Informe de Auditoría de Cuentas Anuales

Audit Report on Financial Statements
issued by an Independent Auditor

SEAT, S.A.
(SOCIEDAD UNIPERSONAL)
Financial Statements and Management Report
for the year ended December 31, 2024

Building a better working world

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AUDIT REPORT ON FINANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR

Translation of a report and financial statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To the Sole Shareholder of SEAT, S.A., Sociedad Unipersonal:

Report on the financial statements

Opinion

We have audited the financial statements of SEAT, S.A., Sociedad Unipersonal (the Company), which comprise the balance sheet as at December 31, 2024, the income statement, the statement of changes in equity, the cash flow statement, and the notes thereto for the year then ended.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the equity and financial position of the Company as at December 31, 2024 and of its financial performance and its cash flows for the year then ended in accordance with the applicable regulatory framework for financial information in Spain (identified in Note 3.a) to the accompanying financial statements) and, specifically, the accounting principles and criteria contained therein.

Basis for opinion

We conducted our audit in accordance with prevailing audit regulations in Spain. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the financial statements in Spain as required by prevailing audit regulations. In this regard, we have not provided non-audit services nor have any situations or circumstances arisen that might have compromised our mandatory independence in a manner prohibited by the aforementioned requirements.

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

Key audit matters

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

Domicilio Social: Calle de Raimundo Fernández Villaverde, 65. 28003 Madrid - Inscrita en el Registro Mercantil de Madrid, tomo 9.364 general, 8.130 de la sección 3ª del Libro de Sociedades, folio 68, hoja nº 87.690-1, inscripción 1ª. C.I.F. B-78970506.

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Recoverability of non-current non-financial assets

Description

At December 31, 2024 the net carrying amount of intangible assets and tangible assets amounts to 2,123.8 and 1,582.8 million euros, respectively. Additionally, at that date the Company has recognized deferred tax assets amounting to 369.2 million euros. Determining the recoverable amount of the said assets, which account for 55%of the Company's total assets at that date, requires Company Management to make complex estimates of projections of results and future cash flows, which entails the use of judgments in the determination of the assumptions considered in those estimates. Given this circumstance, together with the relevance of the amounts mentioned above, we have considered this issue a key audit matter.

Our response

Our audit procedures consisted, among others, in:

- Understanding the procedures established by Company Management in the preparation of projections of results and future cash flows, and assessing the design and implementation of relevant controls.
- Analyzing the consistency of the data used in the projections made with the budgets approved by the Management of the Company.
- Assessing the reasonableness and consistency of the key assumptions considered in the determination of the Company's future cash flows, as well as the projections of results of the tax group it belongs to, based on historical information, economic forecasts for the industry and other supporting documentation.
- Conducting an analysis by our valuations experts of the reasonableness of the methodology used to estimate future cash flows and, specifically, the discount rate and long-term growth rate considered by Company Management.
- Analysis of the existence of potential impairment indicators of capitalized development projects and, if any, review of the reasonableness of their recoverable amount.
- Assessing the reasonableness of the useful lives of intangible assets and tangible assets assigned to the different vehicles, in accordance with the end of production dates considered by the Management of the Company.
- Reviewing the disclosures included in the accompanying notes to the financial statements in accordance with the applicable regulatory framework for financial information.

Recording and quantification of provisions and contingencies

Description

As detailed in Note 14 to the accompanying financial statements, at December 31, 2024 the Company has recognized provisions amounting to 1,198.8 million euros to face commercial, production and legal risks, among others. The said provisions have been recorded in the "Long-term provisions" and "Short-term provisions" captions in the liabilities side of the balance sheet. The recording of these provisions requires Company Management to make complex estimates of the probability of future cash outflows and their quantification, which entails the use of judgments in the determination of the assumptions considered in those estimates. Given this circumstance, together with the relevance of the amount mentioned above, which accounts for 24%of the Company's total liabilities at that date, we have considered this issue a key audit matter.

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Our response

Our audit procedures consisted, among others, in:

- Understanding the procedures for identifying and quantifying the risks established by Company Management, and assessing the design and implementation of relevant controls.
- Assessing the reasonableness of the judgments made by Company Management for estimating the amounts to be set aside in the provisions, based on past experience, specific risks identified and other supporting documentation.
- Obtaining written confirmation from the Company's legal department and external advisors of the assessment and quantification of litigations and contingencies risks.
- Reviewing the minutes of the meetings held by the Company's managing and administration bodies.
- Reviewing the disclosures included in the accompanying notes to the financial statements in accordance with the applicable regulatory framework for financial information.

Other information: management report

Other information refers exclusively to the 2024 management report, the preparation of which is the responsibility of the Company's directors and is not an integral part of the financial statements.

Our audit opinion on the financial statements does not cover the management report. Our responsibility for the management report, in conformity with prevailing audit regulations in Spain, entails:

a) Checking only that the non-financial information statement was provided as stipulated by applicable regulations and, if not, disclose this fact.

b) Assessing and reporting on the consistency of the remaining information included in the management report with the financial statements, based on the knowledge of the entity obtained during the audit, in addition to evaluating and reporting on whether the content and presentation of this part of the management report are in conformity with applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to disclose this fact.

Based on the work performed, as described above, we have verified that the information referred to in paragraph a) above is provided as stipulated by applicable regulations and that the remaining information contained in the management report is consistent with that provided in the 2024 financial statements and its content and presentation are in conformity with applicable regulations.

Responsibilities of the directors and the audit and good practices commission for the financial statements

The directors are responsible for the preparation of the accompanying financial statements so that they give a true and fair view of the equity, financial position and results of the Company, in accordance with the regulatory framework for financial information applicable to the Company in Spain, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The audit and good practices commission is responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

As part of an audit in accordance with prevailing audit regulations in Spain, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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We communicate with the audit and good practices commission of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee of the Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the audit and good practices commission of the Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

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

Report on other legal and regulatory requirements

Additional report to the audit and good practices commission

The opinion expressed in this audit report is consistent with the additional report we issued to the audit and good practices commission of the Company on March 11, 2025.

Term of engagement

The ordinary general shareholders' meeting held on April 30, 2024 appointed us as auditors for the fiscal year ended December 31, 2024.

Previously, we were appointed as auditors by the shareholders for 1 year and we have been carrying out the audit of the financial statements continuously since December 31, 2020.

ERNST & YOUNG, S.L.
(Registered in Spain's Official Register of Auditors under No. S0530)

(Original in Spanish signed by Xavier Pujol Pamies, registered in Spain's Official Register of Auditors under No. 18302)

March 11, 2025

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