ank=20250709-20250710053600

Årsredovisning

för

HD Sweden Holding AB

556713-0322

Räkenskapsåret

2024

Fastställelseintyg

Undertecknad styrelseledamot i HD Sweden Holding AB intygar att resultaträkningen och balansräkningen i årsredovisningen har fastställts på årsstämma den 29 juni 2025. Årsstämman beslutade att godkänna styrelsens förslag till resultatdisposition.

Jag intygar också att innehållet i årsredovisningen och revisionsberättelsen stämmer överens med originalen.

Alingsås den 30 juni 2025

Jonas Persson

ank=20250709-20250710053601

Årsredovisning

för

HD Sweden Holding AB

556713-0322

Räkenskapsåret

2024

Penneo dokumentnyckel: 4BJSU-PL2B3-7J84Z-BCZZV-FJFG8-ZQE6E

ank=20250709-20250711053602

Styrelsen och verkställande direktören för HD Sweden Holding AB, med säte i Alingsås, får härmed avge årsredovisning för räkenskapsåret 2024.

Årsredovisningen är upprättad i svenska kronor, SEK.

Förvaltningsberättelse

Information om verksamheten

HD Sweden Holding AB, ingår i Hunter Douglas-gruppen, vars slutliga moderbolag, 3G Capital Partners (71760), har sitt säte i New York, USA.
Verksamheten består av att äga och förvalta aktier i dotterbolag.

Väsentliga händelser under räkenskapsåret

Under 2024 har dotterbolaget W.H. Produkter A/S, Danmark, fusionerats med Luxaflex A/S, Danmark. Dotterbolaget Luxaflex Scandinavia AB har erhålligt ett aktieägartillskott.

Risker och osäkerhetsfaktorer

Eftersom verksamheten består i att äga och förvalta aktier i dotterbolag så utgörs bolagets risker och osäkerhetsfaktorer av de risker som finns i respektive dotterbolag.

Flerårsöversikt (Tkr)	**2024**	**2023**	**2022**	**2021**
Nettoomsättning	565	565	565	565
Resultat efter finansiella poster	32 792	4 921	24 093	108 398
Balansomslutning	509 301	498 167	456 554	568 216
Soliditet (%)	97,8	98,6	94,7	95,6
Avkastning på eget kap. (%)	6,6	1,0	5,6	19,9
Antal anställda	0	0	0	0

Förslag till vinstdisposition

Styrelsen föreslår att till förfogande stående vinstmedel (kronor):

balanserad vinst	440 760 012
årets vinst	57 139 919
	497 899 931
disponeras så att	
till aktieägare utdelas	50 000 000
i ny räkning överföres	447 899 931
	497 899 931

Penneo dokumentnyckel: 4BJSU-PLB28-7J94Z-BCZZV-F4FGB-ZQE6E

ank=20250709-20250710053603

Styrelsen föreslås bemyndigas att besluta om tidpunkt då utdelningen skall betalas.

Styrelsen anser att förslaget är förenligt med försiktighetsregeln i 17 kap. 3 § aktiebolagslagen enligt följande redogörelse: Styrelsens uppfattning är att vinstutdelningen är försvarlig med hänsyn till de krav verksamhetens art, omfattning och risk ställer på storleken på det egna kapitalet, bolagets konsolideringsbehov, likviditet och ställning i övrigt.

Företagets resultat och ställning i övrigt framgår av efterföljande resultat- och balansräkning med tilläggsupplysningar.

Penneo dokumentnyckel: 4BJSU-PL2B8-7JN4Z-BCZZV-F4FGS-ZQE6F

Resultaträkning
Tkr

	Not	2024-01-01 -2024-12-31	2023-01-01 -2023-12-31
Nettoomsättning	1	565	565
Bruttoresultat		**565**	**565**
Rörelsens kostnader			
Administrationskostnader		-731	-1 881
Rörelseresultat	2	**-166**	**-1 316**
Resultat från finansiella poster			
Resultat från andelar i koncernföretag	3	32 141	5 286
Ränteintäkter och liknande resultatposter	4	969	1 057
Räntekostnader och liknande resultatposter	5	-152	-106
		32 958	**6 237**
Resultat efter finansiella poster		**32 792**	**4 921**
Bokslutsdispositioner	6	30 839	59 725
Skatt på årets resultat	7	-6 491	-12 209
Årets resultat		**57 140**	**52 437**

ank=20250709-20250711053604

Penneo dokumentnyckel: 4BJSU-PL828-7J84Z-BCZZV-F4FG8-ZQE6E

Balansräkning

Tkr

	Not	2024-12-31	2023-12-31
TILLGÅNGAR			
Anläggningstillgångar			
Finansiella anläggningstillgångar			
Andelar i koncernföretag	8, 9	440 276	417 211
Omsättningstillgångar			
Kortfristiga fordringar			
Fordringar hos koncernföretag		65 697	73 443
Aktuella skattefordringar		3 185	0
Övriga fordringar		141	7 000
Summa kortfristiga fordringar		**69 023**	**80 443**
Kassa och bank		1	513
Summa omsättningstillgångar		**69 024**	**80 956**
SUMMA TILLGÅNGAR		**509 301**	**498 167**

ank=20250709-20250709-5071053605

Penneo dokumentnyckel: 48J5-7J94Z-8CZZV-F4FG8-ZQE6E

Balansräkning

Tkr

	Not	2024-12-31	2023-12-31
EGET KAPITAL OCH SKULDER			
Eget kapital			
Bundet eget kapital			
Aktiekapital		222	222
Fritt eget kapital	10		
Balanserad vinst eller förlust		440 760	438 323
Årets resultat		57 140	52 437
Summa eget kapital		**498 122**	**490 982**
Kortfristiga skulder			
Skulder till koncernföretag		10 924	4 485
Aktuella skatteskulder		0	2 608
Övriga skulder		141	0
Upplupna kostnader och förutbetalda intäkter		113	91
Summa kortfristiga skulder		**11 178**	**7 185**
SUMMA EGET KAPITAL OCH SKULDER		**509 301**	**498 167**

ank=20250709-20250711053606

Penneo dokumentnyckel: 4B3SU-PLB28-7J94Z-BCZZV-F4FG8-ZOE6E

ank=20250709-20250709607

Rapport över förändringar i eget kapital

Tkr

	Aktie-kapital	Balanserat resultat	Årets resultat	Summa eget kapital
Ingående eget kapital 2023-01-01	**200**	**313 240**	**118 825**	**432 265**
Omföring resultat föreg år		118 825	-118 825	0
Nyemission	22	124 581		124 604
Lämnad utdelning		-118 323		-118 323
Årets resultat			52 437	52 437
Utgående eget kapital 2023-12-31	**222**	**438 323**	**52 437**	**490 982**
Omföring resultat föreg år		52 437	-52 437	0
Lämnad utdelning		-50 000		-50 000
Årets resultat			57 140	57 140
Utgående eget kapital 2024-12-31	**222**	**440 760**	**57 140**	**498 122**

Penneo dokumentnyckel: 4BJSU-PL2J3-7J94Z-8CZZV-F4FG8-ZQE6E

ank=20250709-20250710053608

Tilläggsupplysningar

Redovisnings- och värderingsprinciper

Allmänna redovisningsprinciper
Årsredovisningen är upprättad i enlighet med årsredovisningslagen och BFNAR 2012:1 Årsredovisning och koncernredovisning (K3).

Fordringar och skulder
Om inget annat anges värderas kortfristiga fordringar till det lägsta av dess anskaffningsvärde och det belopp varmed de beräknas bli reglerade. Långfristiga fordringar och långfristiga skulder värderas efter det första värderingstillfället till upplupet anskaffningsvärde. Övriga skulder värderas till de belopp varmed de beräknas bli reglerade. Övriga tillgångar redovisas till anskaffningsvärde om inget annat anges.

Koncerntillhörighet och koncernredovisning
Företaget är ett moderföretag, men upprättar ingen koncernredovisning med hänvisning till undantagsregeln i årsredovisningslagen 7 kap 2§.

Närmast överordnade moderföretag som upprättar koncernredovisning i vilken företaget ingår är Hunter Douglas Holding B.V. i Rotterdam, Holland, reg nr 84968192. Årsredovisningen finns tillgänglig på www.hunterdouglasgroup.com.

Intäktsredovisning
Intäkter har tagits upp till verkligt värde av vad som erhållits eller kommer att erhållas och redovisas i den omfattning det är sannolikt att de ekonomiska fördelarna kommer att tillgodogöras bolaget och intäkterna kan beräknas på ett tillförlitligt sätt.

Nedskrivning av anläggningstillgångar
Redovisat värde granskas beträffande eventuell värdeminskning när händelse eller ändrade förutsättningar indikerar att det redovisade värdet eventuellt inte kommer att kunna återvinnas. Om det finns sådana indikationer och om det redovisade värdet överstiger det förväntade återvinningsbara beloppet skrivs tillgångarna ned till det återvinningsbara beloppet, vilket motsvarar det högsta av nettoförsäljningsvärdet och nyttjandevärdet. Nyttjandevärdet utgörs av nuvärdet av de förväntade framtida kassaflödena enligt en diskonteringsfaktor före skatt, som avspeglar marknadens aktuella uppskattning av pengars tidsvärde och de risker, som förknippas med tillgången. Nedskrivningen redovisas i resultaträkningen.

Finansiella instrument
Finansiella instrument värderas utifrån anskaffningsvärdet. Instrumentet redovisas i balansräkningen när bolaget blir part i instrumentets avtalsmässiga villkor. Finansiella tillgångar tas bort från balansräkningen när rätten att erhålla kassaflöden från instrumentet har löpt ut eller överförts och bolaget har överfört i stort sett alla risker och förmåner som är förknippade med äganderätten. Finansiella skulder tas bort från balansräkningen när förpliktelserna har reglerats eller på annat sätt upphört.

Omräkning av poster i utländsk valuta
Fordringar och skulder i utländsk valuta har värderats till balansdagens kurs. Kursvinster och kursförluster på rörelsefordringar och rörelseskulder redovisas i rörelseresultatet medan kursvinster och kursförluster på finansiella fordringar och skulder redovisas som finansiella poster.

Penneo dokumentnyckel: 4BJSU-PLBZ2-7J84Z-BCZZV-F4FG8-ZQE6E

ank=20250709-20250709609

Koncernbidrag
Erhållna och lämnade koncernbidrag redovisas som bokslutsdispositioner.

Nyckeltalsdefinitioner
Soliditet (%)
Justerat eget kapital (eget kapital och obeskattade reserver med avdrag för uppskjuten skatt) i procent av balansomslutning.

Avkastning på eget kap. (%)
Resultat efter finansiella poster i procent av justerat eget kapital (eget kapital och obeskattade reserver med avdrag för uppskjuten skatt).

Penneo dokumentnyckel: 4BJSU-PL823-7J84Z-BCZZV-F4FG6-ZQE6E

ank=20250709-20250709-20250710

Noter

Tkr

Not 1 Nettoomsättningens fördelning

Av moderbolagets nettoomsättning har 100% (100%) gått till andra koncernbolag.

Not 2 Anställda och personalkostnader

Bolaget har inte haft några anställda och några löner har ej utbetalats.

Not 3 Resultat från andelar i koncernföretag

	2024	2023
Erhållna utdelningar	57 767	7 360
Resultat vid avyttringar	0	-2 074
Nedskrivningar av aktier i dotterbolag	-25 626	0
	32 141	**5 286**

Not 4 Ränteintäkter och liknande resultatposter

	2024	2023
Ränteintäkter från koncernföretag	381	1 057
Kursdifferenser	589	0
	970	**1 057**

Not 5 Räntekostnader och liknande resultatposter

	2024	2023
Övriga räntekostnader	-152	-106
	-152	**-106**

Penneo dokumentnyckel: 4BJSU-PLB28-7J84Z-BCZZV-F4FG8-ZQE6E

ank=20250709-20250710053611

Not 6 Bokslutsdispositioner

	2024	2023
Erhållna koncernbidrag	30 839	59 725
	30 839	**59 725**

Not 7 Aktuell och uppskjuten skatt

	2024	2023
Skatt på årets resultat		
Aktuell skatt	-6 491	-12 209
Totalt redovisad skatt	**-6 491**	**-12 209**

Avstämning av effektiv skatt

	2024		2023	
	Procent	**Belopp**	**Procent**	**Belopp**
Redovisat resultat före skatt		63 631		64 647
Skatt enligt gällande skattesats	20,60	-13 108	20,60	-13 317
Permanenta ej avdragsgilla kostnader		-5 313		-438
Permanenta ej skattepliktiga intäkter		11 930		1 545
Redovisad effektiv skatt	**10,20**	**-6 491**	**18,89**	**-12 209**

Totalt underskottsavdrag i bolaget uppgår till 0 tkr (0 tkr).

Penneo dokumentnyckel: 4BJ5U-PL2B3-7J94Z-BCZZV-F4FGB-ZQE6E

ank=20250709-20250710053612

Not 8 Andelar i koncernföretag

	2024-12-31	2023-12-31
Ingående anskaffningsvärden	417 211	300 130
Inköp	0	124 604
Försäljningar/utrangeringar	0	-7 523
Lämnade aktieägartillskott	48 692	0
Nedskrivning av aktier i dotterbolag	-25 626	0
Utgående ackumulerade anskaffningsvärden	**440 277**	**417 211**
Utgående redovisat värde	**440 277**	**417 211**

Not 9 Specifikation andelar i koncernföretag

Namn	Säte	Rösträtts andel	Antal andelar	Bokfört värde
Hunter Douglas Assembly Automation AB (556458-3234)	Stenungsund	100	60 500	6 100
Luxaflex AB (556391-9728)	Anderstorp	100	50 000	167 309
Hunter Douglas Scandinavia AB (556057-9871)	Alingsås	100	225 300	135 000
Luxaflex A/S (64850717)	Risskov/Danmark	100	3	127 458
Tuiss Scandinavia AB (556507-3706)	Helsingborg	100	1 000	4 409
				440 276

Med stöd av Årsredovisningslagen kap 5 §30 lämnas inte upplysning om dotterbolagens resultat och eget kapital. För att erhålla informationen hänvisas till respektive bolags årsredovisning. Koncernredovisning erhålles närmast i årsredovisningen för Hunter Douglas Holding B.V., reg nr 84968192.
Årsredovisningen finns tillgänglig på www.hunterdouglasgroup.com.

Penneo dokumentnyckel: 4BJSU-PL2B8-7I54Z-BCZZV-F4FGR-ZQE6E

Not 10 Disposition av vinst eller förlust

Förslag till resultatdisposition

	2024-12-31	2023-12-31
Styrelsen föreslår att till förfogande stående medel:		
balanserad vinst	440 760	319 065
överkursfond	0	119 258
årets vinst	57 140	52 437
	497 900	**490 760**
disponeras så att		
till aktieägare utdelas	50 000	50 000
i ny räkning överföres	473 526	440 760
	523 526	**490 760**

ank=20250709-20250710053613

Not 11 Händelser efter balansdagen

Inga väsentliga händelser att rapportera.

Not 12 Ställda säkerheter

	2024-12-31	2023-12-31
Ställda säkerheter	0	0
	0	**0**

Not 13 Eventualförpliktelser

	2024-12-31	2023-12-31
Övriga eventualförpliktelser	0	0
	0	**0**

Årsredovisningen undertecknades av samtliga, Alingsås

Henrik Svensson
Styrelseordförande / Verkställande direktör

Jonas Persson

Lennart Gustafsson

Vår revisionsberättelse har lämnats

Ernst & Young AB

Michaela Nilsson
Auktoriserad revisor

Penneo dokumentnyckel: 4BJSU-PL828-7J84Z-BCZZV-F-FG8-ZQE6E

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Lennart Roger Gustafsson (SSN-validerad)
Styrelseledamot
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IP: 46.235.xxx.xxx
2025-06-27 11:14:05 UTC

Sven Henrik Svensson (SSN-validerad)
Styrelseordförande / Verkställande direktör
Serienummer: 728b4c0801f978[...]45d4f59a20f11
IP: 213.204.xxx.xxx
2025-06-27 11:24:45 UTC

Bengt Jonas Persson (SSN-validerad)
Styrelseledamot
Serienummer: fff1fa918758b0[...]ee95e2bfb80df
IP: 194.237.xxx.xxx
2025-06-27 12:48:02 UTC

Michaela Sofia Therése Nilsson (SSN-validerad)
Auktoriserad revisor
Serienummer: e0a4b674f80885[...]10254c17b71d4
IP: 147.161.xxx.xxx
2025-06-27 13:51:39 UTC

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Shape the future
with confidence

Revisionsberättelse

Till bolagsstämman i HD Sweden Holding AB, org.nr 556713 - 0322

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för HD Sweden Holding AB för år 2024.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av HD Sweden Holding ABs finansiella ställning per den 31 december 2024 och av dess finansiella resultat för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till HD Sweden Holding AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen och verkställande direktören som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen och verkställande direktören ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen och verkställande direktören för bedömningen av bolagets förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen och verkställande direktören avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om att årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen, vare sig dessa beror på oegentligheter eller misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.
- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.
- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens och verkställande direktörens uppskattningar i redovisningen och tillhörande upplysningar.
- drar vi en slutsats om lämpligheten i att styrelsen och verkställande direktören använder antagandet om fortsatt drift vid upprättandet av årsredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag inte längre kan fortsätta verksamheten.
- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen, däribland upplysningarna, och om årsredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

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EY

Shape the future
with confidence

Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens och verkställande direktörens förvaltning av HD Sweden Holding AB för år 2024 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter och verkställande direktören ansvarsfrihet för räkenskapsåret.

Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till HD Sweden Holding AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt. Verkställande direktören ska sköta den löpande förvaltningen enligt styrelsens riktlinjer och anvisningar och bland annat vidta de åtgärder som är nödvändiga för att bolagets bokföring ska fullgöras i överensstämmelse med lag och för att medelsförvaltningen ska skötas på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot eller verkställande direktören i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

Som en del av en revision enligt god revisionssed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och förslaget till dispositioner av bolagets vinst eller förlust grundar sig främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet. Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat styrelsens motiverade yttrande samt ett urval av underlagen för detta för att kunna bedöma om förslaget är förenligt med aktiebolagslagen.

Göteborg, datum enligt elektronisk underskrift

Ernst & Young AB

Michaela Nilsson
Auktoriserad revisor

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Michaela Sofia Therése Nilsson (SSN-validerad)
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Hunter Douglas B.V.

2024 Annual Report

Hunter Douglas B.V.
Blaak 555
3011 GB Rotterdam
The Netherlands
Chamber of Commerce: 84939621

2024 Annual Report
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About Hunter Douglas

Hunter Douglas B.V. ("Hunter Douglas" or the "Company") is a leading manufacturer of window coverings and architectural products, with trusted brand names recognized around the world: HunterDouglas®, Luxaflex®, Levolor® and Hillarys®. Hunter Douglas comprises approximately 240 legal entities and approximately 20,000 employees, with approximately 77 facilities in 24 countries, complemented by marketing and distribution operations in more than 100 countries.

Financial Highlights

($ in millions)	January 1, 2024 to December 31, 2024	January 1, 2023 to December 31, 2023
Net sales	**$ 4,522**	**$ 4,476**
Gross profit	**$ 1,968**	**$ 1,903**
Net income (loss)	**$ 52**	**$ (513)**
Stock-based compensation	19	9
Depreciation of property, plant and equipment and amortization of acquired intangible assets	248	245
Impairment losses	10	518
Restructuring expense	4	21
Deal, integration and M&A costs	136	81
Other non-cash expense	33	10
Legal settlement costs	1	6
(Gain) loss on disposal of businesses, property and equipment	(6)	35
Finance costs	413	399
Other expense (income)	(150)	(17)
Income tax expense	23	1
Share of (income) loss of associates	(1)	(2)
Adjusted EBITDA[(a)]	**$ 782**	**$ 793**

(a) The Company presents its financial condition and results of operations in the way management believes will be most relevant and representative of its business results. Some of the measures presented are "non-IFRS financial measures". The non-IFRS financial measures the Company presents may not be comparable to similarly named measures reported by other companies.

The Company uses the non-IFRS financial measures because management believes it enhances the understanding of the underlying profitability of continuing operations. Management also believes the measures allow for more meaningful comparisons with the Company's competitors. The Company's non-IFRS financial measures should be considered in addition to, but not as a substitute for, the information prepared in accordance with IFRS.

Adjusted EBITDA is a non-IFRS financial measure used by management to identify operating trends and benchmark across periods to evaluate performance without regard to items not considered a component of the Company's core operations. Adjusted EBITDA is defined as net income (loss) from continuing operations before finance costs, income tax expense, depreciation and amortization, share of (income) loss of associates, and further excluding other ancillary (income) loss. The excluded items generally fall into one or more of the following broad categories: non-operating expenses not directly related to core operations, costs incurred to effect organization-wide transformation initiatives, legacy matters having no relevance to the Company's current businesses or operating performance; adjustments to enhance transparency to the underlying economics of transactions; and measures that management believes to be common to the industry.

Directors' Report

To our shareholders

Description of business

Window Coverings

Our window covering products are designed to offer a range of light control and privacy options with a broad selection of fabrics and materials from sheer to opaque. The innovative design of our products can deflect and redirect sunlight precisely. We customize each window covering to the individual consumer's specific needs and typically deliver the manufactured product within three to four weeks of ordering.

Our success is based upon trusted brand names recognized around the world for great design and outstanding quality: HunterDouglas®, Luxaflex®, Levolor® and Hillarys®. Our window covering businesses continue to strategically invest in innovations in motorization and fabrics as we seek to harness consumer interest in smart, sustainable homes and drive top line growth.

Architectural Products

Our architectural products focus on high performance proprietary architectural materials and products, which realize design objectives while also meeting functional needs such as light control and acoustics. Our businesses continue to strategically invest in innovations in materials and design concepts, as well as expanding our façade, screens and related product offerings to drive top line growth.

Results of operations

The Company's consolidated financial statements present the results of operations of Hunter Douglas B.V. for the year ended December 31, 2024 and the year ended December 31, 2023 (the "comparative financial statements").

Net sales for the year ended December 31, 2024 were resilient despite higher interest rates and greater macro-economic uncertainty affecting customer demand. Net sales in the year ended December 31, 2023 were impacted by macroeconomic headwinds and unfavorable foreign currency fluctuations.

As a result of the annual goodwill impairment test, performed on October 1, 2024 and October 1, 2023, the Company recorded impairment losses related to certain cash-generating units. The impairment losses were primarily due to emerging macroeconomic conditions affecting forecasted demand and anticipated costs, which reduced the recoverable value of the cash-generating units below their carrying value.

Restructuring expenses relate to programs executed by management that materially change either the scope of a business or how a business is conducted. These expenses primarily relate to employee severance as the Company rationalizes product offerings and takes action to optimize the Company's global footprint.

Deal costs relate to the 2022 acquisition of Hunter Douglas N.V. and primarily comprise professional advisory and consulting services for diligence, legal and accounting services. Integration costs relate to transformational corporate initiatives launched subsequent to the 2022 Acquisition, designed to reduce operating expenses, improve efficiency and simplify the organization, which are considered outside the ordinary course of business. M&A costs include expenses associated with the successful acquisition or divestiture of businesses including, but not limited to, professional and consulting fees, and financing fees.

Other expense (income) comprises amounts not directly related to core operations, including realized and unrealized (i.e. "mark to market") amounts arising from non-qualifying, (economic) hedges, foreign currency gains/losses arising on remeasurement of intercompany loan balances and foreign denominated debt and other non-operating items. These amounts are reported outside of operating income in the Consolidated Statements of Income.

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Liquidity

At December 31, 2024 the Company had approximately $4,449 million of long-term debt, $35 million of which is classified as a current liability in the Consolidated Balance Sheets. Repayments of long-term debt for the year ended December 31, 2024 were $48 million. Cash paid for interest was $391 million for the year ended December 31, 2024.

The Company uses interest rate swaps to manage the interest rate volatility with regard to the Company's long-term debt. The realized gains (losses) arising from these non-qualifying, (economic) hedges fix the effective interest rate associated with approximately 75% of the B-1 and B-2 loans at approximately 5.8% per annum.

The Company generated operating cash inflows of $312 million for the year ended December 31, 2024, with current assets and current liabilities of $2,220 million and $1,008 million, respectively, at December 31, 2024.

At December 31, 2024, the Company's long-term debt ($4,344 million) to equity ($1,999 million) ratio was 2.2.

The Company liquidity position is sound, with approximately $989 million of cash and cash equivalents on hand at December 31, 2024, further strengthened by access to approximately $791 million under the Company's Credit Facility.

Acquisitions

The Company acquired a controlling interest in several entities during the year ended December 31, 2024, including:

- Sun Protection of Florida, LLC and Marygrove Roll Screens, LLC (collectively "SunPro"), a manufacturer and seller of outdoor screen products based in the United States in January 2024.
- Azenco US CORP. ("Azenco"), a manufacturer of outdoor screen products based in the United States in March 2024.
- Elubel Industria e Comercio Ltda and TrilhoSuisso Industria e Comercio Ltda. (collectively "Uniflex"), a manufacturer of window covering products based in Brazil in July 2024.

The results of operations and financial condition of acquired businesses have been included in the Company's Consolidated Statements of Income and Consolidated Balance Sheets from the respective acquisition dates.

Outlook

Hunter Douglas remains relentlessly focused on the following objectives: (a) rapid, profitable growth, (b) market leading innovation (c) operational efficiency.

Macroeconomic headwinds attributable to higher for longer interest rates, inflationary pressures, labor shortages and subsiding, but ongoing, pressure on global supply chains for key materials (in particular; aluminum, steel, fabric, synthetics and other oil-based products), including the impact of tariffs, are anticipated to impact the results of operations in 2025.

The Company intends to continue to evaluate opportunities to augment growth through opportunistic acquisitions.

The Board members recognize that employees are the most valuable resource of the Company. The success of our business depends on attracting, retaining, developing and motivating talented employees. The Board members consider and assess the implications of relevant decisions on employees and the wider workforce.

The Board members recognize the importance of strategic partners, including retailers, dealers, installers and others in serving its diverse customer base and providing an expansive range of window covering and architectural product solutions.

The Board members are committed to being a responsible manufacturer, customer, employer, vendor and neighbor.

Innovation

Our culture of professional entrepreneurship is a key competitive advantage that drives our organization. Hunter Douglas was founded on a tradition of bringing breakthrough products to market, developing the aluminum venetian blind with a unique continuous casting and aluminum fabrication process over 75 years ago.

Today, Hunter Douglas leads the industry in designing and delivering new product concepts.

We are pioneers in forming fabrics into unique designs that can trap air for superior insulation, softly diffuse incoming light, and provide privacy while preserving outside views. We are at the forefront of the emerging field of architectural solar-control products, offering an unparalleled breadth of solutions and expertise to manage heat and light inside and outside the windowed wall, potentially reducing the need for artificial lighting, cooling and heating.

Our unparalleled scale and vertical integration enable us to innovate products end-to-end from; materials to equipment design; component engineering to automated custom assembly; and industrial design to installation friendly components.

As smart home technology emerges as a transformative force, we continue to invest in enhancing our motorization offerings, including expanding compatibility across our range of window covering products and improving connectivity and integration with popular third-party whole-home automation systems.

Manufacturing and customization

Make-to-order manufacturing of window coverings and architectural products is a complex undertaking. We offer an expansive range of window covering and architectural product solutions, with materials and designs tailored to meet local consumer tastes. We concentrate production of our principal materials in highly specialized global plants, while approximately 89 assembly facilities located in our key markets enable quick and efficient delivery of localized product ranges.

Global, multi-channel distribution

Hunter Douglas employs distinct channel strategies to service a variety of market opportunities.

- **Specialty Retail**
  Products are primarily marketed under the HunterDouglas® and Luxaflex® brand names, sold through our network of more than 15,000 independent specialty dealers around the world.

- **Shop-at-Home**
  Products are marketed under the Hillarys®, 3 Day Blinds® and Fasadeprodukter® brand names, among others, sold through our network of designers and consultants offering consumers the convenience of an in-home consultation experience.

- **E-Commerce**
  Products are marketed across a portfolio of brands, including Blinds2Go® and SelectBlinds®, sold directly to consumers through our online platforms.

- **Home Centers**
  Products are marketed under the Levolor® brand name, among others, offering window covering products to more do-it-yourself oriented segment of home décor shoppers through both our online platforms and specialty home improvement stores.

Retailers and installers

We consider retailers to be strategic partners, critical to maintaining our reputation for great design and outstanding quality. Hunter Douglas supports retailers with sales and marketing programs (including, but not limited to, digital marketing and online lead generation); sampling, displays and signage; product education and business-building programs; technical service and store management systems.

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Proper installation of our products is key to lifetime performance and customer satisfaction. We have extensive training programs and provide specialized tools to assist the thousands of professional Hunter Douglas installers around the world.

Sustainability

The Company assessed the most important social and environmental impacts of our operations and value chain to identify the following strategic priorities (the "strategic priorities").

Climate change action	*Resources and circular economy*	*Responsible business*
• Reduce the carbon footprint of the Company. • Increase net CO2 savings during the life cycle of our products.	• Reduce waste in our production process. • Increase recycled content and end of life recyclability.	• Compliance in the supply chain. • Diversity and inclusion. • Strive for zero accidents.

Corporate governance

The Board members responsibilities include review of overall strategy, financial objectives, financing, budgets, significant acquisitions and/or divestitures, significant capital expenditures, and results of operations of the Company.

The Board of Hunter Douglas B.V. comprises one member.

The Company has defined delegated authority limits for managers.

Management is responsible for the control environment, including risk management and systems in order to properly manage the strategic, operational and other risks and uncertainties that could have a material adverse effect on the business and day-to-day operations.

Code of Business Conduct

Hunter Douglas has a Code of Business Conduct that applies to all employees. The principles and best practices established in the Code of Business Conduct reflect the corporate culture that the Board members want to embed in the day-to-day routines of all employees. The core values of Hunter Douglas are included in the Code of Business Conduct and relate to professional conduct, integrity and safety. The Code of Business Conduct includes topics related to diversity, privacy and ethical conduct, including; conflicts of interest, human rights, discrimination, gifts and anti-bribery. The Code of Business Conduct can be found on Hunter Douglas' website

Whistle-blower protection

Hunter Douglas employees are offered the opportunity to report irregularities or suspicions with regards to violations of the Code of Business Conduct, the law, safety policies, the environment or any other forms of misbehavior without bringing their (legal) position in jeopardy. Internal reporting of such instances by Hunter Douglas employees can be made in complete anonymity through a prescribed website.

Diversity

Hunter Douglas seeks to attract, hire, develop and promote the best talent in the world. We are focused on the creation of a work environment where unique backgrounds, experiences and perspectives are respected and valued and, as a result, all employees can reach their full potential.

We believe that attracting and selecting the right people is important. The Company is committed to the principle of equal employment opportunity for all workplace participants. All employment decisions are based on business needs, job requirements and individual qualifications.

The Board of Hunter Douglas B.V. consists of one man. The Company defines Senior Management as those employees directly reporting to the Chief Executive Officer. Senior Management consists of eight men, one woman. The Board of Hunter Douglas B.V. and Senior Management are considered balanced from an educational background and work

experience. The Board of Hunter Douglas B.V. consist of people with a good mix of sector knowledge, financial expertise and management capabilities.

Management is considering policies and objectives in the form of target ratios between the number of men and women, in accordance with the requirements of the large company regime.

Risk management

For information related to risk management, please refer to Note 18 of the consolidated financial statements.

Risks and uncertainties

The Company's results from operations are sensitive to external factors, of which the following are generally most consequential:

- **Macroeconomic trends (e.g., interest rates and inflation) and resulting effects on consumer confidence**
  Generally these factors impact housing sales, rates of new construction (both residential and commercial) and repair and remodeling activity, which then impacts consumer demand for our products. Management, in consultation with the Board members, contemplate market and segment specific indicators and are empowered take actions deemed necessary to manage this risk.

- **Prices for raw materials, in particular: aluminum, steel, fabric, synthetics and other oil-based products.**
  Generally, changes in material prices are passed on in our product prices.

- **Foreign currency fluctuations**
  The Company operates in over 100 countries, with a material volume of foreign denominated sales and purchases. Where deemed cost effective, the Company uses derivative instruments (primarily options and forwards) to mitigate its foreign currency exchange rate exposure.

The Company generally has a low risk appetite to the above listed factors.

Group structure

For information related to the group structure, please refer to Note 28 of the consolidated financial statements.

Other matters

The Company meets all three criteria within Section 2:263 paragraph 2 of the Dutch Civil Code regarding the large company regime ("structuurregime"). Accordingly, the statement as referred to in Section 2:263 paragraph 1 of the Dutch Civil Code will be filed with the Chamber of Commerce.

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Subsequent events

For information related to subsequent events, please refer to Note 30 of the consolidated financial statements.

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company. The annual report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal opportunities and risks associated with the expected development of the Company.

Rotterdam, June 30, 2025
Board of Directors

Director

M. Jones

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Hunter Douglas B.V.
Consolidated Statements of Income
(in millions)

		January 1, 2024 to December 31, 2024	January 1, 2023 to December 31, 2023
Net sales	Note 5	$ 4,522	$ 4,476
Cost of products sold		(2,554)	(2,573)
Gross profit		**1,968**	**1,903**
Selling, general and administrative expenses	Note 8	(1,468)	(1,367)
Impairment losses	Note 14, Note 27	(10)	(518)
Other operating expenses	Note 9	(159)	(115)
(Loss) gain on disposal of businesses, property and equipment		6	(35)
Operating income (loss)		**337**	**(132)**
Finance costs		(413)	(399)
Other (expense) income	Note 10	150	17
Income (loss) before income taxes		**74**	**(514)**
Income tax expense	Note 16	(23)	(1)
Share of income (loss) of associates		1	2
Net income (loss)		**$ 52**	**$ (513)**
Net income (loss) attributable to noncontrolling interests		19	20
Net income (loss) attributable to common shareholders		$ 33	$ (533)

See accompanying notes to the consolidated financial statements.

Hunter Douglas B.V.
Consolidated Statements of Comprehensive Income
(in millions)

		January 1, 2024 to December 31, 2024	January 1, 2023 to December 31, 2023
Net income (loss)		**$ 52**	**$ (513)**
Other comprehensive income (loss):			
Items that may be reclassified to Statements of Income			
Foreign currency translation adjustments		(79)	(3)
Income tax (expense) benefit		20	(11)
Total items that may be reclassified to Statements of Income		**(59)**	**(14)**
Items that will not be reclassified to Statements of Income			
Net actuarial gains (losses) arising on employee benefit plans	Note 22	(3)	(8)
Income tax (expense) benefit		3	(1)
Total items that will not be reclassified to Statements of Income		**-**	**(9)**
Other comprehensive income (loss)		**$ (59)**	**$ (23)**
Comprehensive income (loss)		**$ (7)**	**$ (536)**
Comprehensive income (loss) attributable to noncontrolling interests		19	20
Comprehensive income (loss) attributable to common shareholders		$ (26)	$ (556)

See accompanying notes to the consolidated financial statements.

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Hunter Douglas B.V.
Consolidated Balance Sheets
(in millions)

		December 31, 2024	December 31, 2023
Assets			
Goodwill	Note 14	$ 1,673	$ 1,691
Intangible assets, net	Note 15	3,312	3,485
Property, plant and equipment, net	Note 12	811	961
Lease right-of-use assets	Note 13	92	92
Deferred income taxes	Note 16	166	162
Investments in associates	Note 25	9	7
Other assets	Note 17	275	276
Assets held for sale	Note 27	31	22
Total non-current assets		**6,369**	**6,696**
Cash and cash equivalents		989	878
Accounts receivable	Note 18.1	356	361
Inventories	Note 11	697	671
Other current assets	Note 17	178	220
Total current assets		**2,220**	**2,130**
Total assets		**$ 8,589**	**$ 8,826**
Equity			
Common stock	Note 24	$ -	$ -
Additional paid-in capital		3,162	3,123
Foreign currency translation reserve	Note 24	(192)	(133)
Revaluation reserve	Note 24	242	206
Retained earnings (deficit)		(1,233)	(1,230)
Other capital reserves		-	-
Total shareholders' equity		**1,979**	**1,966**
Noncontrolling interests		-	15
Total equity		**$ 1,979**	**$ 1,981**
Liabilities			
Lease liabilities	Note 13	$ 68	$ 70
Long-term debt	Note 20	4,344	4,432
Deferred income taxes	Note 16	982	1,067
Other liabilities	Note 17	208	267
Total non-current liabilities		**5,602**	**5,836**
Accounts payable	Note 18	234	180
Current portion of lease liabilities	Note 13	29	25
Current portion of long-term debt	Note 20	35	48
Other current liabilities	Note 17	710	756
Total current liabilities		**1,008**	**1,009**
Total liabilities		**$ 6,610**	**$ 6,845**
Total liabilities and equity		**$ 8,589**	**$ 8,826**

See accompanying notes to the consolidated financial statements.

Hunter Douglas B.V.
Consolidated Statements of Changes in Equity
(in millions)

		January 1, 2024 to December 31, 2024	January 1, 2023 to December 31, 2023
Common Stock			
Balance at beginning of period		$ -	$ -
Common stock issued		-	-
Balance at end of period		$ -	$ -
Additional paid-in capital			
Balance at beginning of period		$ 3,123	$ 3,096
Common stock issued		-	-
Sale of common stock in consolidated subsidiary		12	13
Capital contributions	Note 7	27	14
Balance at end of period		$ 3,162	$ 3,123
Foreign currency translation reserve			
Balance at beginning of period		$ (133)	$ (119)
Foreign currency translation adjustments, net of tax		(59)	(14)
Balance at end of period		$ (192)	$ (133)
Revaluation reserve			
Balance at beginning of period		$ 206	$ 355
Fair value adjustments to financial assets	Note 19	36	(149)
Balance at end of period		$ 242	$ 206
Retained earnings (deficit)			
Balance at beginning of period		$ (1,230)	$ (837)
Net income (loss) attributable to common shareholders		33	(533)
Net actuarial gains (losses) arising on employee benefit plans, net of tax		-	(9)
Transfer to revaluation reserve		(36)	149
Balance at end of period		$ (1,233)	$ (1,230)
Other capital reserves			
Balance at beginning of period		$ -	$ -
Balance at end of period		$ -	$ -
Total shareholders' equity		**$ 1,979**	**$ 1,966**
Noncontrolling interests			
Balance at beginning of period		$ 15	$ 14
Acquisitions		(14)	-
Net income (loss) attributable to noncontrolling interests		-	1
Contributions from noncontrolling interests		-	-
Distributions to noncontrolling interests		(1)	-
Balance at end of period		$ -	$ 15
		-	
Total equity		**$ 1,979**	**$ 1,981**

See accompanying notes to the consolidated financial statements.

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Hunter Douglas B.V.
Consolidated Statements of Cash Flows
(in millions)

		January 1, 2024 to December 31, 2024	January 1, 2023 to December 31, 2023
Cash flows from operating activities			
Net income (loss)		$ 52	$ (513)
Adjustments to reconcile net income (loss) to net cash from operating activities:			
Finance costs		413	399
Income tax expense		23	1
Depreciation and amortization		280	278
Amortization of purchase price allocation to inventory		-	-
Impairment losses		10	518
Stock-based compensation	Note 7	18	9
Foreign currency transactions		(8)	(26)
Unrealized (gains) losses on derivatives	Note 19	(28)	147
Loss on disposal and scrap of property, plant and equipment		(6)	35
Share of (income) loss of associates, net of dividends received		(1)	(2)
Other		31	70
Changes in operating assets and liabilities:			
Accounts receivable		1	37
Inventories		(21)	113
Accounts payable		57	39
Other assets		48	(41)
Other liabilities		(67)	(85)
Interest paid		(391)	(375)
Taxes paid		(99)	(130)
Net cash provided by (used for) operating activities		**312**	**474**
Cash flows from investing activities			
Purchases of property, plant and equipment	Note 12	(90)	(107)
Proceeds from sale of property, plant and equipment		40	44
Acquisition of businesses, net of cash acquired	Note 4	(105)	(158)
Proceeds from disposition of business, net of cash disposed		93	-
Loan repayments received from associates		-	30
Other, net		-	-
Net cash provided by (used for) investing activities		**(62)**	**(191)**
Cash flows from financing activities			
Capital contributions from parent		8	6
Redemption of redeemable preferred stock		(9)	-
Acquisition of common stock in consolidated subsidiary		(2)	-
Redemption of noncontrolling interests		(25)	-
Proceeds from sale of common stock in consolidated subsidiary		-	15
Settlement of squeeze-out proceedings		-	(140)
Payments of debt issue costs		(2)	-
Repayments of long-term debt		(48)	(36)
Distributions to noncontrolling interests		(15)	(12)
Payment of principal portion of lease liabilities		(38)	(38)
Other, net		(3)	(10)
Net cash provided by (used for) financing activities		**(134)**	**(215)**
Effect of exchange rate changes on cash and cash equivalents		(5)	(5)
Net change in cash and cash equivalents		111	63
Balance at beginning of period		878	815
Balance at end of period		**$ 989**	**$ 878**

See accompanying notes to the consolidated financial statements.

Note 1. Organization

The consolidated financial statements of Hunter Douglas B.V. (the "Company") for the year ended December 31, 2024 were authorized for issue on June 30, 2025. Hunter Douglas B.V. is a private company incorporated and domiciled in The Netherlands. The registered office is located at Blaak 555, 3011GB Rotterdam.

The immediate parent of the Company is 3G HD Holdings B.V., a company incorporated in The Netherlands. 3G HD Holdings B.V. does not prepare consolidated financial statements available for public use. The next most senior parent of the Company that prepares consolidated financial statements available for public use is Hunter Douglas Holdings Limited, a private company limited by shares and incorporated and domiciled in the United Kingdom.

The Company is principally engaged in the provision of window coverings and architectural products.

On December 30, 2021, Hunter Douglas Holding B.V. ("Holdings"), a subsidiary of the Company, and Hunter Douglas N.V. (the "Acquiree") entered into an asset sale agreement, whereby Holdings purchased all of the assets and liabilities of the Acquiree for the purposes of carrying on the business of the Acquiree (the "Asset Purchase"). Concurrently with the Asset Purchase, 3G HD Holdings (NL) B.V., an investment vehicle owned by 3G Special Situation Fund V LP, a fund managed by 3G Capital Advisors Ltd. (collectively, "3G Capital") agreed to purchase 75% of the equity of the Company (the "Block Trade"). On February 25, 2022, the Asset Purchase and Block Trade were consummated, in a transaction referred to as the "2022 Acquisition".

These consolidated financial statements cover the year ended December 31, 2024 and the year ended December 31, 2023 (the "comparative financial statements").

Note 2. Material accounting policies

Basis of presentation

These consolidated financial statements have been prepared on a going concern basis and in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union, and also comply with the financial reporting requirements included in Part 9 of Book 2 of the Dutch Civil Code.

In accordance with Article 2:402 of the Dutch Civil Code, an abbreviated version of the income statement is presented in the company financial statements.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities, which have been measured at fair value. As a significant majority of the Company's earnings are denominated in US Dollars ($), the presentation currency of these consolidated financial statements is US Dollars. All amounts in the financial statements have been rounded to the nearest million except when otherwise indicated.

The accounting policies set out below have, unless otherwise stated, been applied consistently throughout the period presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have material effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in Note 3.

In the year ended December 31, 2024, (gain) loss on disposal of business, property and equipment is presented separately in the Consolidated Statements of Income. Prior period amounts presented in other expense (income) were reclassified for comparability. The reclassification did not affect net income (loss) or operating cash flows.

Principles of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at December 31, 2024 and December 31, 2023. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Company controls an investee if the Company has (a) Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee), (b) Exposure, or rights, to variable returns from its involvement with the investee and (c) The ability to use its power over the investee to affect its returns.

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Generally, there is a presumption that a majority of voting rights results in control. To support this presumption, and when the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including (a) The contractual arrangement(s) with the other voting right holders of the investee, (b) Rights arising from other contractual arrangements and (c) The Company's voting rights and potential voting rights.

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Company obtains control over the investee and ceases when the Company loses control of the investee. Assets, liabilities, income and expenses of an investee acquired or disposed of during the year are included in the consolidated financial statements from the date the Company gains control until the date the Company ceases to control the investee.

A change in the ownership interest of a consolidated subsidiary, without a loss of control, is accounted for as an equity transaction.

Noncontrolling interests are the portion of equity and net income (loss) in consolidated subsidiaries not attributable, directly or indirectly, to the Company.

All material intercompany accounts and transactions have been eliminated.

Equity investments in entities that the Company does not consolidate, including corporate entities in which the Company has significant influence and partnership and partnership-like entities in which the Company has significant influence over the operating and financial policies, are accounted for under the equity method. Under the equity method, the investment in an associate is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Company's share of net assets of the associate since the acquisition date.

Foreign currency
For all significant foreign operations, the functional currency is the local currency. Assets and liabilities of these operations are translated into US Dollars at the exchange rate in effect at each period end. Revenues and expenses are translated into US Dollars at average rates prevailing during the period. Foreign currency translation adjustments arising from the use of differing exchange rates are presented within foreign currency translation reserve in the Consolidated Balance Sheets, until the subsidiary is disposed of, at which time, the cumulative amount is reclassified to the Consolidated Statements of Income.

Transaction gains (losses) from intercompany transactions denominated in a currency other than the functional currency of the entities involved are presented within other expense (income) in the Consolidated Statements of Income.

Revenue recognition
Revenue is recognized when control of a promised product is transferred to a customer in an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring the product. The Company records revenue net of returns, allowances for discounts and sales tax. Shipping and handling charges billed to customers are presented within net sales and the related costs are presented within cost of products sold in the Consolidated Statements of Income.

Accounts receivable
A receivable is recognized if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities
A contract liability is recognized if a payment is received from a customer before the Company transfers the related goods or services. Contract liabilities are recognized as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

Selling, general and administrative expenses
Selling, general and administrative costs are expensed as incurred. Selling, general and administrative expenses include employee compensation (excluding those employees engaged in product manufacturing), depreciation and amortization (excluding amounts related to product manufacturing), allowance for credit losses, advertising expenses, rent expense

(excluding amounts related to product manufacturing), and any other costs related to selling product or administrating the business.

Advertising costs are expensed as incurred and presented within selling, general and administrative expenses in the Consolidated Statements of Income. The Company incurred advertising costs of $312 million and $267 million for the year ended December 31, 2024 and the year ended December 31, 2023, respectively.

Research and development expense
Research costs are expensed as incurred and presented within selling, general and administrative expenses in the Consolidated Statements of Income. Development expenditures are recognized as an intangible asset when the Company can demonstrate (i) the technical feasibility of completing the asset, (ii) its intention to complete and use the asset, (iii) how the asset will demonstrate future economic benefits, (iv) the availability of resources to develop the asset, and (iv) the ability to measure reliably the expenditure during development. The Company incurred research costs of $43 million and $45 million for the year ended December 31, 2024 and the year ended December 31, 2023, respectively.

Stock-based compensation - equity-settled transactions
The Company measures stock-based compensation cost at the grant date, based on the estimated fair value of the award and recognizes the cost, together with a corresponding increase in equity (within additional paid-in capital), over the period in which the service conditions are fulfilled.

Income taxes
Current income tax assets and liabilities are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income taxes represent the expected future tax consequences of temporary differences between the carrying amounts and tax basis of assets and liabilities. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable income will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Income taxes relating to items recognized directly in equity are recognized in equity and not in the results of operations.

The Company offsets deferred tax assets and deferred tax liabilities if the amounts relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle the liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously.

Cash and cash equivalents
Cash and cash equivalents include deposits with banks, money market funds and other short-term, highly liquid investments with original maturity dates of ninety days or less.

Funds in certain countries in which the Company operates are subject to varying exchange regulations. No material restrictions exist for transfers of a current nature, such as dividends from subsidiaries. Certain countries have more severe restrictions on remittances of a capital nature, which are not material to the Company.

Inventories
Inventories are stated at the lower of cost or net realizable value. Cost represents the direct and indirect expenditures to bring inventory to its existing condition and location, and generally includes material, labor and overhead. Net realizable value is the estimated selling price in the ordinary course of business less reasonably predictable costs of completion, disposal and transportation.

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Property, plant and equipment
Property, plant and equipment is stated at cost, net of accumulated depreciation and amortization.

Depreciation expense is calculated on a straight-line basis over the estimated useful lives, as follows:

Buildings	20 to 40 years
Machinery and equipment	5 to 20 years
Furniture, fixtures and other	2 to 10 years

Land is not depreciated.

Betterments, renewals, and extraordinary repairs that materially extend the useful lives of assets are capitalized; other repairs and maintenance charges are expensed as incurred.

Capitalized software costs are included in property, plant and equipment if the Company has the contractual right to take possession of the software at any time and it is feasible for the Company to either run the software on its own hardware or contract with a third-party to host the software. These costs are amortized on a straight-line basis over the estimated useful lives of the software, which do not exceed five years.

An item of property, plant and equipment is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the results of operations when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Business combinations and goodwill
Business combinations are accounted for using the acquisition method. The cost of an acquisition is the aggregate of the consideration transferred, which is measured at the acquisition date fair value and the amount of any noncontrolling interests in the acquiree.

The Company measures the noncontrolling interests in the acquiree at fair value. In certain circumstances, a noncontrolling interest may have the right to require the Company to repurchase their shares at specified dates in the future or within specified periods in the future ("contingently redeemable noncontrolling interest"). The redemption value is generally a variable amount based on a formula linked to the earnings of the respective subsidiary. The Company has concluded that future earnings are a non-financial variable, and as a result, these arrangements do not constitute derivative instruments. The Company initially recognizes a liability for contingently redeemable instruments at fair value. These financial liabilities are subsequently measured at the present value of the redemption value, with changes in the present value of the redemption value recognized in the results of operations.

Acquisition related costs are expensed as incurred.

The Company determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. When the Company acquires a business, it assesses the assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date, with any subsequent changes in fair value recognized in the results of operations.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred, the amount recognized for noncontrolling interests and any previous interest held, over the net identifiable assets acquired and liabilities assumed). After initial recognition, goodwill is measured at cost less, where applicable, any accumulated impairment losses. For the purposes of impairment testing, goodwill is allocated to cash-generating units that are expected to benefit from the business combination.

Intangible assets
Intangible assets are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less, where applicable, any accumulated amortization and accumulated impairment losses.

Intangible assets with definite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a definite useful life are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset may be considered to modify the amortization period or method, and adjusted prospectively, if appropriate.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to definite is made on a prospective basis.

An intangible asset is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the results of operations.

Leases
The Company determines whether a contract is or contains a lease at contract inception based on the presence of identified assets and the Company's right to obtain substantially all the economic benefit from or to direct the use of such assets. When the Company determines a lease exists, a right-of-use asset and corresponding lease liability is recorded in the balance sheet. Right-of-use assets represent the Company's right to use an underlying asset for the lease term. Lease liabilities represent the Company's obligation to make lease payments under the terms of the lease.

Right-of-use assets are recognized at the lease commencement date at the value of the lease liability and are adjusted for any prepayments, lease incentives received, and initial direct costs incurred. Lease liabilities are recognized at the lease commencement date based on the present value of remaining lease payments over the lease term. As the discount rate implicit in the lease is not readily determinable in most of the Company's leases, the Company's incremental borrowing rate based on the information available at the lease commencement date is used to determine the present value of lease payments.

The Company does not record lease contracts with a term of twelve months or less in the Consolidated Balance Sheets.

Impairment of non-financial assets
The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of fair value less costs of disposal and value in use. When the carrying amount exceeds the recoverable amount, an asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies, and/or other available fair value indicators.

Goodwill and intangible assets with indefinite useful lives are tested for impairment annually as at October 1, and when circumstances indicate that the carrying value may be impaired. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating unit's) to which the goodwill and intangible assets relate. When the recoverable amount of the cash-generating unit (or group of cash-generating unit's) is less than the carrying amount, an impairment loss is recognized.

Impairment losses relating to goodwill cannot be reversed in future periods. Previously recognized impairment losses relating to intangible assets with indefinite useful lives may be reversed if there is a change in the assumptions used to

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determine the asset's recoverable amount since the impairment loss was recognized. The reversal is recognized in the results of operations and is limited such that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined had no impairment losses been previously recognized.

Provisions
Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Pensions and other post-employment benefits
The Company has several defined benefit pension plans, covering its US based employees and employees in certain other countries. The benefits provided are based on employees' years of service and compensation levels, either average wage earned or last wage earned. The Company uses a December 31 measurement date. All pension plans are frozen, and no new participants are allowed. The funded status of the Company's defined benefit pension plans is the difference between the fair value of plan assets and the benefit obligation at the measurement date and is recognized in the Consolidated Balance Sheets. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, are recognized immediately in the Consolidated Balance Sheets with a corresponding adjustment to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

The Company sponsors defined contribution plans for certain employees.

Debt
Debt is initially recorded as the proceeds received at issuance, net of any directly attributable transaction costs. Debt is subsequently measured at amortized cost.

Derivative financial instruments and hedging activity
The Company uses various derivative financial instruments to manage interest rate and foreign currency exposures. Derivatives are recorded in the Consolidated Balance Sheets as assets or liabilities at fair value. Changes in the fair value of derivatives are recorded each period in results of operations or other comprehensive income, depending on whether the derivative is designated as part of a hedge transaction, and if so, the type of hedge transaction.

Fair value measurement
Assets and liabilities recorded at fair value in the balance sheet are measured and classified in accordance with a fair value hierarchy consisting of three "levels" based on the observability of valuation inputs.

Level 1: Fair value measurements based on quoted prices (unadjusted) in active markets that the Company has the ability to access for identical assets or liabilities. Market price data generally is obtained from exchange or dealer markets. The Company does not adjust the quoted price for such instruments.

Level 2: Fair value measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals.

Level 3: Fair value measurements based on valuation techniques that use significant inputs that are unobservable. Both observable and unobservable inputs may be used to determine the fair values of positions classified in Level 3. The circumstances for using these measurements include those in which there is little, if any, market activity for the asset or liability. Accordingly, the estimate of fair value requires certain assumptions about the inputs a hypothetical market participant would use to value that asset or liability.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Assets held for sale
The Company classifies assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. 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 or 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 group 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.

Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held for sale.

New and amended accounting standards and interpretations
The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2024 (unless otherwise stated). The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to IAS 1 Classification of Liabilities as Current or Non-Current
The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. The amendments had no impact on the Group's consolidated financial statements.

Amendments to IFRS 16 Lease Liability in a Sale and Leaseback
The amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments had no impact on the Group's consolidated financial statements.

Amendments to IAS 1 Non-Current Liabilities with Covenants
The amendment clarifies how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments had no impact on the Group's consolidated financial statements.

Amendments to IAS 7 and IFRS 7 Supplier Finance Arrangements
The amendments add disclosure requirements, and "signposts" within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements. The amendments had no impact on the Group's consolidated financial statements.

Future application of accounting standards
The Company has performed an assessment of new standards issued by the International Accounting Standards Board ("IASB") that are not yet effective. The Company has concluded that the impact of adopting these accounting standards on its consolidated financial statements would not be material to the Company's financial position or performance.

Amendments to IFRS 9 Classification and measurement requirements and IFRS 7 Disclosures
The amendments clarify that a financial liability is derecognized on 'settlement date' and introduce an accounting policy choice to derecognise financial liabilities settled using an electronic payment system before the settlement date. The amendments include additional disclosure requirements for certain financial instruments with contingent features and equity instruments. The amendments are effective January 1, 2026.

IFRS 18 Presentation and Disclosures in Financial Statements
The new standard includes additional requirements in the statements of income; disclosure of management-defined performance measures and guidance on aggregation and disaggregation. The standard is effective January 1, 2027.

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Note 3. Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. These accounting estimates require the use of assumptions about matters, some of which are highly uncertain at the time of estimation. To the extent actual experience differs from the assumptions used, the Company's consolidated results of operations, financial condition and cash flows could be materially affected.

Valuation of acquired assets
To properly allocate purchase price consideration, management is required to estimate the fair value of assets acquired, liabilities assumed, and any noncontrolling interest in the acquiree, as at the acquisition date. Management estimates the fair value of acquired assets, liabilities assumed and (where applicable) noncontrolling interest, using a combination of market and income approaches. Application of an income approach requires significant assumptions related to projected annual net cash flows for each asset, or group of assets, and selection of a discount rate that appropriately reflects the risk inherent in each projected cash flow. Management develops projected annual net cash flows using historical data, supplemented by current and anticipated market conditions, estimated product category growth rates, management's plans and market comparables (where available).

Valuation of goodwill and indefinite lived intangible assets
Estimating the recoverable amount of an asset, a cash-generating unit or a group of cash-generating units is judgmental in nature and involves the use of significant estimates and assumptions. Management estimates the recoverable amount using a value in use calculation which requires significant assumptions related to projected annual net cash flows and selection of a discount rate that appropriately reflects the risk inherent in each projected cash flow. Projected annual net cash flows are developed based on management's most recent budgets and forecasts, with a long-term growth rate applied to calculate growth beyond the discrete projection period.

Valuation of contingently redeemable noncontrolling interests
Estimating the redemption value of redeemable noncontrolling interests requires management to estimate projected annual earnings for each respective subsidiary during the respective exercise period(s). Projected annual earnings are developed using historical data, supplemented by current and anticipated market conditions, estimated product category growth rates, management's plans and market comparables.

Valuation of stock-based compensation
Estimating the fair value of stock-based compensation for a private company involves the use of significant assumptions. Management uses a Black-Scholes model to estimate the fair value of awards. A Black-Scholes model requires significant assumptions related to the Company's equity value and expected volatility. Management's assumptions contemplate market transactions and other observable market evidence whenever possible, including valuation multiples and quoted share prices for comparable publicly traded companies.

Note 4. Acquisitions

2024 Acquisitions

During 2024, the Company acquired controlling interests in several businesses that manufacture and sell window covering products. Each acquisition is expected to enhance the Company's portfolio of products and further advance the Company's growth strategy.

The total fair value of consideration transferred, in aggregate, was as follows:

($ in millions)		
Cash paid	$	105
Contingent consideration		3
Outstanding debt settled on acquisition		-
Fair value of consideration transferred	**$**	**108**

The identified assets acquired and liabilities assumed at the respective acquisition dates, in aggregate, were as follows:

($ in millions)		
Cash and cash equivalents	$	4
Accounts receivable		3
Inventories		12
Property, plant and equipment		6
Intangible assets		60
Other assets		2
Deferred income taxes		(4)
Other liabilities		(12)
Redeemable noncontrolling interests[a]		(11)
Identifiable net assets acquired	ii	**60**
Fair value of consideration transferred		108
Fair value of previously held equity interest		-
	i	**108**
Goodwill[b]	(i - ii)	**$ 48**

(a) Comprises contingently redeemable noncontrolling interests of $4 million and mandatorily redeemable noncontrolling interests of $7 million.
(b) Goodwill recognized on 2024 Acquisitions, after purchase accounting was finalized.

The intangible assets included brands ($25 million) and relationships ($35 million). The intangible assets were valued using income approaches. The weighted average amortization period is 32 years. Goodwill is primarily attributable to the assembled workforce, synergies and economies of scale anticipated to be achieved. The goodwill is not deductible for tax purposes.

The contingent consideration is payable after December 31, 2027. The limit to the contingent consideration potentially payable under the acquisition agreement is $3 million. The fair value of the liability is estimated on the acquisition date based on projected financial information for the relevant businesses. The Company developed projected financial information using historical data, supplemented by current and anticipated market conditions, estimated product category growth rates, management's plans and market comparables.

The results of operations and financial condition of the acquired businesses were included in the Company's Consolidated Statements of Income and Consolidated Balance Sheets from the respective acquisition dates. Acquisition related costs were not material to the Company's results of operations. The pro forma financial information assuming the acquisitions had occurred at beginning of the calendar year, as well as the revenues and earnings generated subsequent to acquisition, were not material for disclosure purposes.

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2024 Disposition
On April 26, 2024, the Company sold an architectural product business based in North America for cash consideration of approximately $93 million. The Company recorded gain on sale of business of $21 million, presented within (loss) gain on disposal of businesses, property and equipment in the Consolidated Statements of Income.

2023 Acquisitions
During 2023, the Company acquired controlling interests in several businesses that manufacture and sell window covering products. Each acquisition is expected to enhance the Company's portfolio of products and further advance the Company's growth strategy.

The total fair value of consideration transferred, in aggregate, was as follows:

($ in millions)		
Cash paid	$	171
Contingent consideration		6
Outstanding debt settled on acquisition		96
Fair value of consideration transferred	**$**	**273**

The identified assets acquired and liabilities assumed at the respective acquisition dates, in aggregate, were as follows:

($ in millions)		
Cash and cash equivalents	$	13
Accounts receivable		3
Inventories		10
Property, plant and equipment		1
Intangible assets		108
Other assets		3
Deferred income taxes		(28)
Other liabilities		(35)
Redeemable noncontrolling interests[a]		(14)
Identifiable net assets acquired	ii	**61**
Fair value of consideration transferred		273
Fair value of previously held equity interest		82
	i	**355**
Goodwill[b]	(i - ii)	**$ 294**

(a) Comprises contingently redeemable noncontrolling interests of $8 million and mandatorily redeemable noncontrolling interests of $6 million.
(b) Goodwill recognized on 2023 Acquisitions, after purchase accounting was finalized.

The intangible assets were valued using income approaches. The weighted average amortization period is 42 years. Goodwill is primarily attributable to the assembled workforce, synergies and economies of scale anticipated to be achieved. The goodwill is not deductible for tax purposes.

The contingent consideration is payable if certain profit targets are achieved by the relevant businesses in the annual periods ending December 31, 2024 through December 31, 2029. There is no limit to the contingent consideration potentially payable under the acquisition agreements. The fair value of the liability is estimated on the acquisition date based on projected financial information for the relevant businesses. The Company developed projected financial information using historical data, supplemented by current and anticipated market conditions, estimated product category growth rates, management's plans and market comparables.

The results of operations and financial condition of the acquired businesses were included in the Company's Consolidated Statements of Income and Consolidated Balance Sheets from the respective acquisition dates. Acquisition related costs were not material to the Company's results of operations. The pro forma financial information assuming the acquisitions had occurred at beginning of the calendar year, as well as the revenues and earnings generated subsequent to acquisition, were not material for disclosure purposes.

Note 5. Revenue

Revenues from products are predominantly derived from sales of custom, made-to-measure window covering products and architectural products. Revenues from services primarily relate to professional installation services the Company provides through subcontractors related to products purchased by a customer. Substantially all of the Company's revenue has a single performance obligation and is recognized at a point in time, when the product is shipped, delivered or installed. There is no single customer, or group of related customers, representing 10% or more of the Company's revenue.

Net sales by geography were as follows:

($ in millions)

	January 1, 2024 to December 31, 2024	January 1, 2023 to December 31, 2023
US	$ 2,306	$ 2,289
UK	595	599
The Netherlands	307	316
Rest of world	1,314	1,272
Total net sales	**$ 4,522**	**$ 4,476**

Net sales by product were as follows:

($ in millions)

	January 1, 2024 to December 31, 2024	January 1, 2023 to December 31, 2023
Window covering products[(a)]	$ 4,265	$ 4,180
Architectural products[(b)]	236	274
Other[(c)]	21	22
Total net sales	**$ 4,522**	**$ 4,476**

(a) Revenue from sale of window covering products is generally recognized at a point in time when control transfers to the customer. In certain circumstances, installation of window covering products is considered a separate performance obligation that is satisfied over time. The Company recognizes installation revenue when the service is complete, which is not materially different from recognizing the revenue over the service period, as the substantial majority of the Company's installation services are completed within two weeks.
(b) Revenue from sale of architectural products is generally recognized at a point in time when control transfers to the customer. In certain circumstances, installation of architectural products is considered a separate performance obligation that is satisfied over time. Revenue for installation services is recognized based on the percentage completion method. At December 31, 2024 and December 31, 2023, the Company's contract asset balances were not material.
(c) Includes alliance fee arrangements where the Company earns revenue for standing ready to provide services to dealers. Revenue relating to alliance fee arrangements is recognized on a straight-line basis over the annual period of performance.

Contract liabilities represent customer deposits received before the satisfaction of the performance obligation. Once the performance obligation is satisfied, the liability is relieved, and revenue is recognized. Revenue is generally recognized in the quarter following receipt of the deposit. Contract liabilities at December 31, 2024 and December 31, 2023 amounted to $117 million and $110 million, respectively, presented within other current liabilities in the Consolidated Balance Sheets.

All unsatisfied performance obligations at December 31, 2024 are expected to be satisfied in the next twelve months. The Company elected to omit disclosure of information about the transaction price allocated to remaining performance obligations and when revenue will be recognized, as the relevant contracts have a duration of one year or less.

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Note 6. Employee benefits expense

($ in millions)

	January 1, 2024 to December 31, 2024	January 1, 2023 to December 31, 2023
Included in Cost of products sold:		
Wages and salaries	$ 478	$ 488
Social security costs	46	106
Pension costs	13	23
Stock-based compensation	-	-
Included in Selling, general and administrative expenses:		
Wages and salaries	563	550
Social security costs	57	84
Pension costs	53	22
Stock-based compensation	18	9
Total employee benefits expense	**$ 1,228**	**$ 1,282**

Note 7. Stock-based compensation

Restricted stock and restricted stock units

The Company has a bonus program under which eligible employees may elect to convert a portion of their annual bonus compensation (after all required taxes and deductions) to Hunter Douglas Group Limited equity interests ("Invested Shares"). Invested Shares are subject to restrictions on transfer and to a risk of forfeiture if certain conditions are met. During 2024, the Company issued 709,645 common shares to participants in this program, for consideration of $8 million. During 2023, the Company issued 620,899 common shares to participants in this program, for consideration of $6 million.

Employees who participated in the bonus program received restricted stock units ("RSUs") based on the portion of their annual bonus compensation converted into Invested Shares. RSUs grant the right to receive Invested Shares upon vesting, contingent on continued employment. RSUs vest in tranches, generally over a five-year service period. RSUs do not include any market or performance vesting conditions.

RSU activity during 2024 consisted of the following:

	January 1, 2024 to December 31, 2024
Unvested at beginning of period	1,064,274
Granted	1,209,413
Forfeited	(175,413)
Vested	(17,789)
Unvested at end of period	**2,080,485**

The weighted average grant date fair value of awards granted during 2024 and 2023 was $11.00 and $10.00, respectively.

The Company recognized compensation expense related to RSUs of $6 million in 2024 and $2 million in 2023.

At December 31, 2024, the unrecognized cost related to RSUs was $15 million, expected to be recorded over the next four years. At December 31, 2023, the unrecognized cost related to RSUs was $8 million, expected to be recorded over the next four years.

Participants in the bonus program have the right to require the Company to repurchase their Invested Shares and vested RSUs. At December 31, 2024 and December 31, 2023, the Company recognized equity of $22 million and $9 million, respectively, related to the Invested Shares and RSUs, presented within additional paid-in capital in the Consolidated Balance Sheets.

Stock options

The Company provides an annual award to certain employees, including senior executive officers and other highly compensated employees. Off-cycle grants are made during the year generally as sign-on awards to new hires or as a result of a change in employee status.

The awards vest in tranches, generally over a five-year service period. The awards do not include any market or performance vesting conditions. The fair value of the awards was estimated on the grant date using the Black-Scholes model.

The weighted average assumptions used to determine the fair value of the awards were as follows:

	January 1, 2024 to December 31, 2024	January 1, 2023 to December 31, 2023
Risk-free interest rate[(a)]	4.09%	3.39%
Expected volatility[(b)]	49%	55%
Expected forfeiture rate[(c)]	5%	5%
Expected dividend yield	-	-
Discount for lack of marketability	30%	30%
Expected term	5 years	5 years

(a) Term-matched risk-free rate interpolated from the US one-year constant maturity treasury yield curve.
(b) Estimated equity volatility based on review of publicly traded peer companies and further adjusted based on the financial leverage of the Company. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.
(c) In accordance with their respective plans, awards are forfeited if a holder voluntarily terminates employment prior to the vesting date. The Company estimates forfeitures based on an analysis of historical trends updated as discrete new information becomes available and are re-evaluated on an annual basis.

Award activity during 2024 consisted of the following:

	Number of stock options	Weighted average exercise price	Aggregate intrinsic value	Average remaining contractual term
Outstanding at January 1, 2024	5,583,432	$ 10.00	$ -	8.7 years
Granted	4,375,366	$ 11.00		
Forfeited	(706,362)	$ 10.29		
Exercised	(17,736)	$ 10.00		
Outstanding at December 31, 2024	**9,234,700**	$ 10.45	$ 15	8.9 years
Exercisable at December 31, 2024	**-**	$ -	$ -	

The weighted average grant date fair value of awards granted during the year ended December 31, 2024 and the year ended December 31, 2023 was $3.42 and $3.09, respectively.

Stock-based compensation expense is presented within selling, general and administrative expenses in the Consolidated Statements of Income. The Company recognized stock-based compensation expense of $7 million and $4 million for the year ended December 31, 2024 and the year ended December 31, 2023, respectively.

At December 31, 2024, the unrecognized cost related to stock options was $19 million, expected to be recorded over the next three years.

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Profits units
During year ended December 31, 2024, the Company issued profits units to certain senior executive officers. The profits units settle in cash and vest in tranches, generally over a five-year service period. The profits units do not include any market or performance vesting conditions. The fair value of the awards was estimated on the grant date using the Black-Scholes model.

The profit units are a cash-settled award, where Hunter Douglas Group Limited has an obligation to make cash payments to employees of the Company. As the Company has no obligation to settle the profit units, the Company accounts for the profit units as an equity-settled award.

The weighted average assumptions used to determine the fair value of the awards were as follows:

	January 1, 2024 to December 31, 2024	January 1, 2023 to December 31, 2023
Risk-free interest rate[a]	4.19%	-
Expected volatility[b]	49%	-
Expected forfeiture rate[c]	5%	-
Expected dividend yield	-	-
Discount for lack of marketability	30%	-
Expected term	5 years	-

(a) Term-matched risk-free rate interpolated from the US one-year constant maturity treasury yield curve.
(b) Estimated equity volatility based on review of publicly traded peer companies and further adjusted based on the financial leverage of the Company. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.
(c) In accordance with their respective plans, awards are forfeited if a holder voluntarily terminates employment prior to the vesting date. The Company estimates forfeitures based on an analysis of historical trends updated as discrete new information becomes available and are re-evaluated on an annual basis.

Profits units activity during 2024 consisted of the following:

	Successor
	January 1, 2024 to December 31, 2024
Unvested at beginning of period	5,570,000
Granted	1,400,000
Forfeited	-
Vested	-
Unvested at end of period	**6,970,000**

At December 31, 2024 and December 31, 2023, the Company recognized equity related to the profits units of $13 million and $8 million, respectively. At December 31, 2024, no profits units had vested or were forfeited. The Company recognized stock-based compensation expense of $5 million and $4 million for the year ended December 31, 2024 and the year ended December 31, 2023, respectively.

Note 8. Selling, general and administrative expenses

($ in millions)

	January 1, 2024 to December 31, 2024	January 1, 2023 to December 31, 2023
Selling expenses	$ 857	$ 790
General and administrative expenses	363	349
Depreciation and amortization	187	180
Other expenses	61	48
Total selling, general and administrative expenses	**$ 1,468**	**$ 1,367**

Note 9. Other operating expenses

($ in millions)

	January 1, 2024 to December 31, 2024	January 1, 2023 to December 31, 2023
Restructuring expenses	4	21
Deal, integration and M&A costs	124	81
Other expenses	31	13
Total other operating expenses	**$ 159**	**$ 115**

Note 10. Other (expense) income

($ in millions)

	January 1, 2024 to December 31, 2024	January 1, 2023 to December 31, 2023
Remeasurement of foreign denominated long-term debt	$ 68	$ (33)
Remeasurement of foreign denominated intercompany debt	(88)	(52)
Unrealized (gains) losses on interest rate swaps and cross-currency swaps	36	(148)
Realized (gains) losses on interest rate swaps and cross-currency swaps	119	111
Other non-operating income (expense)	15	139
Total other (expense) income	**$ 150**	**$ 17**

Note 11. Inventories

($ in millions)

	December 31, 2024	December 31, 2023
Raw materials	$ 485	$ 443
Work in process	29	33
Finished goods	183	195
Total inventories	**$ 697**	**$ 671**

For the year ended December 31, 2024 and the year ended December 31, 2023, $1,988 million and $2,052 million, respectively, was recognized as an expense for inventories, presented within cost of products sold in the Consolidated Statements of Income.

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Note 12. Property, plant and equipment

Changes in the carrying amount of property, plant and equipment during the periods were as follows:

($ in millions)

	January 1, 2024 to December 31, 2024		
	Land and buildings	Machinery and equipment	Furniture, fixtures and other
Cost or valuation			
Balance at beginning of period	$ 553	$ 321	$ 119
Acquisitions	-	5	1
Additions	4	14	11
Disposals	(8)	(23)	(8)
Transfer from Construction in Progress	15	32	52
Foreign currency translation	(14)	(6)	(3)
Transfer to assets held for sale	(64)	(8)	-
Balance at end of period	**$ 486**	**$ 335**	**$ 172**
Depreciation and amortization			
Balance at beginning of period	$ (43)	$ (112)	$ (53)
Depreciation and amortization	(21)	(54)	(44)
Impairment losses	-	-	-
Disposals	5	17	5
Transfer to assets held for sale	5	2	-
Balance at end of period	**$ (54)**	**$ (147)**	**$ (92)**
Net book value at end of period	**$ 432**	**$ 188**	**$ 80**

($ in millions)

	January 1, 2024 to December 31, 2024		
	Construction in progress	Software	Total property, plant and equipment
Cost or valuation			
Balance at beginning of period	$ 139	$ 54	$ 1,186
Acquisitions	-	-	6
Additions	58	3	90
Disposals	(2)	(8)	(49)
Transfer from Construction in Progress	(114)	15	-
Foreign currency translation	(2)	(1)	(26)
Transfer to assets held for sale	-	-	(72)
Balance at end of period	**$ 79**	**$ 63**	**$ 1,135**
Depreciation and amortization			
Balance at beginning of period	$ -	$ (17)	$ (225)
Depreciation and amortization	-	(17)	(136)
Impairment losses	-	-	-
Disposals	-	3	30
Transfer to assets held for sale	-	-	7
Balance at end of period	**$ -**	**$ (31)**	**$ (324)**
Net book value at end of period	**$ 79**	**$ 32**	**$ 811**

Depreciation and amortization expense related to property, plant and equipment was $136 million for the year ended December 31, 2024, with $62 million recognized within cost of products sold and $74 million recognized within selling, general and administrative expenses in the Consolidated Statements of Income.

($ in millions)

	January 1, 2023 to December 31, 2023		
	Land and buildings	Machinery and equipment	Furniture, fixtures and other
Cost or valuation			
Balance at beginning of period	$ 581	$ 323	$ 104
Acquisitions	-	1	-
Additions	17	20	18
Disposals	(42)	(36)	(7)
Foreign currency translation	24	13	4
Transfer to assets held for sale	(27)	-	-
Balance at end of period	**$ 553**	**$ 321**	**$ 119**
Depreciation and amortization			
Balance at beginning of period	$ (25)	$ (64)	$ (17)
Depreciation and amortization	(24)	(56)	(37)
Impairment losses	-	-	-
Disposals	2	8	1
Transfer to assets held for sale	4	-	-
Balance at end of period	**$ (43)**	**$ (112)**	**$ (53)**
Net book value at end of period	**$ 510**	**$ 209**	**$ 66**

($ in millions)

	January 1, 2023 to December 31, 2023		
	Construction in progress	Software	Total property, plant and equipment
Cost or valuation			
Balance at beginning of period	$ 94	$ 48	$ 1,150
Acquisitions	-	-	1
Additions	44	8	107
Disposals	(2)	(3)	(90)
Foreign currency translation	3	1	45
Transfer to assets held for sale	-	-	(27)
Balance at end of period	**$ 139**	**$ 54**	**$ 1,186**
Depreciation and amortization			
Balance at beginning of period	$ -	$ (3)	$ (109)
Depreciation and amortization	-	(15)	(132)
Impairment losses	-	-	-
Disposals	-	1	12
Transfer to assets held for sale	-	-	4
Balance at end of period	**$ -**	**$ (17)**	**$ (225)**
Net book value at end of period	**$ 139**	**$ 37**	**$ 961**

Depreciation and amortization expense related to property, plant and equipment was $132 million for the year ended December 31, 2023, with $65 million recognized within cost of products sold and $67 million recognized within selling, general and administrative expenses in the Consolidated Statements of Income.

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Note 13. Leases

The Company has lease contracts for various items of plant, machinery, vehicles and other equipment used in its operations. Leases of plant and machinery generally have lease terms between 2 and 15 years, while motor vehicles and other equipment generally have lease terms between 2 and 8 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets.

The carrying amounts of right-of-use assets recognized and movements during the periods were as follows:

($ in millions)

	January 1, 2024 to December 31, 2024		
	Land and buildings	Other fixed assets	Total right-of-use assets
Cost or valuation			
Balance at beginning of period	$ 74	$ 18	$ 92
Acquisitions	3	-	3
Additions	39	4	43
Disposals	(4)	-	(4)
Modification	(2)	-	(2)
Termination	(2)	-	(2)
Foreign currency translation	(4)	(2)	(6)
Balance at end of period	**$ 104**	**$ 20**	**$ 124**
Depreciation			
Depreciation	(26)	(6)	(32)
Balance at end of period	**$ (26)**	**$ (6)**	**$ (32)**
Net book value at end of period	**$ 78**	**$ 14**	**$ 92**

($ in millions)

	January 1, 2023 to December 31, 2023		
	Land and buildings	Other fixed assets	Total right-of-use assets
Cost or valuation			
Balance at beginning of period	$ 105	$ 16	$ 121
Acquisitions	4	-	4
Additions	7	14	21
Disposals	-	-	-
Modification	-	-	-
Termination	(17)	-	(17)
Foreign currency translation	(1)	(3)	(4)
Balance at end of period	**$ 98**	**$ 27**	**$ 125**
Depreciation			
Depreciation	(24)	(9)	(33)
Balance at end of period	**$ (24)**	**$ (9)**	**$ (33)**
Net book value at end of period	**$ 74**	**$ 18**	**$ 92**

The carrying amounts of lease liabilities and the movements during the periods were as follows:

($ in millions)

	January 1, 2024 to December 31, 2024	January 1, 2023 to December 31, 2023
Balance at beginning of period	$ 95	$ 117
Acquisitions	3	4
Additions	43	21
Disposals	(5)	-
Modification	(2)	-
Termination	(2)	(17)
Accretion of interest[a]	10	9
Payments	(38)	(38)
Foreign currency translation	(7)	(1)
Balance at end of period	**$ 97**	**$ 95**
Current	$ 29	$ 25
Non-current	$ 68	$ 70

(a) Accretion of interest is presented within cost of products sold and selling, general and administrative expenses in the Consolidated Statements of Income.

At December 31, 2024, the weighted average lease term was 6 years and annual discount rate was 9.25%. At December 31, 2023, the weighted average lease term was 6 years and annual discount rate was 9.25%.

Expected future minimum lease payments for leases is as follows:

($ in millions)

2025	$ 37
2026	21
2027	20
2028	16
2029	12
Thereafter	21
Total future undiscounted lease payments	127
Imputed interest	(30)
Total lease liability	**$ 97**

Lease expense related to short-term leases was $15 million for the year ended December 31, 2024 and $12 million in the year ended December 31, 2023.

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Note 14. Goodwill

Changes in the carrying amount of goodwill were as follows:

($ in millions)

	January 1, 2024 to December 31, 2024	January 1, 2023 to December 31, 2023
Balance at beginning of period	$ 1,691	$ 1,943
Acquisitions	48	294
Disposal	(25)	-
Foreign currency translation and other movements	(31)	(28)
Impairment losses	(10)	(518)
Balance at end of period	**$ 1,673**	**$ 1,691**

2024 Annual impairment test

The Company performed its annual impairment test at October 1, 2024. The recoverable value of each cash-generating unit and/or group of cash-generating units was estimated using a value in use calculation. Impairment losses totaling $10 million were recognized in the Oceania cash-generating unit, primarily due to persistent macroeconomic conditions affecting forecasted demand and anticipated costs.

The results of the impairment test were as follows:

($ in millions, unless otherwise indicated)

	Number of cash-generating units	Impairment losses recorded	Goodwill and indefinite lived intangible assets at December 31, 2024[(a)]
Impairment losses recorded	1	$ 10	$ 17
Recoverable value exceeded carrying value by less than 10%	1	-	10
Recoverable value exceeded carrying value by greater than 10%	5	-	2,591
Total		**$ 10**	**$ 2,618**

(a) Remaining goodwill and intangible assets at December 31, 2024, after impairment losses recorded as a result of the annual impairment test at October 1, 2024.

Reflected in the Consolidated Balance Sheets as follows:

($ in millions)

	December 31, 2024
Goodwill	$ 1,673
Indefinite lived intangible assets, net	945
Total goodwill and indefinite lived intangible assets	**$ 2,618**

The carrying amount of goodwill and indefinite lived intangible assets allocated to each cash-generating unit and/or group of cash-generating units, subsequent to impairment losses, were as follows:

($ in millions)

	December 31, 2024	
	Indefinite lived intangible assets	**Goodwill**
Americas & APAC[a]	$ 694	$ 905
Europe[b]	251	464
Other International[c]	-	304
Total indefinite lived intangible assets and goodwill	**$ 945**	**$ 1,673**

(a) Comprising the North America, Latin America, Asia and Oceania cash-generating units.
(b) Both a reportable segment and a reporting unit.
(c) Comprising the E-Commerce reporting unit.

The range of significant assumptions developed by management to estimate the recoverable amount of each cash-generating unit or group of cash-generating units at October 1, 2024, and the recoverable amount were as follows:

($ in millions, unless otherwise indicated)

	Discount rate assumption	**Long-term growth rate assumption**	**Recoverable amount at October 1, 2024**
Americas & APAC	9.5% - 12.5%	2.0% - 3.0%	$ 4,519
Europe	10.0%	2.0%	$ 2,438
Other International	10.0%	2.0%	$ 615

2023 Annual impairment test
The Company performed its annual impairment test at October 1, 2023. The recoverable value of each cash-generating unit and/or group of cash-generating units was estimated using a value in use calculation. Impairment losses were recognized in the Europe, Asia, Latin America and Oceania cash-generating units, primarily due to emerging macroeconomic conditions affecting forecasted demand and anticipated costs.

The results of the impairment test were as follows:

($ in millions, unless otherwise indicated)

	Number of cash-generating units	**Impairment losses recorded**	**Goodwill and indefinite lived intangible assets at December 31, 2023[a]**
Impairment losses recorded	4	$ (518)	$ 199
Recoverable value exceeded carrying value by less than 10%	1	-	577
Recoverable value exceeded carrying value by greater than 10%	2	-	1,867
Total		**$ (518)**	**$ 2,643**

(a) Remaining goodwill and intangible assets at December 31, 2023, after impairment losses recorded as a result of the annual impairment test at October 1, 2023.

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Reflected in the Consolidated Balance Sheets as follows:

($ in millions)

	December 31, 2023
Goodwill	$ 1,691
Intangible assets, net	952
Total goodwill and indefinite lived intangible assets	**$ 2,643**

The carrying amount of goodwill and indefinite lived intangible assets allocated to each cash-generating unit and/or group of cash-generating units, subsequent to impairment losses, were as follows:

($ in millions)

	December 31, 2023	
	Indefinite lived intangible assets	Goodwill
Americas & APAC[(a)]	$ 694	$ 889
Europe[(b)]	258	478
Other International[(c)]	-	324
Total indefinite lived intangible assets and goodwill	**$ 952**	**$ 1,691**

(a) Comprising the North America, Latin America, Asia and Oceania cash-generating units.
(b) Both a reportable segment and a reporting unit.
(c) Comprising the E-Commerce reporting unit.

The range of significant assumptions developed by management to estimate the recoverable amount of each cash-generating unit or group of cash-generating units at October 1, 2023, and the recoverable amount were as follows:

($ in millions, unless otherwise indicated)

	Discount rate assumption	Long-term growth rate assumption	Recoverable amount at October 1, 2023
Americas & APAC	10.5%-14.0%	2.5% - 3.0%	$ 4,137
Europe	11.0%	2.0%	$ 1,674
Other International	10.0%	2.0%	$ 475

Significant assumptions and sensitivity to changes in assumptions
Discount rates represent the current market assessment of the risks specific to each cash-generating unit or group of cash-generating units, taking into consideration the time value of money and a geographical based risk premium. The discount rate calculation is based on the specific circumstances of the Company and is derived from its weighted average cost of capital ("WACC"). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Company's investors. The cost of debt is based on the interest-bearing borrowings the Company is obliged to service. Segment specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data. An increase in the discount rate, which is reasonably possible due to changes in the cost of debt and/or cost of equity, would result in further impairment losses.

Projected annual net cash flows are developed based on management's most recent budgets and forecasts, with a long-term growth rate applied to calculate growth beyond the discrete projection period. Long-term growth rates are estimated based on published industry research supplemented by current and anticipated market conditions, estimated product category growth rates, management's plans and market comparables. A decrease in the long-term growth rate, which is reasonably possible due to changes in macroeconomic conditions, would result in further impairment losses.

Note 15. Intangible assets

($ in millions)

	December 31, 2024	December 31, 2023
Indefinite lived intangible assets	$ 945	$ 952
Definite-lived intangible assets	2,367	2,533
Total intangible assets	**$ 3,312**	**$ 3,485**

Changes in the carrying amount of indefinite lived brand intangible assets were as follows:

($ in millions)

	January 1, 2024 to December 31, 2024	January 1, 2023 to December 31, 2023
Balance at beginning of period	$ 952	$ 943
Acquisitions	-	-
Foreign currency translation and other movements	(7)	9
Balance at end of period	**$ 945**	**$ 952**

Changes in definite-lived intangible assets by major asset class were as follows:

($ in millions)

	January 1, 2024 to December 31, 2024		
	Brands	Customer relationships	Total definite-lived intangible assets
Cost			
Balance at beginning of period	$ 1,078	$ 1,657	$ 2,735
Acquisitions	25	35	60
Additions	-	-	-
Disposals	(30)	-	(30)
Foreign currency translation and other movements	(33)	(60)	(93)
Balance at end of period	**$ 1,040**	**$ 1,632**	**$ 2,672**
Amortization and impairment			
Balance at beginning of period	$ (37)	$ (165)	$ (202)
Impairment losses	-	-	-
Amortization	(20)	(92)	(112)
Disposals	1	-	1
Foreign currency translation and other movements	-	8	8
Balance at end of period	**$ (56)**	**$ (249)**	**$ (305)**
Net book value at end of period	**$ 984**	**$ 1,383**	**$ 2,367**

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($ in millions)

	January 1, 2023 to December 31, 2023		
	Brands	Customer relationships	Total definite-lived intangible assets
Cost			
Balance at beginning of period	$ 974	$ 1,593	$ 2,567
Acquisitions	79	28	107
Additions	-	-	-
Disposals	-	-	-
Foreign currency translation and other movements	25	36	61
Balance at end of period	**$ 1,078**	**$ 1,657**	**$ 2,735**
Amortization and impairment			
Balance at beginning of period	$ (16)	$ (73)	$ (89)
Impairment losses	-	-	-
Amortization	(21)	(92)	(113)
Disposals	-	-	-
Balance at end of period	**$ (37)**	**$ (165)**	**$ (202)**
Net book value at end of period	**$ 1,041**	**$ 1,492**	**$ 2,533**

Amortization expense was $112 million and $113 million for the year ended December 31, 2024 and the year ended December 31, 2023, respectively, presented within selling, general and administrative expenses in the Consolidated Statements of Income.

Expected future amortization expense of definite-lived intangible assets is as follows:

($ in millions)

2025	$ 112
2026	112
2027	112
2028	112
2029	112
Thereafter	1,807
	$ 2,367

Note 16. Income taxes

($ in millions)

	January 1, 2024 to December 31, 2024	January 1, 2023 to December 31, 2023
Current income tax		
Current income tax charge	$ 95	$ 127
Adjustments in respect of current income tax of prior periods	-	-
Deferred income tax		
Relating to origination and reversal of temporary differences	(72)	(126)
Resulting from changes in tax rates	-	-
Total income tax expense	**$ 23**	**$ 1**

Hunter Douglas B.V. is incorporated in The Netherlands. Differences between the income taxes computed at the respective statutory rate and the provision for income taxes were as follows:

($ in millions)

	January 1, 2024 to December 31, 2024	January 1, 2023 to December 31, 2023
Jurisdiction of reporting entity	The Netherlands	The Netherlands
Statutory rate	25.8%	25.8%
Income (Loss) before income taxes	$ 74	$ (514)
Tax expense (benefit) at statutory tax rate	$ 19	$ (133)
Foreign earnings and losses	(23)	(25)
State, withholding and other taxes	3	3
Non-deductible expenses	32	156
Tax attributes not recognized in the year	20	14
Credits and other tax incentives	(4)	(5)
Non-taxable income	(15)	(12)
Other	(9)	3
Total income tax expense	**$ 23**	**$ 1**

The Company operates in an international environment; accordingly, the consolidated effective tax rate is a composite rate reflecting the earnings in various locations and the applicable tax rates. Fluctuations in the amount of income generated across locations with differing tax rates, or movements in tax rates due to a change in tax law, could impact comparability of reconciling items between periods.

Deferred income tax assets and liabilities consisted of the following:

($ in millions)

	December 31, 2024	December 31, 2023
Deferred tax assets:		
Loss carry forwards	$ 18	$ 14
Interest carry forwards	84	52
Intangible assets	23	46
Accruals not currently deductible, and other	11	26
Foreign exchange	16	14
Inventories	(2)	(2)
Other	16	12
Total gross deferred tax assets	**$ 166**	**$ 162**
Deferred tax liabilities:		
Intangible assets	$ 858	$ 919
Long-lived assets	62	83
Derivatives	61	53
Employee benefit plan obligations	4	4
Other	(3)	8
Total gross deferred tax liabilities	**$ 982**	**$ 1,067**
Net deferred tax assets (liabilities)	**$ (816)**	**$ (905)**

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Reflected in the Consolidated Balance Sheets as follows:

($ in millions)

	December 31, 2024	December 31, 2023
Deferred income taxes - asset	$ 166	$ 162
Deferred income taxes - liability	(982)	(1,067)
Net deferred tax assets (liabilities)	**$ (816)**	**$ (905)**

Loss carry forwards for income tax purposes at December 31, 2024 were approximately $389 million before tax effects; certain amounts are subject to annual limitation under applicable tax law. If not utilized, a portion of these losses will begin to expire in 2026. The losses with a limited carry forward period are not material for disclosure purposes. Interest carry forwards for income tax purposes at December 31, 2024 were approximately $565 million before tax effects and are subject to annual limitations under applicable tax law. Interest tax carry forwards have an indefinite carry forward period. Management determined that it is not probable that loss carry forwards of approximately $99 million (before tax effects), credit carry forwards of approximately $500 million, and interest carry forwards of approximately $219 million (before tax effects), will be realized and as such, the amounts were not recognized in the Company's Consolidated Balance Sheets.

Factors that may affect future tax expense
On October 8, 2021, the Organization for Economic Co-Operation and Development ("OECD") announced the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting, which agreed to a two-pillar solution to address tax challenges arising from digitalization of the economy. On December 20, 2021, the OECD released Pillar Two Model Rules ("Pillar Two") defining a global minimum tax applied on a country-by-country basis effective from January 1, 2024.

In the year ended December 31, 2024, Pillar Two did not have a material impact on the Company's effective tax rate or cash tax payments. The Company's assessment for subsequent fiscal years may be influenced by additional legislative guidance and the enactment of further provisions within the Pillar Two framework.

It is unclear if the Pillar Two Model Rules create additional temporary differences, whether to remeasure deferred taxes for the Pillar Two Model Rules and which tax rate to use to measure deferred taxes. In response to this uncertainty, on May 23, 2023 and June 27, 2023, respectively, the IASB issued amendments to IAS 12 'Income taxes' introducing a mandatory temporary exception to the requirements of IAS 12 under which a company does not recognize or disclose information about deferred tax assets and liabilities related to the proposed Pillar Two Model Rules. The Company applied the temporary exception at December 31, 2023.

Note 17. Other assets and other liabilities

($ in millions)

	December 31, 2024	December 31, 2023
Prepayments	$ 51	$ 85
Indirect taxes receivable	25	69
Income taxes receivable	34	30
Derivatives not designated as hedging instruments	-	2
Other short-term assets	68	34
Total other current assets	**$ 178**	**$ 220**

($ in millions)

		December 31, 2024	December 31, 2023
Derivatives not designated as hedging instruments	Note 19	$ 245	$ 238
Loans to associates	Note 18.2	-	1
Other long-term prepayments and assets		30	37
Total other assets		**$ 275**	**$ 276**

($ in millions)

		December 31, 2024	December 31, 2023
Accrued employee benefits expense		197	231
Employee benefit plan obligations		3	2
Contract liabilities	Note 5	117	101
Warranty liabilities[(a)]		52	53
Indirect taxes payable		28	47
Income taxes payable		29	54
Restructuring expenses[(b)]		5	7
Redeemable preferred stock	Note 18.4	18	9
Contingently redeemable noncontrolling interests	Note 18.3	28	3
Select Canada noncontrolling interest to be redeemed		-	9
Accrued interest		35	37
Accrual for goods received not invoiced		41	38
Accrued expenses		86	107
Derivatives not designated as hedging instruments	Note 19	6	-
Other short-term obligations		65	58
Total other current liabilities		**$ 710**	**$ 756**

(a) A provision is recognized for expected warranty claims on products sold during the year, based on past experience of the level of repairs and returns. It is expected that these costs will be incurred in the next financial year. Assumptions used to calculate the provision for warranties were based on current sales levels and current information available on returns based on the warranty period for all products sold.
(b) Restructuring provisions are recognized when the Company has a constructive obligation, which is when: (a) There is a detailed formal plan that identifies the business or part of the business concerned, the location and number of employees affected, the detailed estimate of the associated costs, and the timeline; and (b) The employees affected have been notified of the plan's main features. The Company's restructuring activities are focused on workforce reduction and factory consolidation. Restructuring expenses primarily include severance and employee benefit costs. Severance and employee benefit costs include cash severance, non-cash severance, pension and other termination benefits.

($ in millions)

		December 31, 2024	December 31, 2023
Employee benefit plan obligations	Note 22	$ 20	$ 22
Redeemable preferred stock	Note 18.4	-	18
Accrued employee benefits expense		7	20
Contingently redeemable noncontrolling interests	Note 18.3	146	155
Derivatives not designated as hedging instruments		3	33
Other long-term obligations		32	19
Total other liabilities		**$ 208**	**$ 267**

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Note 18. Financial assets and financial liabilities

The Company's financial assets were as follows:

($ in millions)

		December 31, 2024	December 31, 2023
Derivatives not designated as hedging instruments			
Interest rate swaps	Note 19	$ 244	$ 238
Cross-currency swaps	Note 19	1	-
Foreign exchange swaps	Note 19	-	2
Debt instruments at amortized cost			
Accounts receivable	Note 18.1	356	361
Loans to associates	Note 18.2	-	1
Total financial assets[(a)]		**$ 601**	**$ 602**
Current		$ 356	$ 361
Non-current		$ 245	$ 241

(a) Financial assets, other than cash and cash equivalents.

The Company's financial liabilities were as follows:

($ in millions)

		December 31, 2024	December 31, 2023
Financial liabilities at fair value through profit or loss			
Contingently redeemable noncontrolling interests	Note 18.3	$ 174	$ 158
Derivatives not designated as hedging instruments			
Cross-currency swaps		3	33
Foreign exchange swaps		6	-
Debt			
Floating rate borrowings	Note 20	4,379	4,466
Fixed rate borrowings	Note 20	-	14
Redeemable preferred stock	Note 18.4	18	27
Lease liabilities	Note 13	97	95
Other financial liabilities at amortized cost, other than debt			
Accounts payable	Note 18.5	234	180
Total financial liabilities		**$ 4,911**	**$ 4,973**
Current		$ 344	$ 266
Non-current		$ 4,567	$ 4,707

Note 18.1 Accounts receivable

Accounts receivable represent an unconditional right to consideration and are generally non-interest bearing. The Company typically collects a portion of the purchase price as a customer deposit upon order, with the remaining balance generally due within 30 days of delivery or installation.

There is no single customer, or group of related customers, representing 10% or more of the Company's net sales or accounts receivable.

The carrying value of accounts receivable approximates fair value due to the short-term maturities of these financial assets.

Note 18.2 Loans to associates

($ in millions)

	December 31, 2023	December 31, 2023
Loan to Persianas Y Cortinas del Ecuador SA Percesa	-	1
Total loans to associates	**$ -**	**$ 1**

The Persianas Y Cortinas del Ecuador SA Percesa loan was deemed non-recoverable and fully impaired in 2024.

Changes in loans to associates were as follows:

($ in millions)

	January 1, 2024 to December 31, 2024	January 1, 2023 to December 31, 2023
Balance at beginning of period	$ 1	$ 118
Impairment	(1)	-
Repayments	-	(30)
Effectively settled on acquisition[(a)]	-	(87)
Balance at end of period	**$ -**	**$ 1**

(a) The loan balance that was effectively settled upon the acquisition of SelectBlinds LLC in 2023 included interest of $9 million.

Note 18.3 Contingently redeemable noncontrolling interests

The Company is subject to put arrangements where the holders of certain noncontrolling interests can require the Company to repurchase their shares at specified dates in the future or within specified periods in the future. The redemption value is generally a variable amount based on a formula linked to the earnings of the respective subsidiary. The put arrangements were valued using an income approach. Significant assumptions include projected annual earnings of each respective subsidiary during the respective exercise period(s). The Company developed projected annual earnings using historical data, supplemented by current and anticipated market conditions, estimated product category growth rates, management's plans and market comparables. A change in the projected annual earnings and/or the probability of exercise would not materially affect the fair value of the contingently redeemable noncontrolling interests. The carrying value of redeemable noncontrolling interests approximates fair value. The contingently redeemable noncontrolling interests are classified as Level 3 fair value measurements.

Changes in contingently redeemable noncontrolling interests were as follows:

($ in millions)

	January 1, 2024 to December 31, 2024	January 1, 2023 to December 31, 2023
Balance at beginning of period	$ 158	$ 122
Acquisitions	4	8
Net income (loss) attributable to redeemable noncontrolling interests	19	18
Changes in redemption value	(2)	28
Accrued compensation for services rendered	15	15
Cash flows	(15)	(12)
Redemption of noncontrolling interests	(5)	(21)
Balance at end of period	**$ 174**	**$ 158**

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The Company's estimate of redemption amounts on fixed or determinable dates are as follows:

($ in millions)	
2025	$ 28
2026	90
2027	-
2028	17
2029	10
Thereafter	29
	$ 174

Note 18.4 Redeemable preferred stock
On April 21, 2021, a subsidiary of the Company issued preference shares to Blinds2Go Limited management, which are redeemable at the option of the shareholders, within a twelve-month notice period. The redemption value is defined within the contractual agreement. The shareholders are entitled to dividends linked to the earnings of Blinds2Go Limited and Blindsonline.com.au Pty Ltd.

For the year ended December 31, 2024 and year ended December 31, 2023, preferred dividends amounted to $2 million and $3 million, respectively.

Preference shares redeemed in 2024 amounted to $9 million. Preference shares expected to be redeemed in 2025 amounted to $18 million, presented within other current liabilities in the Consolidated Balance Sheets.

The redemption value of the preferred stock approximates fair value and is classified as a Level 3 fair value measurement.

Note 18.5 Accounts payable
Trade payables are non-interest bearing and are generally settled on 90-day terms. The carrying value of accounts payable approximates fair value due to the short-term maturities of these liabilities.

Note 18.6 Financial instruments risk management objectives and policies
The Company's principal financial liabilities comprise loans and borrowings, contingently redeemable financial instruments and accounts payable. The main purpose of these financial liabilities is to finance the Company's operations and execute opportunistic acquisitions. The Company's principal financial assets include accounts receivable and cash and cash equivalents, which derive directly from its operations. The Company also holds loans receivable from certain associates and enters into derivative transactions. All derivative activities for risk management purposes are carried out by a specialist team that has the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk generally comprises three types of risk: interest rate risk, currency risk and commodity risk. Financial instruments affected by market risk include long-term debt and derivative financial instruments.

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages interest risk through entering interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. The Company's interest rate swaps are not designated hedging instruments. At December 31, 2023, after taking into account the effect of interest rate swaps, approximately 75% of the Company's borrowings are at a fixed rate of interest.

Interest rate sensitivity
The following table demonstrates the sensitivity to a reasonably possible change in interest rates on floating rate borrowings (with all other variables held constant):

($ in millions, except for basis points)

	Increase / decrease in basis points[a]	Impact on income (loss) before income taxes[b]
Euro	+ 100	$ (3)
US Dollars	+ 100	$ (11)
Euro	- 100	$ 19
US Dollars	- 100	$ 58

(a) The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.
(b) The sensitivity analyses relate to the outstanding principal balances and floating interest rates at December 31, 2024.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the fair value of the interest rate swaps (with all other variables held constant):

($ in millions, except for basis points)

	Increase / decrease in basis points[a]	Impact on income (loss) before income taxes[b]
Euro	+ 100	$ 25
US Dollars	+ 100	$ 97
Euro	- 100	$ (26)
US Dollars	- 100	$ (102)

(a) The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.
(b) The sensitivity analyses relate to the position at December 31, 2024.

Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. For all significant foreign operations, the functional currency is the local currency. Accordingly, the Company's exposure to the risk of changes in foreign exchange rates relates primarily to foreign currency denominated debt.

Foreign currency sensitivity
The following table demonstrates the sensitivity to a reasonably possible change in Euro and GBP exchange rates on that portion of debt affected (with all other variables held constant). The pre-tax effect reflects changes in the value of both third-party and intercompany debt (where the debt is denominated in a currency that differs to the functional currency of an entity).

($ in millions, except for rate change)

	Change in exchange rate	Impact on income (loss) before income taxes
Euro	+ 5%	$ (52)
GBP	+ 5%	$ (15)
Euro	- 5%	$ 52
GBP	- 5%	$ 15

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The Company's exposure to foreign currency changes for all other currencies is not material for disclosure purposes.

Commodity price risk
The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase of aluminum, steel, fabric, synthetics and other oil-based products. Generally, changes in material prices are passed on to the customer.

Commodity price sensitivity
With all other variables held constant, the Company's loss before income taxes would be increased by $99 million from a 5% increase in the cost of raw materials and consumables.

Credit risk
Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily accounts receivable) and from its financing activities, including deposits with banks and financial institutions, and other financial instruments.

Accounts receivable
Customer credit risk is managed by each business. Where deemed appropriate, based on the business' assessment of customer credit quality, customer credit limits may be implemented or letters of credit or other forms of credit insurance from reputable banks and other financial institutions may be obtained.

The Company applies a simplified approach in calculating expected credit losses. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime expected credit losses at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Generally, trade receivables are written-off if the Company deems all or a portion of the receivable to be uncollectible.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 18.

The Company evaluates the concentration of risk with respect to accounts receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

The Company's credit risk exposure on accounts receivable at December 31, 2024 and December 31, 2023 were as follows:

($ in millions)

	December 31, 2024	
	Accounts receivable	Allowance for credit losses
Current	$ 293	$ (9)
Days past due		
< 30 days	41	(2)
30 - 60 days	13	(1)
61 - 90 days	8	(2)
> 91 days	28	(13)
Total	**$ 383**	**$ (27)**

($ in millions)

	December 31, 2023	
	Accounts receivable	Allowance for credit losses
Current	$ 296	$ (6)
Days past due		
< 30 days	47	(2)
30 - 60 days	14	(3)
61 - 90 days	9	(5)
> 91 days	23	(12)
Total	**$ 389**	**$ (28)**

Changes in the allowance for credit losses were as follows:

($ in millions)

	January 1, 2024 to December 31, 2024	January 1, 2023 to December 31, 2023
Balance at beginning of period	$ (28)	$ (30)
Acquisitions	-	-
Provision for credit losses	(4)	(3)
Recoveries	-	-
Write-offs	6	4
Foreign currency translation	(1)	1
Balance at end of period	**$ (27)**	**$ (28)**

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department. Cash and cash equivalents are held with reputable banks and other financial institutions. To mitigate any potential concentration risk, consideration is given to balancing amounts held across counterparties and geographies, taking into account interest rate sensitivity, currency and other factors that affect returns and liquidity.

Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash flows from operations, bank facilities and bank loans. The maturity profile of the Company's long-term debt is presented in Note 20. The maturity profile of the Company's other financial liabilities based on contractual undiscounted payments is presented in Note 13, Note 18.3, Note 18.4 and Note 18.5.

Note 19. Derivative financial instruments and hedging activity

At December 31, 2024, the Company had outstanding foreign exchange, interest rate and cross-currency swap derivative instruments with notional amounts of $308 million, $3.5 billion and $1.0 billion, respectively. At December 31, 2023, the Company had outstanding foreign exchange, interest rate and cross-currency swap derivative instruments, with notional amounts of $358 million, $3.5 billion and $1.0 billion, respectively. These derivatives do not meet the criteria for hedge accounting.

The Company uses forward contracts and to a lesser extent, option contracts, to mitigate its foreign currency exchange rate risk arising from raw material purchases and the settlement of foreign currency denominated assets and liabilities.

The Company uses interest rate swaps to manage debt and interest rate exposures, most significantly the interest rate volatility associated with the Senior Credit Facilities.

The Company uses cross-currency swaps to mitigate its foreign currency exchange rate risk arising from the settlement of foreign currency denominated liabilities.

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The fair value and corresponding balance sheet presentation of the Company's derivative instruments were as follows:

($ in millions)

	December 31, 2024		
	Foreign Exchange	Interest rate	Cross-currency
Other current assets	$ -	$ -	$ -
Other assets	-	244	1
Other current liabilities	(6)	-	-
Other liabilities	-	-	(3)

($ in millions)

	December 31, 2023		
	Foreign Exchange	Interest rate	Cross-currency
Other current assets	$ 2	$ -	$ -
Other assets	-	238	-
Other current liabilities	-	-	-
Other liabilities	-	-	(33)

The fair value of derivative instruments is estimated using market transactions and other market evidence whenever possible, including market-based inputs to models, model calibration to market clearing transactions, broker or dealer quotations or alternative pricing sources with reasonable levels of price transparency. The Company's calculation of the fair value of derivatives takes into consideration the risk of nonperformance, including counterparty credit risk. These assets are classified as Level 2 fair value measurements.

The pre-tax effect of derivative instruments in the Consolidated Statements of Income were as follows:

($ in millions)

	January 1, 2024 to December 31, 2024		
	Foreign Exchange	Interest rate	Cross-currency
Other expense (income)	$ -	$ (116)	$ (40)
Cost of products sold	9	-	-

($ in millions)

	January 1, 2023 to December 31, 2023		
	Foreign Exchange	Interest rate	Cross-currency
Other expense (income)	$ -	$ (5)	$ 42
Cost of products sold	$ (10)	$ -	$ -

Note 20. Debt

($ in millions, except interest rates)

	Interest rates[a]	December 31, 2024	December 31, 2023
B-1 Loans[b]			
Outstanding principal	8.02%	$ 3,413	$ 3,447
Unamortized issuance costs		(42)	(51)
Unamortized discount		(11)	(13)
		3,360	**3,383**
B-2 Loans[c]			
Outstanding principal	7.00%	1,036	1,104
Unamortized issuance costs		(14)	(17)
Unamortized discount		(3)	(4)
		1,019	**1,083**
Other			
Outstanding principal		-	14
Total long-term debt		**$ 4,379**	**$ 4,480**

(a) Floating interest rates are stated as at December 31, 2024
(b) USD denominated
(c) EUR denominated

The contractual repayments of the Company's long-term debt are as follows:

($ in millions)	
2025	$ 35
2026	35
2027	35
2028	35
2029	4,309
Thereafter	-
	$ 4,449

The fair value of long-term debt was as follows:

($ in millions)

	December 31, 2024		December 31, 2023	
	Fair value[a]	Carrying value	Fair value[a]	Carrying value
B-1 Loans	$ 3,356	$ 3,360	$ 3,371	$ 3,383
B-2 Loans	$ 1,023	$ 1,019	$ 1,069	$ 1,083
Other	$ -	$ -	$ 14	$ 14

(a) Fair value of long-term debt determined using observable inputs, including market transactions, broker or dealer quotations or other market evidence. These liabilities are classified as Level 2 fair value measurements.

Amortization of issuance costs and discount related to the B-1 Loans and B-2 Loans was $15 million for the year ended December 31, 2024 and $15 million for the year ended December 31, 2023. The issuance costs and debt discount are amortized using the effective interest method.

At December 31, 2024, accrued interest relating to the Term Loan Facilities was $35 million. At December 31, 2023, accrued interest relating to the Term Loan Facilities was $37 million.

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Changes in long-term debt were as follows:

($ in millions)

	January 1, 2024 to December 31, 2024	January 1, 2023 to December 31, 2023
Balance at beginning of period	$ 4,480	$ 4,502
Acquisitions	-	-
Proceeds from long-term debt	-	-
Payments of debt issue costs	-	-
Amortization of deferred issuance costs and debt discount	15	15
Repayments of long-term debt	(48)	(36)
Redeemable preferred stock	-	(26)
Foreign currency translation	(68)	25
Balance at end of period	**$ 4,379**	**$ 4,480**

Term Loan Facilities

The B-1 Loans and B-2 Loans (collectively, the "Term Loan Facilities") mature seven years from the date of closing (February 25, 2029). The Term Loan Facilities have fluctuating interest rates based on, at the Company's election, a benchmark rate (including, but not limited to, EURIBOR or SOFR), plus a spread on each of the tranches ranging from 225-400 basis points. The Term Loan Facilities provide the right to prepay the outstanding principal, in whole or in part, without premium or penalty.

The obligations of the Company under the Term Loan Facilities are guaranteed by its subsidiaries and each direct and indirect, existing and future, domestic, material, wholly-owned restricted subsidiary of the Company.

The Term Loan Facilities contain a number of customary affirmative and negative covenants that, among other things, limits or restricts the ability of the Company and its restricted subsidiaries to incur additional indebtedness (including guarantee obligations); incur liens; engage in mergers, consolidations, liquidations and dissolutions (other than as part of an initial public offering); sell assets; pay dividends and make other payments in respect of capital stock; make acquisitions, investments, loans and advances; pay and modify the terms of certain indebtedness; engage in certain transactions with affiliates; enter into negative pledge clauses and clauses restricting subsidiary distributions; and change its line of business.

Revolving Credit Facility

($ in millions)

	December 31, 2024		
	Commitment	Issued and outstanding	Loans outstanding
Revolving Credit Facility	$ 800	$ 9	$ -

($ in millions)

	December 31, 2023		
	Commitment	Issued and outstanding	Loans outstanding
Revolving Credit Facility	$ 800	$ 11	$ -

On November 7, 2024, the Company early renewed the Revolving Credit Facility and extended its maturity date to November 30, 2028. In connection with the renewal and extension, the Company incurred issuance costs of $2 million. Loans under the Revolving Credit Facility have five-year maturities and a fluctuating interest rate based on, at the Company's election, a benchmark rate (including, but not limited to, EURIBOR or SOFR), plus a spread on each of the tranches ranging from 175-375 basis points.

The Company is required to comply with a specified first lien net leverage ratio to the extent any loans are outstanding under the Revolving Credit Facility or Letters of Credit issued and outstanding thereunder exceed $260 million as of the end of any fiscal quarter.

Unamortized issuance costs related to the Revolving Credit Facility at December 31, 2024 and December 31, 2023 were $9 million and $11 million, respectively, presented within other assets in the Consolidated Balance Sheets.

Amortization of issuance costs and discount related to the Revolving Credit Facility was $4 million for the year ended December 31, 2024 and $2 million for the year ended December 31, 2023. The issuance costs are amortized using the straight-line method and presented within interest expense in the Consolidated Statements of Income.

The Company incurred commitment fees related to the Revolving Credit Facility of $3 million for the year ended December 31, 2024 and $3 million for the year ended December 31, 2023. Commitment fees are expensed as incurred and presented within interest expense in the Consolidated Statements of Income.

Note 21. Capital management

($ in millions)

	December 31, 2024	December 31, 2023
Long-term debt	$ 4,379	$ 4,480
Less: Cash and cash equivalents	(989)	(878)
Net debt	**$ 3,390**	**$ 3,602**

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Note 22. Employee benefit plan obligations

During the fourth quarter of 2024, the Company purchased group annuity contracts to transfer approximately $150 million of gross defined benefit pension obligations and related plan assets to insurance companies for approximately 850 retirees and beneficiaries in Canada and the United States. These group annuity contracts were purchased using assets from the respective retirement trusts and no additional funding contributions were required. These transactions had no impact on the amount, timing, or form of the monthly retirement benefit payments to the affected retirees and beneficiaries. As a result of these transactions, the Company was relieved of all responsibility for the pension obligations and the respective insurance companies are now required to pay and administer the retirement benefits.

The changes in benefit obligation, plan assets and funded status of the Company's plans were as follows:

($ in millions)

	January 1, 2024 to December 31, 2024	January 1, 2023 to December 31, 2023
Change in Benefit Obligation:		
Benefit obligation at the beginning of the period	$ 233	$ 227
Acquisitions	-	-
Service cost	-	-
Interest cost	9	11
Actuarial (gain) loss	(15)	6
Benefits paid	(89)	(14)
Translation adjustments	(1)	3
Settlement	(73)	-
Benefit obligation at the end of the period	64	233
Change in Plan Assets:		
Fair value of plan assets at the beginning of the period	219	212
Acquisitions	-	-
Actual return on plan assets	8	14
Employer contribution	3	3
Participants' contributions	-	-
Benefits paid	(89)	(14)
Translation adjustments	(2)	4
Settlement	(73)	
Fair value of plan assets at the end of the period	66	219
Funded status[(a)]	**$ 2**	**$ (14)**

(a) Certain of the Company's benefit plans are in a surplus position, with $25 million at December 31, 2024 and $10 million at December 31, 2023. As the asset cannot be realized by the Company in the form of cash rebates from the plan or reductions in future contributions to the plan, the Company has not recognized the asset in the Consolidated Balance Sheets.

The weighted average assumptions used in determining the projected benefit obligations were as follows:

	December 31, 2024	December 31, 2023
Discount rate	5.1% - 5.5%	4.5% - 4.9%

The weighted average assumptions related to net periodic pension cost were as follows:

	January 1, 2024 to December 31, 2024	January 1, 2023 to December 31, 2023
Discount rate	4.9% - 5.5%	4.5% - 5.1%
Expected long-term rate of return	5.5% - 6.4%	4.6% - 5.8%

Discount rates were developed using a model portfolio of high-quality, fixed-income debt instruments with durations that match the expected future cash flows of the plans.

Retirement-related benefit plan assets are recognized and measured at fair value. Because of the inherent uncertainty of valuations, these fair value measurements may not necessarily reflect the amounts the Company could realize in current market transactions.

A change in the discount rate assumption would not materially affect the projection value of the obligations at December 31, 2024.

The weighted average duration of both the US and UK benefit obligations is 14 years.

The investment objectives of the retirement-related benefit plan asset portfolio are designed to generate returns that will enable the plans to meet future obligations. The precise amount for which these obligations will be settled depends on future events, including the retirement dates and life expectancy of the plans' participants. The investment strategy balances the requirement to generate returns, using potentially higher yielding assets such as equity securities, with the need to control risk in the portfolio with less volatile assets, such as fixed-income securities. Risks include, among others, inflation, volatility in equity values and changes in interest rates that could cause the plan to become underfunded, thereby increasing its dependence on contributions from the Company. To mitigate any potential concentration risk, consideration is given to balancing the portfolio among industry sectors, companies and geographies, taking into account interest rate sensitivity, dependence on economic growth, currency and other factors that affect investment returns.

The assets are managed by a professional investment firm. The investment firm is bound by investment mandates determined by the Company's management, and is measured against specific benchmarks. The strategies employed by the investment firm contemplate balancing security concentration, issuer concentration, investment style and reliance on specific active and passive investment strategies.

The Company is aware of the July 2024 decision to uphold the High Court ruling on June 16, 2023, Virgin Media v NTL Pension Trustees II Limited (and others), which confirmed the implications of not having a confirmation from the actuary in accordance with Section 37 of the Pension Schemes Act 1993, when rule changes were made to pension schemes which were contracted out on a salary-related basis, between the period April 6, 1997 and April 6, 2016. The Company has policies and procedures in place to comply with the necessary laws and regulations and the directors are not aware of any non-compliance. The Board of Trustees, which are responsible for compliance with Section 37, has undertaken a preliminary review of all deeds that may be impacted by the case and is considering the additional evaluation and procedures necessary to confirm their compliance. If following completion of that exercise, the Board of Trustees identified any omissions in compliance, there would then need to be an assessment of the impact on the actuarial valuation of the scheme. At this point, it is not possible to reliably estimate whether this would result in a material change to the pension accounting reflected in these financial statements.

The Company's plan assets by class and their associated fair value at December 31, 2024 and December 31, 2023 were as follows:

($ in millions)

	December 31, 2024			
	Level 1	Level 2	Level 3	Total
Equity securities				
Mutual funds	$ 8	$ -	$ -	$ 8
Cash				14
Investments measured at net asset value				44
Total fair value of plan assets				**$ 66**

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($ in millions)

	December 31, 2023			
	Level 1	Level 2	Level 3	Total
Equity securities				
Mutual funds	$ 102	$ -	$ -	$ 102
Cash				55
Investments measured at net asset value				62
Total fair value of plan assets				**$ 219**

Equity securities are valued at the closing price reported on the stock exchange on which the individual securities are traded. These assets are generally classified as Level 1 fair value measurements.

The fair value of investments in hedge funds and private equity funds is measured using net asset value ("NAV"), which is calculated based on the Company's proportionate interest in the underlying net assets of the fund. Investments measured at NAV are excluded from categorization within the fair value hierarchy. Redemptions of investments in certain funds is subject to restrictions including lock-up periods where no redemptions or withdrawals are allowed, restrictions on redemption frequency, and advance notice periods for redemptions. Generally, redemptions occur quarterly and the notice periods range from 30 to 90 days. Amounts requested for redemption remain subject to market fluctuations until the redemption effective date.

Contributions are made by the Company to the plans as required. These contributions are determined based upon various factors, including funded status, legal and tax considerations, as well as local customs.

The Company estimates that the expected benefit payments to defined benefit pension plan participants will not be material to the Company's consolidated results of operations, financial condition or cash flows in each of the next five years.

Note 23. Commitments and contingencies

Legal matters

As a company with a substantial number of employees and with customers in more than 100 countries, the Company is involved, either as plaintiff or defendant, in a variety of ongoing claims, demands, suits, investigations, tax matters and proceedings that arise from time to time in the ordinary course of its business. As is typical for companies of the Company's scope and scale, the Company is party to actions and proceedings in various jurisdictions involving a wide range of labor and employment issues, as well as actions with respect to contracts, product liability, securities, foreign operations, competition law and environmental matters. These actions may be commenced by a number of different parties, including competitors, clients, current or former employees, government and regulatory agencies, stockholders and representatives of the locations in which the Company does business. Some of the actions to which the Company is party may involve particularly complex technical issues, and some actions may raise novel questions under the laws of the various jurisdictions in which these matters arise.

The Company records a provision with respect to a claim, suit, investigation or proceeding, when it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. The Company provides disclosures of matters for which the likelihood of material loss is at least reasonably possible.

The Company incurred legal settlement costs of $1 million and $6 million for the year ended December 31, 2024 and the year ended December 31, 2023, respectively.

At December 31, 2024, the liabilities (if any) that may ultimately result from ongoing claims, demands, suits, investigations, tax matters and proceedings are not expected to have a material impact on the Company's consolidated results of operations, financial condition or cash flows.

Note 24. Common stock and reserves

At December 31, 2024 and December 31, 2023, there were 10,000 Hunter Douglas B.V. common shares issued, $0.01 par value per share.

No dividends were declared during the any of the periods presented.

The revaluation reserve is a legal reserve, which includes unrealized gains on certain financial instruments based on level 2 and level 3 fair value measurements.

Where legal reserves (i.e., the foreign currency translation reserve and revaluation reserve) are in deficit positions, the Company is precluded from distributing such amounts from retained earnings.

Note 25. Investments in associates

Investees accounted for under the equity method and the percentage of ownership of common stock by the Company were as follows:

	Country of incorporation	December 31, 2024	December 31, 2023
247 Home Furnishings Ltd.	UK	49.0%	49.0%

Note 26. Related parties

In the normal course of business, the Company sells window covering products to certain associates. The profits from such transactions were not material to the Company during any of the periods presented. The accounts receivable from associates at December 31, 2024 and December 31, 2023 were not material to the Company.

Total compensation paid to key management personnel was as follows:

($ in millions)

	January 1, 2024 to December 31, 2024	January 1, 2023 to December 31, 2023
Salaries	$ 10	$ 11
Employers' taxes	-	-
Stock-based compensation	11	-
Pension and other benefits	-	-
Total remuneration	**$ 21**	**$ 11**

The directors did not receive any remuneration from the Company during the period.

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Note 27. Assets held for sale

At December 31, 2024, certain asset groups in North America and Europe were classified as held for sale. These asset groups primarily comprised properties designated for sale due to the Company's consolidation of manufacturing facilities. The carrying amount of the asset groups held for sale was $31 million and $22 million at December 31, 2024 and December 31, 2023, respectively. During 2024, asset groups with a carrying amount of $23 million were sold, with gains of $12 million recognized upon sale, presented within (loss) gain on disposal of business, property and equipment in the Consolidated Statements of Income.

During 2024, asset groups with a carrying amount of $32 million were transferred to assets held for sale. The sale of the remaining asset groups is anticipated to occur throughout 2025.

The Company remeasured the fair value less costs to sell at the end of the reporting period and recognized the difference between fair value less costs to sell and carrying value in the results of operations. Loss on remeasurement of held for sale asset groups was $18 million in the year ended December 31, 2024 and $1 million in the year ended December 31, 2023, presented within (gain) loss on disposal of business, property and equipment in the Consolidated Statements of Income.

Fair value of assets held for sale estimated using unobservable inputs, including non-binding broker quotations. These assets are classified as Level 3 fair value measurements.

Note 28. Group information

Country of incorporation	Company	Nature of business	Equity interest (%)
The Netherlands	Hunter Douglas Intermediate B.V.	1	100
	Hunter Douglas Finance B.V.	1	100
	Hunter Douglas Holding B.V.	1	100
	ABZ Zonwering B.V.	2	100
	ADO Interieurtextiel B.V.	2	100
	Artex BV	2	100
	Asco BV	2	100
	Bergson Beheer B.V.	1	100
	Bergson Holdings B.V.	1	100
	Blister Blinds B.V.	2	70
	Buismetaal B.V.	1	100
	Buismetaal III B.V.	1	100
	Buismetaal IV B.V.	1	100
	Christoffel B.V.	2	100
	Derako Façade Systems B.V.	2	100
	Derako International B.V.	2	100
	Derako Projects B.V.	2	100
	H.D. Aluminium Bouwprodukten B.V.	2	100
	Holis B.V.	2	100
	Hunter Douglas Aluminium Bouwprodukten B.V.	2	100
	Hunter Douglas Asia Holdings B.V.	1	100
	Hunter Douglas Europe B.V.	1	100
	Hunter Douglas Industrial Holdings B.V.	1	100
	Hunter Douglas Industries B.V.	1	100
	Hunter Douglas Insurances B.V.	1	100
	Indanso BV	1	100
	Industrie-en Handelsonderneming "Buismetaal" B.V.	1	100
	Luxaflex Nederland B.V.	2	100
	Mado Nederland B.V.	2	100
	Multisol Raambekleding B.V.	2	100
	NBK Iberia Terracota Arquitectonica B.V.	2	100
	Real Estate Aarle-Rixtel B.V.	2	100
	Real Estate Hoogeveen B.V.	2	100
	Real Estate Leek B.V.	2	100
	Real Estate Oudenbosch B.V.	2	100
	Real Estate Rotterdam B.V.	2	100
	Schellekens en Schellekens B.V.	2	100
	Sunway (Benelux) B.V.	2	100
	Tentenfabriek Orion B.V.	1	100
	Tuiss B.V.	2	100
	Unilux B.V.	2	100
	Unilux IP B.V.	2	100
	Unilux Nederland B.V.	2	100
	Unilux Screening Pioneers B.V.	2	80

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Country of incorporation	Company	Nature of business	Equity interest (%)
The Netherlands	Zonnelux Raamdecoratie B.V.	2	100
Ireland	Hunter Douglas Finance Ireland ULC	1	100
	T.M. Blinds Ltd	2	100
Belgium	Cidec NV	2	100
	Copaco Screenweavers N.V.	2	100
	Mermet Europe BV	2	100
	Hunter Douglas Belgium NV	2	100
	Luxaflex Belgium NV	2	100
Bulgaria	Hunter Douglas Bulgaria EO OD	2	100
Czech Republic	Hunter Douglas Czechia Sro	2	100
	Hunter Douglas Kadan Sro	2	100
Denmark	Deco Group A/S	2	100
	Deco Group Nordic ApS	2	80
	Luxaflex Scandinavia A/S	2	100
Finland	Deco Group Finland Oy	2	100
France	Benthin Systemes E.U.R.L.	2	100
	Filtersun SAS	2	100
	Hunter Douglas Holding France Sarl	1	100
	Hunter Douglas Sarl	2	100
	Luxaflex France SAS	2	100
	Luxaflex Plafonds France SAS	2	100
	Mermet SAS	2	100
	Oliver's Store SAS	2	100
Germany	Benthin GmbH	2	100
	Benthin Technology GmbH	2	100
	Hunter Douglas GmbH	1	100
	Hunter Douglas Holding GmbH & Co. KG	1	100
	Hunter Douglas Holding Verwaltungs-GmbH	1	100
	NBK Immobilien GmbH	2	100
	NBK Keramik GmbH	2	100
Norway	Deco Group Norway AS	2	100
	Hunter Douglas Holding Norge AS	1	100
	Hunter Douglas Norge AS	2	100
	HD Solskjerming AS	2	95
Poland	Akant sp. z.o.o.	2	85
	Droma-Sunshade Experts sp. z.o.o.	2	74
	Fabrication HDPGP sp. z.o.o. sp. k.	2	100
	HDPGP sp. z.o.o.	1	100
	Hunter Douglas Polska sp. z.o.o.	2	100
	Hunter Douglas GBS Poland sp. z.o.o.	1	100
	Magnum Metal HDPGP sp. z.o.o. sp. k.	2	100
	Spol Produkcja sp. z.o.o.	2	100

Country of incorporation	Company	Nature of business	Equity interest (%)
England	Hunter Douglas Finance UK Limited	1	100
	Hunter Douglas (UK) Limited	2	100
	Hunter Douglas Limited	3	100
	Antiference (Holdings) Limited	3	100
	Integra Products Holdings Limited	3	100
	Integra Products Limited	3	100
	Faber Blinds UK Limited	3	100
	Zonwering Holdings Limited	1	98.2
	Hunter Douglas UK Retail Limited	2	100
	Thomas Sanderson Limited	3	100
	Hillarys Blinds Limited	3	100
	Hunter Douglas UK Trade Ltd	3	100
	Arena Blinds Limited	2	100
	Customwest Trading Limited	2	100
	Hillary's Blinds Trustee Company Limited	3	100
	Bellotto Holdings Limited	3	100
	Friar 148 Limited	1	100
	Blinds2Go Limited	2	100
	AMP Creative Ltd	2	100
	Curtains 2GO Limited	2	100
	247 Home Furnishings Limited	2	49
	Apollo Windows Blinds Limited	2	100
Scotland	Turnils (UK) Limited	2	100
	Stevens (Scotland) Limited	2	100
Portugal	Hunter Douglas Portugal S.A.	2	97.7
Italy	Tuiss Italy SRL	2	100
Romania	Hunter Douglas Romania Srl	2	100
	TLC Shutters SRL	2	100
Slovakia	Newray S.r.o.	2	100
Spain	Hunter Douglas Espana SA	2	100
	Screenprotectors SL	2	100
Sweden	Deco Group Sweden AB	2	100
	Hunter Douglas Assembly Automation AB	2	100
	Hunter Douglas Scandinavia AB	2	100
	HD Sweden Holding AB	1	100
	Luxaflex Scandinavia AB	2	100
	Tuiss Scandinavia AB	2	100
	Walners Persienn och Markis AB	2	80
Switzerland	Hunter Douglas (Schweiz) GmbH	2	100
	Hunter Douglas Industries Switzerland GmbH	1	100
Turkey	TKIS Blinds Perde Uretim Ve TicaretA.S.	2	100
United Arab Emirates	Hunter Douglas Middle East FZE	2	100
Saudi Arabia	Hunter Douglas Arabia Ltd	2	100
Israel	Blinds-US Ltd.	2	100
	Hunter Douglas Israel Ltd	2	100
	Orgon Window Fashions Ltd.	2	100

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Country of incorporation	Company	Nature of business	Equity interest (%)
China	Hunter Douglas (China) Holdings Co. Ltd.	1	100
	Hunter Douglas Architectural Products (Chengdu) Co. Ltd.	2	100
	Hunter Douglas Architectural Products (China) Co. Ltd.	2	100
	Hunter Douglas Architectural Products (Shenyang) Co. Ltd.	2	100
	Hunter Douglas Architectural Products (Shenzen) Co. Ltd.	2	100
	Hunter Douglas Building Products (Beijing) Co. Ltd.	2	100
	Hunter Douglas Window Covering Products (China) Co. Ltd.	2	100
	NBK (China) Co. Ltd.	2	100
	Turnils-Mehmet (Shanghai) Co. Ltd.	2	100
Hong Kong	Hunter Douglas China/Hong Kong Ltd.	2	100
India	Hunter Douglas India Pvt. Ltd	2	100
	Hillarys Window Coverings India Pvt Ltd	2	100
Indonesia	PT Hunter Douglas Indonesia	2	100
Japan	Hunter Douglas Japan Ltd	2	100
	Tuiss Décor Inc.	2	100
Malaysia	Hunter Douglas (Malaysia) Sdn. Bhd	2	100
	Hunter Douglas Manufacturing Sdn. Bhd.	2	100
	Turnils Mermet Asia Sdn. Bhd	2	100
Philippines	Hunter Douglas Architectural Inc	2	100
Singapore	Hunter Douglas Singapore Pte. Ltd	2	100
	Interior Blinds Trading Pte. Ltd.	2	49
South Korea	Hunter Douglas Korea Ltd	2	100
Taiwan	Hunter Douglas Taiwan Ltd	2	100
Vietnam	Blaze Manufacturing Company Ltd Cong Ty. TNHH SX Ving Quang	2	100
	Hunter Douglas Indochina Co. Ltd	2	100
Australia	Blindsonline.com.au Pty Ltd	2	100
	Blindware Pty. Ltd.	2	100
	Curtain Hardware Australia (NSW) Pty Ltd	2	100
	Curtain Hardware Australia (SA) Pty Ltd	2	100
	Curtain Hardware Australia (WA) Pty Ltd	2	100
	Curtain Hardware Holdings Pty Ltd	1	77.5
	Hunter Douglas Holdings Pty Ltd.	1	100
	Hunter Douglas Pty Ltd (AU)	2	100
	Hunter Douglas ABC Group Pty Ltd	2	100
	Vertilux Corporation Pty. Ltd.	2	100
	Victory Curtain & Blinds No. 2 Pty Ltd	2	100
	Victory Franchise Group Pty Ltd	2	100
New Zealand	Hunter Douglas Ltd. (NZ)	2	100
	New Zealand Window Shades Ltd	2	100
United States of America	3 Day Blinds LLC	2	100
	Next Day Blinds LLC	2	100
	NDB Direct LLC	2	100
	Great Windows Wholesale LLC	2	100
	Great Windows Services LLC	2	100
	3 Day Holdings LLC	2	100
	3DB MBO LLC	2	100
	3DB MBO Partners Holding LLC	2	100
	3DZ LLC	2	100
	3DZP LLC	2	100

Country of incorporation	Company	Nature of business	Equity interest (%)
United States of America	Installation Pros LLC	2	100
	3G Mermet Corporation	2	100
	Azenco US Corp.	2	100
	Carole Fabrics Corp	2	100
	Comfortex Corp.	2	100
	Defender Screens International LLC	2	100
	Drapery Rods Direct, LLC	2	100
	DRD 1, LLC	2	100
	HD Luxembourg LLC	1	100
	HD Outdoor Screens Holdco, LLC	2	100
	Hunter Douglas Fabrication Co.	2	100
	Hunter Douglas Facades Inc.	2	100
	Hunter Douglas Foundation Inc.	2	100
	Hunter Douglas Inc.	2	100
	Hunter Douglas Real Property Inc.	2	100
	Hunter Douglas Shutters Inc.	2	100
	Hunter Douglas Window Coverings Inc.	2	100
	Hunter Douglas Window Designs LLC	2	100
	Hunter Douglas Window Fashions Inc.	2	100
	Kirsch LLC	2	100
	Turnils North America LLC	2	100
	Levolor Inc.	2	100
	SelectBlinds LLC	2	100
	Universal Screens LLC	2	100
	Smith & Noble Inc.	2	100
	Timberblinds LLC	2	100
	Vista Products Inc.	2	100
	Warptek LLC	2	100
	Custom Decorators Inc	2	100
	Marygrove Roll Screens, LLC	2	100
	Sun Pro Holdco, LLC	2	70
	Sun Protection of Florida LLC	2	100
	Full Circle Foundation	2	0
Canada	Custom Decorators Canada Limited Partnership	2	100
	Hunter Douglas Canada Holdings Inc.	1	100
	Hunter Douglas Canada LP	2	100
	Hunter Douglas Window Fashions Canada Inc.	2	100
	Nysan Shading Systems LP	2	100
	Nysan Shading Systems Ltd.	2	100
	Royal Vinylbilt Ltd	2	50
	SelectBlinds Canada LP	2	89.9
	Turnils Canada GP	2	100
	Turnils Canada LP	2	100
Mexico	Fab Operations S.A. de CV	2	100
	Fab Properties S.A. de CV	2	100
	Hunter Douglas de Mexico SA de CV	2	100
	Hunter Douglas Global Business Services Mexico, S. de R.L de C.V.	1	100
	Industrias la Mesa de Tijuana S.A. de C.V.	2	100
	Levmex S. de R.L. de C.V.	2	100
	Plenimex S.A. de C.V.	2	100

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Country of incorporation	Company	Nature of business	Equity interest (%)
Argentina	Hunter Douglas Argentina SA	2	100
	Phonex Isocor SA	2	100
Brazil	Hunter Douglas Toldos do Brasil Ltda.	2	100
	Hunter Douglas do Brasil Ltda.	2	100
	DIY Pesianas e Cortinas Ltda.	2	100
	Elubel Industria e Comercia Ltda	2	100
	TrilhoSuisso Industria e Comercia Ltda	2	100
	Pesianas em Casa Ltda.	2	100
Chile	Hunter Douglas Chile SA	2	95
	Hunter Douglas Comercial Ltda	2	100
	Inersiones Hunter Douglas Chile Ltda.	1	100
	Persianas Andina Ltda	2	100
	Persianas Y Cortinas Santiago Ltda	2	100
Colombia	Hunter Douglas de Colombia SAS	2	100
Panama	Hunter Douglas Panama SA	2	100
Peru	Hunter Douglas Peru SAC	2	100
Venezuela	Hunter Douglas Venezuela SA	2	100
	Importadora Reggia de Venezuela SA	2	100
Curacao	Ancap Insurance Company NV	1	100
	Blaze Holding B.V.	1	100
Mauritius	Century Asset Management Ltd	1	100
South Africa	Alucobond Pty. Ltd.	2	100
	Aluvert Pty. Ltd.	2	100
	Blinds Online Pty. Ltd.	2	100
	Hunter Douglas SA. Pty. Ltd.	2	100
	Kool Aluminium Holdings (Pty) Ltd	1	100

Hunter Douglas Intermediate B.V. is owned directly by the company. All other equity interests are held indirectly.

Nature of business

1 Holding company
2 Trading company engaged in the principal activities
3 Dormant company / inactive

The following German affiliates included in the consolidated financial statements of Hunter Douglas B.V. exercised the exemption option under Sec. 264 Par. 3 German Commercial Code (HGB) as of and for the financial year ended December 31, 2024: Hunter Douglas GmbH, Dusseldorf; Benthin GmbH, Bremerhaven; Benthin Technology GmbH, Bremerhaven; NBK Keramik GmbH, Emmerich.

Note 29. Alternative performance measures

Adjusted EBITDA is defined as net income (loss) from continuing operations before finance costs, income tax expense, depreciation and amortization, share of (income) loss of associates, and further excluding other ancillary (income) loss. The excluded items generally fall into one or more of the following broad categories: non-operating expenses not directly related to core operations, costs incurred to effect organization-wide transformation initiatives, legacy matters having no relevance to the Company's current businesses or operating performance; adjustments to enhance transparency to the underlying economics of transactions; and measures that management believe to be common to the industry.

($ in millions)

	January 1, 2024 to December 31, 2024	January 1, 2023 to December 31, 2023
Net income (loss)	$ 52	$ (513)
Stock-based compensation	19	9
Depreciation of property, plant and equipment and amortization of intangible assets	248	245
Loss (gain) on disposal of businesses, property and equipment	(6)	35
Impairment losses	10	518
Restructuring expense	4	21
Deal, integration and M&A costs	136	81
Other non-cash expense	33	10
Legal settlement costs	1	6
Finance costs	413	399
Other expense (income)	(150)	(17)
Income tax expense	23	1
Share of (income) loss of associates	(1)	(2)
Adjusted EBITDA	**$ 782**	**$ 793**

Note 30. Subsequent events

The Company has evaluated subsequent events that have occurred from January 1, 2025 to June 30, 2025, which is the date that the consolidated financial statements were available to be issued, and determined that there were no subsequent events or transactions that required recognition or disclosure in the consolidated financial statements, other than the matters described below.

Redeemable preferred stock
On January 2, 2025, the Company paid $18 million in cash to redeem all remaining redeemable preferred stock.

Term Loan Facilities
On January 17, 2025, the Company modified the terms of the Term Loan Facilities, which included a net $200 million pay-down for the B-1 and B-2 Loans and an extension of the maturity date to January 17, 2032.

Sale of an asset group
On March 13, 2025, the Company completed the sale of an asset group classified as held for sale for cash consideration of $39 million.

Acquisitions
Subsequent to January 1, 2025, the Company acquired controlling interests in several businesses that manufacture and sell window covering products. Each acquisition is expected to enhance the Company's portfolio of products and further advance the Company's growth strategy. Cash consideration paid was approximately $41 million.

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Hunter Douglas B.V.
Company Statements of Income
(in millions)

		January 1, 2024 to December 31, 2024	January 1, 2023 to December 31, 2023
Selling, general and administrative expenses		$ -	$ -
Other expense (income)		-	-
Share of net (income) loss of subsidiaries	Note 3	(33)	536
Net loss		**$ (33)**	**$ (536)**

See accompanying notes to the company financial statements.

Hunter Douglas B.V.
Company Balance Sheets
(in millions, except per share data)

		December 31, 2024	December 31, 2023
Assets			
Investments in subsidiaries	Note 3	$ 1,979	$ 1,966
Total assets		**$ 1,979**	**$ 1,966**
Equity			
Common stock, $0.01 par value (10,000 shares authorized; 10,000 shares issued and outstanding)	Note 5	$ -	$ -
Additional paid-in capital		3,162	3,123
Foreign currency translation reserve	Note 5	(192)	(133)
Revaluation reserve	Note 5	242	206
Retained earnings (deficit)		(1,266)	(697)
Net result for the period	Note 5	33	(533)
Total equity		**$ 1,979**	**$ 1,966**
Liabilities			
Payable to subsidiaries		$ -	$ -
Total current liabilities		**-**	**-**
Other liabilities		-	-
Total liabilities		**$ -**	**$ -**
Total liabilities and equity		**$ 1,979**	**$ 1,966**

See accompanying notes to the company financial statements.

Company Balance Sheets are presented before appropriation of net income (loss).

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Hunter Douglas B.V.
Notes to Company Financial Statements

Note 1. General

The Company Financial Statements are part of the consolidated financial statements of Hunter Douglas B.V. (the "Company"). The Company Financial Statements should be read in conjunction with the consolidated financial statements.

The Company is registered with the trade register of the Chamber of Commerce under the file number: 84939621.

At December 31, 2024, and December 31, 2023, the Company had no employees.

Note 2. Material accounting policies

Basis of presentation
The Company Financial Statements have been prepared in accordance with Title 9 of Book 2 of the Dutch Civil Code. As permitted by Article 2:362 paragraph 8 of the code, the Company Financial Statements have been prepared under the same accounting policies as contemplated in the consolidated financial statements. The consolidated financial statements were prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

In accordance with Article 2:402 of the Dutch Civil Code, an abbreviated version of the income statement is presented.

Investments in subsidiaries
Investments in subsidiaries are accounted for using the equity method of accounting. The carrying amount of investments in subsidiaries includes the carrying amount of goodwill identified on acquisition.

Note 3. Investments in subsidiaries

($ in millions)

	January 1, 2024 to December 31, 2024	January 1, 2023 to December 31, 2023
Balance at beginning of period	$ 1,966	$ 2,495
Acquisitions	-	-
Capital contributions	27	14
Sale of common stock in consolidated subsidiary	12	13
Foreign currency translation adjustments, net of tax	(59)	(14)
Net actuarial gains (losses) arising on employee benefit plans	-	(9)
Share of net loss of subsidiaries	33	(533)
Other movements	-	-
Balance at end of period	**$ 1,979**	**$ 1,966**

Note 4. Contingencies

The Company is contingently liable for guarantees given for its subsidiaries, on which no material losses are expected. The Company forms part of a fiscal unity for Dutch corporate income tax purposes, and as such is jointly and separately liable for the liabilities of the whole fiscal unity.

Note 5. Common stock and reserves

Reference is made to Note 24 of the consolidated financial statements. Details of changes in reserves are disclosed in the Statements of Changes in Equity in the consolidated financial statements.

It will be proposed to the general meeting that no earnings or reserves will be distributed.

Note 6. Stock-based compensation

Reference is made to Note 7 of the consolidated financial statements.

Note 7. Remuneration of the auditor

During the year ended December 31, 2024 and December 31, 2023, the Company incurred costs of $5 million and $5 million respectively, with member firms of the global Ernst & Young organization in connection with the audit of the consolidated financial statements, of which $0.4 million and $0.4 million respectively related to EY Accountants B.V. in The Netherlands. In connection with other financial statement audit services, the Company incurred costs of $1 million and $1 million respectively with member firms of the global Ernst & Young organization.

In connection with non-audit services, the Company incurred costs of approximately $0.4 million and $0.4 million respectively with member firms of the global Ernst & Young organization.

Note 8. Subsequent events

The Company has evaluated subsequent events that have occurred from January 1, 2025 to June 30, 2025, which is the date that the Company's Financial Statements were available to be issued, and determined that there were no subsequent events or transactions that required recognition or disclosure in the Company's Financial Statements.

Subsequent events are detailed in Note 30 of the consolidated financial statements.

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Note 9. Liability declaration

With reference to B.W., Book 2, Section 403, paragraph f, the Company has provided a liability declaration for the following companies:

ABZ Zonwering B.V.
ADO Interieurtextiel B.V.
Artex BV
Asco BV
Bergson Beheer B.V.
Bergson Holdings B.V.
Blister Blinds B.V.
Buismetaal B.V.
Buismetaal III B.V.
Buismetaal IV B.V.
Christoffel B.V.
Derako Façade Systems B.V.
Derako International B.V.
Derako Projects B.V.
Holis B.V.
Hunter Douglas Aluminium Bouwprodukten B.V.
Hunter Douglas Asia Holdings B.V.
Hunter Douglas Europe B.V.
Hunter Douglas Finance B.V.
Hunter Douglas Holding B.V.
Hunter Douglas Industrial Holdings B.V.
Hunter Douglas Industries B.V.
Hunter Douglas Insurances B.V.
Hunter Douglas Intermediate B.V.
Indanso BV
Industrie-en Handelsonderneming "Buismetaal" B.V.
Luxaflex Nederland B.V.
Mado Nederland B.V.
Multisol Raambekleding B.V.
NBK Iberia Terracota Arquitectonica B.V.
Real Estate Aarle-Rixtel B.V.
Real Estate Hoogeveen B.V.
Real Estate Leek B.V.
Real Estate Oudenbosch B.V.
Real Estate Rotterdam B.V.
Schellekens en Schellekens B.V.
Sunway (Benelux) B.V.
Tentenfabriek Orion B.V.
Tuiss B.V.
Unilux B.V.
Unilux IP B.V.
Unilux Nederland B.V.
Unilux Screening Pioneers B.V.
Zonnelux Raamdecoratie B.V.

The following German affiliates included in the consolidated financial statements of Hunter Douglas B.V. exercised the exemption option under Sec. 264 Par. 3 German Commercial Code (HGB) as of and for the financial year ended December 31, 2024: Hunter Douglas GmbH, Dusseldorf; Benthin GmbH, Bremerhaven; Benthin Technology GmbH, Bremerhaven; NBK Keramik GmbH, Emmerich.

Director
M. Jones

Registered office
Blaak 555, 3011GB Rotterdam

Other information

Appropriation of profits

Hunter Douglas B.V.'s Articles of Association provide the Board the authority to allocate the profit determined by the adoption of the annual accounts, or a portion thereof, and to establish distributions. The Board is also authorized to decide on interim distributions, including distributions from reserves.

The Articles of Association indicate that if the Company is required by law to maintain reserves, the Company can only make distributions to its shareholders insofar as the Company's own equity is greater than those reserves. Additionally, if the Company makes a distribution, the same amount is paid on each share, unless all shareholders agree to a different distribution with respect to a certain allocation.

Report of independent auditor

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Publication of auditor's report

1 Conditions

Authorization to publish the auditor's report is granted subject to the following conditions:

- *Further consultation with the auditor is essential if, after this* authorization has been granted, facts and circumstances become known which materially affect the view given by the financial statements.
- The authorization concerns inclusion of the auditor's report in the annual report to be tabled at the Annual General Meeting (hereafter AGM) incorporating the financial statements as drawn up.
- The authorization also concerns inclusion of the auditor's report in the annual report to be filed with the Trade Registrar, provided consideration of the financial statements by the AGM does not result in any amendments.
- Financial statements for filing at the offices of the Trade Registrar which have been abridged in accordance with Section 397 of Book 2 of the Dutch Civil Code must be derived from the financial statements adopted by the AGM and a draft version of these financial statements for filing purposes must be submitted to us for inspection.
- The auditor's report can also be included if the financial statements are published electronically, such as on the internet. In such cases, the full financial statements should be published and these should be easily distinguishable from other information provided electronically at the same time.
- *If the published financial statements are to be included in* another document which is to be made public, authorization to include the auditor's report must again be granted by the auditor.

2 Explanations to the conditions

2.1 Board of supervisory directors and board of executive directors

The auditor usually forwards his report to the board of supervisory directors and to the board of executive directors. This is pursuant to Book 2 of the Dutch Civil Code, section 393 which stipulates inter alia: "The auditor sets out the outcome of his examination in a *report*". *"The auditor reports on his examination to the board of* supervisory directors and the board of executive directors".

2.2 Annual General Meeting (AGM)

Publication of the auditor's report will only be permitted subject to the auditor's express consent. Publication is understood to mean: making available for circulation among the public or to such group of persons as to make it tantamount to the public. Circulation among shareholders or members, as appropriate, also comes within the scope of the term "publication", so that inclusion of the auditor's report in the annual report to be tabled at the AGM similarly requires authorization by the auditor.

2.3 Auditor's reports and financial statements

The authorization concerns publication in the annual report incorporating the financial statements that are the subject of the auditor's report. This condition is based on the auditors' rules of professional practice, which state that the auditor will not be allowed to authorize publication of his report except together with the financial statements to which this report refers.

The auditor will also at all times want to see the rest of the annual report, since the auditor is not allowed to authorize publication of his report if, owing to the contents of the documents jointly published, an incorrect impression is created as to the significance of the *financial statements.*

2.4 Events between the date of the auditor's report and the AGM

Attention should be paid to the fact that between the date of the auditor's report and the date of the meeting at which adoption, as appropriate, of the financial statements is considered, facts or circumstances may have occurred which materially affect the view given by the financial statements. Under COS 560, the auditor must perform audit procedures designed to obtain sufficient audit evidence to ensure that all events occurring before the date of the auditor's report that warrant amendment of or disclosure in the *financial statements have been identified.*

If the auditor becomes aware of events that may be of material significance to the financial statements, the auditor must consider whether those events have been adequately recognized and *sufficiently disclosed in the notes to the financial statements. If* between the date of the auditor's report and the date of publication of the financial statements, the auditor becomes aware of a fact that may have a material impact on the financial statements, the auditor must assess whether the financial statements should be amended, discuss the matter with management and act as circumstances dictate.

2.5 Trade Registrar

The financial statements are tabled at the AGM (legal entities coming within the scope of Title 9 of Book 2 of the Dutch Civil Code table the directors' report and the other information as well). The AGM *considers adoption of the financial statements. Only after the* financial statements have been adopted, do they become the statutory (i.e., the company) financial statements. As a rule, the statutory financial statements will be adopted without amendment. The auditor's report must be attached to the statutory financial statements as part of the other information. As a rule, the text of this report will be the same as that issued earlier. The documents to be made public by filing at the offices of the Trade Registrar will consist of the statutory financial statements, the directors' report and the other information. The auditor's report which refers to the unabridged financial statements will then have to be incorporated in the other information. If consideration of the financial statements by the AGM does not result in any amendments, the auditor's report may be attached to the financial statements adopted, by the AGM and, provided the annual report and financial statements are filed promptly at the offices of the Trade Registrar, published as part of these annual report and financial statements.

2.6 Other manner of publication

The financial statements may also be published other than by filing at the offices of the Trade Registrar. In that event, too, inclusion of the auditor's report is permitted, provided the financial statements are published in full. If publication concerns part of the financial statements or if the financial statements are published in abridged form, publication of any report the auditor has issued on such financial statements will be prohibited, unless:

a. He has come to the conclusion that, in the circumstances of the case, the document concerned is appropriate
   Or
b. Based on legal regulations, publication of the document concerned is all that is required

If less than the full financial statements are published, further consultation with the auditor is essential. If the financial statements and the auditor's report are published on the internet, it should be ensured that the financial statements are easily distinguishable from other information contained on the internet site. This can be achieved, for example, by including the financial statements as a separate file in a read-only format or by including a warning message when the reader exits the financial statements document.

2.7 Inclusion in another document

If the published financial statements are to be included in another document which is to be made public, this is considered a new publication and authorization must again be obtained from the auditor. An example of this situation is the publication of an offering circular which includes the financial statements, after these financial statements have been filed at the office of the Trade Registrar *together with the other annual reports. For each new publication,* authorization must again be obtained from the auditor.

2.8 Events after the AGM

Even if facts and circumstances have become known after the adoption of the financial statements as a result of which they no longer give the statutory true and fair view, the auditor must stand by the report issued on the financial statements as adopted and by the auditor's report filed at the offices of the Trade Registrar. In that event, the legal entity is required to file a statement at the offices of the Trade Registrar on these facts and circumstances accompanied by an auditor's report. In this situation, too, further consultation *with the auditor is essential.*

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Independent auditor's report

To: the shareholder and board of directors of Hunter Douglas B.V.

Report on the audit of the financial statements 2024 included in the annual report

Our opinion

We have audited the financial statements for the financial year ended December 31, 2024 of Hunter Douglas B.V. based in Rotterdam, the Netherlands.

The financial statements comprise the consolidated financial statements and the company financial statements.

In our opinion:

- The consolidated financial statements give a true and fair view of the financial position of Hunter Douglas B.V. as at December 31, 2024 and of its result and its cash flows for 2024 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code
- The company financial statements give a true and fair view of the financial position of Hunter Douglas B.V. as at December 31, 2024 and of its result for 2024 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The consolidated financial statements comprise:

- The consolidated balance sheet as at December 31, 2024
- The following statements for 2024: the consolidated statements of income, the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statement of cash flows
- The notes comprising material accounting policy information and other explanatory information

The company financial statements comprise:

- The company balance sheet as at December 31, 2024
- The company statements of income for 2024
- The notes comprising a summary of the accounting policies and other explanatory information

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the Our responsibilities for the audit of the financial statements section of our report.

We are independent of Hunter Douglas B.V. (the company) in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO), Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics for professional accountants).

EY Accountants B.V. is a private limited liability company with registered office and principal place of business at Boompjes 258, 3011 XZ Rotterdam, the Netherlands and registered with the Chamber of Commerce number 92704093. Our services are subject to general terms and conditions, which inter alia contain a limitation of liability clause and a choice of forum.

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

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion and any findings were addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Our focus on fraud and non-compliance with laws and regulations

Our responsibility

Although we are not responsible for preventing fraud or non-compliance and we cannot be expected to detect non-compliance with all laws and regulations, it is our responsibility to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error.

Our audit response related to fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the company and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the risks of fraud and monitoring the system of internal control, as well as the outcomes. We refer to section Risks and uncertainties of the director's report for management's risk assessment after consideration of potential fraud risks.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as the code of conduct and whistle blower procedures. We evaluated the design and the implementation of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We addressed the risks related to management override of controls, as this risk is present in all organizations. For these risks we have performed procedures among other things to evaluate key accounting estimates for management bias that may represent a risk of material misstatement due to fraud, in particular relating to important judgment areas and significant accounting estimates as disclosed in Note 3 to the financial statements. We have also used data analysis to identify and address high-risk journal entries and evaluated the business rationale (or the lack thereof) of significant extraordinary transactions, including those with related parties.

When identifying and assessing fraud risks we presumed that there are risks of fraud in revenue recognition. We considered among others the company's non-routine manual journal entries at the consolidation or local ledger level on revenue. We performed substantive audit procedures on all material non-routine manual journal entries affecting revenue accounts. These risks did, however, not require significant auditor's attention during our audit.

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We considered available information and made enquiries of relevant executives, directors, legal and regional directors.

Our audit response related to risks of non-compliance with laws and regulations

We performed appropriate audit procedures regarding compliance with the provisions of those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. Furthermore, we assessed factors related to the risks of non-compliance with laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general industry experience, through discussions with the board of directors, reading minutes and inspection of internal audit reports, and performing substantive tests of details of classes of transactions, account balances or disclosures.

We also inspected lawyers' letters and remained alert to any indication of (suspected) non-compliance throughout the audit. Finally, we obtained written representations that all known instances of non-compliance with laws and regulations have been disclosed to us.

Our audit response related to going concern

As disclosed in section Basis of presentation in Note 2 to the financial statements, the financial statements have been prepared on a going concern basis. When preparing the financial statements, management made a specific assessment of the company's ability to continue as a going concern and to continue its operations for the foreseeable future.

We discussed and evaluated the specific assessment with management exercising professional judgment and maintaining professional skepticism.

We considered whether management's going concern assessment, based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, contains all relevant 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 exist, 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.

Based on our procedures performed, we did not identify material uncertainties about going concern. 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 a company to cease to continue as a going concern.

Report on other information included in the annual report

The annual report contains other information in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements
- Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the director's report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code

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We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, including the director's report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information required by Part 9 of Book 2 of the Dutch Civil Code.

Description of responsibilities regarding the financial statements

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations or has no realistic alternative but to do so. Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material misstatements, whether due to fraud or error during our audit.

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. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. The Information in support of our opinion section above includes an informative summary of our responsibilities and the work performed as the basis for our opinion. Our audit included among others:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and Performing audit procedures responsive to those risks, and obtaining 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

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- Obtaining 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
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

We are responsible for planning and performing the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements. We are also responsible for the direction, supervision, review and evaluation of the audit work performed for purposes of the group audit. We bear the full responsibility for the auditor's report.

Communication

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

Rotterdam, June 30, 2025

EY Accountants B.V.

Digitally signed by JUSTIN STEPHAN VAN BEEK
DN: cn=JUSTIN STEPHAN VAN BEEK, o=JUSTIN STEPHAN VAN BEEK
Date: 2025.06.30 14:33:32 +02'00'

J.S. van Beek