	100.00	100.00	100.00
United Kingdom	Dial Vehicle Management Services Ltd	FULL	100.00	100.00	100.00	100.00
United Kingdom	LeasePlan UK Limited	FULL	100.00	100.00	100.00	100.00
United Kingdom	BUMPER UK 2019-1 FINANCE PLC	FULL	100.00	100.00	100.00	100.00
United Kingdom	BUMPER UK 2021-1 FINANCE PLC	FULL	100.00	100.00	100.00	100.00
	Investments accounted for using the equity method ⁽³⁾					
Emirates	LeasePlan Emirates L.L.C. ⁽⁴⁾	EQUITY	49.00	49.00	49.00	49.00
France	PLease S.C.S.	EQUITY	99.30	99.00	99.30	99.00
Germany	Flottenmanagement GmbH	EQUITY	49.00	49.00	49.00	49.00

(1) FULL = Full consolidation, EQUITY = Investments accounted for using the equity method.

(2) Merged entities.

(3) For further detail refer to Note 19 Investments in associates and jointly controlled entities.

(4) In December 2025 LeasePlan Emirates L.L.C was classified as Assets held for sale, under IFRS 5.

