

Company registration number 03864157 (England and Wales)

ARVIN EUROPEAN HOLDINGS (UK) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

ARVIN EUROPEAN HOLDINGS (UK) LIMITED

COMPANY INFORMATION

Directors	Mr H James Mrs M Eyles Mr E Smith Mr A Holthouse
Secretary	Mr H James
Company number	03864157
Registered office	Grange Road Cwmbran Gwent NP44 3XU
Auditor	UHY Hacker Young Bradbury House Mission Court Newport Gwent United Kingdom NP20 2DW

ARVIN EUROPEAN HOLDINGS (UK) LIMITED

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ARVIN EUROPEAN HOLDINGS (UK) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The directors present their strategic report on the affairs of the company, together with the financial statements, directors' report and auditor's report, for the year ended 31 December 2024.

The directors, in preparing this strategic report, have complied with s414c of the Companies Act 2006.

Business review

During the current year and prior year, Arvin European Holdings (UK) Limited was the holding company of a group of companies engaged in the manufacture and sale of components and systems for the automotive industry. The company carries out administrative activities for and provides services to other companies in the group and charges management fees and service charges to those companies for the services provided. The directors are not aware of any likely changes in the company's activities in the next 12 months from the date of this report.

Principal activities and future developments

The company's interests continue to be managed by a branch established in France.

The directors reviewed the value of the investments in subsidiary undertakings at the balance sheet date and an impairment of €59,201,000 has been booked (2023: €391,892,000). Further details are included in note 8 to the accounts.

The turnover for the year is higher than that of the prior year at €1,138,000 (2023: €839,000) largely driven an increase in the value of costs recharged to other group entities. The average number of employees is consistent with the prior year at 5 (2023 - 5).

The company made a loss for the year after taxation of €57,719,000 (2023 - €391,412,000). The loss was made this year because of a fixed asset investment impairment of €59,201,000. The impairment was driven by an impairment of the entities investment in Meritor Heavy Vehicle Braking Systems (UK) Limited largely owing to a reduction in the value of the defined benefit pension scheme asset and French operations owing to a reduction in the recorded assets of those entities.

The net assets of the company at 31 December 2024 decreased to €397,627,000 from net assets of €454,177,000 at 31 December 2023, as a result of the loss in the year of €57,719,000 together with a currency gain on foreign currency net investments of €1,169,000.

The directors are not aware, at the date of this report, of any likely changes in the company's activities in the next year.

Principal risks and uncertainties

The company is exposed to potential impairments of its underlying investments. The company holds several investments in the United Kingdom and France together with indirect investments in Canada. If the value of those investments should become impaired because of their own trading results and/or losses on investments, then the company will also incur the risk of an impairment loss.

In assessing the net worth of its various investments the directors have used the latest available financial information together with any forecasts alongside other factors such as the overall economy and future prospects together with formal valuations of key indirect investments in determining whether any impairment is necessary

Key performance indicators

As an investment holding company the key performance indicator for the company is the carrying value of its fixed asset investments. The carrying value of the fixed asset investments at 31 December 2024 was €369,820,000 (2023: €429,021,000).

ARVIN EUROPEAN HOLDINGS (UK) LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Section 172 statement

Arvin European Holdings (UK) Limited is a holding company and the success of the company is intrinsically linked to the success of its subsidiary undertaking, Meritor Heavy Vehicle Braking Systems (UK) Limited. The s172 statement below is therefore heavily linked to the policies and procedures established in Meritor Heavy Vehicle Braking Systems (UK) Limited

Section 172 of the Companies Act 2006 requires that directors of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- a. The likely consequences of any decision in the long term
- b. The interests of the company's employees
- c. The need to foster the company's business relationships with suppliers, customers and others
- d. The impact of the company's operations on the community and the environment
- e. The desirability of the company maintaining a reputation for high standards of business conduct
- f. The need to act fairly as between members of the company

The directors recognise their responsibilities under the Act and are satisfied they have met their duties regarding these matters. Typically, in large and complex companies such as ours, the directors fulfil their duties through a governance framework that delegates day-to-day decision making to employees of the company. The following paragraphs together with relevant cross-references to the financial statements summarise how the directors have fulfilled their duties.

Our purpose, strategy and consideration of the consequences of decisions for the long term

Our vision is to be the recognised leader in advanced braking solutions to the global commercial vehicle market which drives our mission of:

- Anticipating customer needs by developing innovative products that provide superior performance, energy efficiency and reliability.
- Provide a leading portfolio of differentiated services supporting our customers' products throughout their life cycle.
- Distinguishing ourselves through our ability to consistently deliver on our commitments while also maximising value for our shareholders, customers and employees.

The long term business plan is focused on driving product development with the primary aim of weight reduction. In addition to existing product development, the Board recognises the need to invest in emerging technologies such as electrification and elements of our research and development investment is focused on this key area.

Employees

The company's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests. Information about matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance.

Employee participation

The Company is part of the wider Cummins, Inc. Group and is therefore party to Group wide policies on procedures with regard employee participation. Both the Company and the wider Group is committed to investing heavily in its people recognizing that people are the core of our business and the provision of a work environment that allows our employees to reach their full potential is vital to the success of the wider business.

The Company is committed to recruiting, developing and retaining a high-performing and diverse workforce through strategic partnerships and collaboration within the business. The goal is to maximise individual and organizational potential within the workforce.

ARVIN EUROPEAN HOLDINGS (UK) LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Both the Company and the Group recognise the need to communicate regularly and effectively with employees at all levels and this is conducted at both a Group and Company level.

Group communications include, but are not limited to:

Quarterly All Employee meetings

All employees are invited to a quarterly meeting where the group CEO, together with other members of the senior leadership of the Group provide an update on the group covering items such as financial and operational performance, new business wins, strategic update and employee engagement. In addition to being streamed live, these quarterly meetings are available to employees on our intranet sites, Bulletin and Cummins Connect. In addition, on an annual basis this meeting is used to communicate to all employees the annual financial results of the group and how these compare to our stated targets and ultimately on the annual bonus % which all employees are eligible to receive.

All Employee emails

All employee emails are regularly distributed and cover a wide ranging number of matters including organisational changes, strategic announcements, employee initiatives, industry and company news. This information is also available on our intranet sites, Bulletin and Cummins Connect.

Bulletin

This is the group's intranet site and is available to all employees and covers a wide range of areas including information about the group, employee development portals, and company and industry news. The intranet also provides access to a wide array of employee engagement and development tools such as e-learning, career opportunities, employee development, employee resources and employee discounts. In addition, all employees now have access to the Cummins Connect intranet which provides additional resources over and above those included in the Bulletin intranet.

In addition to the Group communications, those employees who are employed by the Company also receive additional communications including:

Quarterly all employee newsletters

These all employee newsletters provide updates from each of the key functions within the Company including an update on the trading position of the company.

Employee bulletin boards

These boards are used to provide information to employees, particularly those operating on the factory floor and with limited access to the intranet. These cover a wide range of areas including operational and financial performance, employee updates together with any employee vacancies and training.

Trade Union

All employees below management are part of the Trade Union which meets regularly with local leadership to ensure any employee views are considered as part of local decision making including items such as remuneration, working conditions and any other employee related matters.

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the company continues and that the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Training and development

The company encourages all employees to embrace continuous learning of new concepts, skills and behaviours. All employees are provided access to an employee development in addition to formal training programmes which are relevant to their roles.

ARVIN EUROPEAN HOLDINGS (UK) LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Health and safety

Environment, health and safety (EH&S) risk management is a prerequisite for commercial success and forms an integral part of our business strategy. Meritor's commitments are guided by our EH&S Policy, which is global in scope and covers all company entities, affiliates and consolidated joint ventures.

We are committed to complying with all applicable environmental, health and safety laws and regulations and are building a performance-based culture that encourages employees to strive for best practices in EH&S performance. EH&S responsibility and performance are relevant factors in employment, retention, compensation and business decisions. We provide our employees with regular training on EH&S issues.

The operations team works closely with our legal group's environmental compliance experts to ensure we are aware of the latest trends in environmental compliance and sustainability.

Our manufacturing facility in Cwmbran is in compliance with ISO 14001 certification. In addition to systematic management of environmental risks under normal operations, ISO certification also requires the adoption and regular verification of emergency plans and procedures and related staff training. These procedures define roles, responsibilities and responses when tackling emergency situations to protect people and the environment.

The environmental certification maintenance process includes a series of external third-party audits, carried out by accredited bodies. The audit process requires annual surveillance monitoring with certification renewal every three years.

As part of the Cummins Inc group, the company will also be part of the wider group's Destination Zero initiative which is the group's strategy for reaching zero emissions by 2050.

Business relationships

Our mission is clearly focused on anticipating our customers' needs and providing the highest levels of service. We have in place dedicated client service teams who are responsible for managing our customer relationships ensuring their needs are met. We hold regular meetings with our major customers focusing on key areas such as product quality, delivery times, cost savings plans and future development utilising a scorecard approach to monitor this.

We also recognise the key part that our suppliers play in our mission who are all supported by a dedicated procurement team. We value all our suppliers and have multi-year contracts with our key suppliers.

Business conduct

As noted above, the company invests heavily in maintaining strong customer and supplier relationships but the directors also recognise the need to ensure the company conducts its business to the highest standard and meets all regulatory and legal requirements. The directors have established appropriate legal, finance and operational teams to ensure that such matters are met.

Community and Environment

The Board recognises that the company is one of the largest employers in the region and a large proportion of our workforce live locally. The company contributes to a number of local initiatives and annually holds an open day for members of the local community to visit the site and view our operations. In addition, the company is a member of the Welsh Automotive Forum meeting regularly to develop a common approach in achieving sustainable continuous improvement for the Automotive Industry in Wales.

The directors' also recognise the impact large international manufacturing businesses have on the environment and the increasing need to assess and indeed address this. Whilst no formal policies or procedures exist with this regard the directors have identified key components of the business which could impact climate change including:

- Transportation of components from suppliers used in the manufacture of the Company's goods and the transportation of finished goods to end customers using both road, sea and freight
- Energy usage during the manufacture of goods and within the administrative offices
- Carbon emissions arising from employees travelling both domestically and internationally

ARVIN EUROPEAN HOLDINGS (UK) LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

The directors have taken steps to address these matters and will continue to do so in the future including:

- Optimising the utilisation of hauliers to limit the number of deliveries required both in terms of supplies received and shipped. In addition, the company seeks to minimise the use of air freight
- Use of modern technology such as motion sensor lighting to reduce energy usage
- Work with responsible utility providers
- Provision of modern technology such as Microsoft Teams and Zoom to reduce the requirement for frequent international and domestic air travel

The directors recognise that this is a continually evolving area and the Company is committed to ensuring it responds appropriately to climate risk.

Shareholders

The company is a wholly owned subsidiary of Cummins Inc, a global business listed on the New York Stock Exchange. The vision and mission of the company is aligned with that of Cummins Inc.

Approved by the board and signed on its behalf by

Mr H James
Director
30 June 2025

ARVIN EUROPEAN HOLDINGS (UK) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

The directors present their annual report and financial statements for the year ended 31 December 2024.

Branches

The company has a branch, as defined in section 1046(3) of the Companies Act 2006, outside the UK; Arvin European Holdings (UK) Limited, French Branch, based in France.

Directors

The directors who served throughout the period and up to the signing date were as follows:

Mr P Bialy	(Resigned 31 March 2024)
Mr H James	
Mr J Ramos	(Resigned 1 August 2024)
Mrs M Eyles	(Appointed 1 August 2024)
Mr E Smith	(Appointed 1 August 2024)
Mr A Holthouse	(Appointed 1 August 2024)

Results and dividends

The results for the year are set out on page 12.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date. These provision extend to directors of parent and subsidiary entities.

Financial risk management objectives and policies

The Company is a holding company of a group of companies and consequently the most significant financial risk is that associated with liquidity. The Company is however part of the Meritor, Inc. group ("the Group") and is part of the Group's cash pooling scheme which ensures sufficient funds are available to maintain liquidity.

Climate change

The company recognises its obligation to consider its impact on the climate. Whilst the company has minimal trading activities, a number of our employees are required to travel and in order to minimise the impact on the climate the company offers and encourages the use of enhanced communications such as Microsoft Teams and Zoom to reduce the amount of travelling required.

Post reporting date events

The company has not identified any post balance sheet events which would necessitate disclosure in the financial statements.

Business review and future prospects

Business review and future developments are discussed in the Strategic Report.

Auditor

The auditor, UHY Hacker Young, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

ARVIN EUROPEAN HOLDINGS (UK) LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act.

Going concern

Whilst the company has made a loss of €57,719,000 in the year, this was driven by an impairment of €59,201,000 in its subsidiary undertakings Meritor Heavy Vehicle Braking Systems (UK) Limited and ArvinMeritor Holdings France (SNC). The company has net assets of €397,627,000 including net current assets of €27,877,000. The company generates revenue from other group companies for services rendered by its employees to other Cummins group companies.

The directors have concluded that the company has sufficient resources to continue to trade for at least twelve months from the date of signing the financial statements and meet any liabilities as they fall due. In drawing this conclusion the directors note that:

- Cummins, Inc. group has cash and financing resources available to it of approximately \$2,264m, revolving credit facilities of \$2,741m and other credit facilities of \$628m (per the most recent 10k filing).
- the company is in a net assets positions; and
- the company does not manufacture and has limited overheads which the directors are confident can be met as they fall due.

Approved by the board and signed on its behalf by

Mr H James
Director
30 June 2025

ARVIN EUROPEAN HOLDINGS (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ARVIN EUROPEAN HOLDINGS (UK) LIMITED

Opinion

We have audited the financial statements of Arvin European Holdings (UK) Limited (the 'company') for the year ended 31 December 2024 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard RS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2024 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for qualified opinion

Arvin European Holdings (UK) Limited has a total investment amount of €416,732,000 as at 31 December 2024 (2023: €429,021,000). This includes the carrying value of the company's investment in ArvinMeritor Holdings France SNC ("AMHF") for €334,282,107 (2023: €334,282,107), where the audit evidence available to us was limited because AMHF owns a number of subsidiary companies which do not prepare publicly available audited accounts. We were unable to obtain sufficient appropriate audit evidence regarding the investment carrying value as at 31 December 2024 and 31 December 2023 by using other audit procedures.

Consequently, we were unable to determine whether any adjustments to these amounts were necessary. In addition, were any adjustment to the carrying amount of investment be required, the strategic report and directors' report would also need to be amended.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

ARVIN EUROPEAN HOLDINGS (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ARVIN EUROPEAN HOLDINGS (UK) LIMITED

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

As described in the basis for qualified opinion section of our report, we were unable to satisfy ourselves concerning the carrying amount of the company's investment in ArvinMeritor Holdings France SNC as at 31 December 2024 and 31 December 2023. We have concluded that where the other information refers to the carrying amount of investment, it may be materially misstated for the same reason.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion section of our report, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Except for the possible effects of the matter described in the basis for qualified opinion section of our report, in the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

ARVIN EUROPEAN HOLDINGS (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ARVIN EUROPEAN HOLDINGS (UK) LIMITED

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the relevant sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial statements, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

ARVIN EUROPEAN HOLDINGS (UK) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ARVIN EUROPEAN HOLDINGS (UK) LIMITED

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr John Griffiths
Senior Statutory Auditor
For and on behalf of UHY Hacker Young

30 June 2025

Chartered Accountants
Statutory Auditor

Newport
Gwent
United Kingdom

ARVIN EUROPEAN HOLDINGS (UK) LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 € 000	2023 € 000
Turnover	3	1,138	839
Administrative expenses		(1,068)	(1,487)
Operating profit/(loss)	4	70	(648)
Interest receivable and similar income	7	1,412	1,128
Amounts written off investments	8	(59,201)	(391,892)
Loss before taxation		(57,719)	(391,412)
Tax on loss	9	-	-
Loss for the financial year		(57,719)	(391,412)

The Profit and Loss Account has been prepared on the basis that all operations are continuing operations.

ARVIN EUROPEAN HOLDINGS (UK) LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024**

	2024	2023
	€ 000	€ 000
Loss for the year	(57,719)	(391,412)
Other comprehensive income		
Currency translation gain taken to retained earnings	1,169	457
Total comprehensive income for the year	<u>(56,550)</u>	<u>(390,955)</u>

ARVIN EUROPEAN HOLDINGS (UK) LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2024

		2024	2023
	Notes	€ 000	€ 000
Fixed assets			
Goodwill	10	10	13
Investments	11	369,820	429,021
		<u>369,830</u>	<u>429,034</u>
Current assets			
Debtors	13	28,531	25,901
Creditors: amounts falling due within one year	14	<u>(654)</u>	<u>(671)</u>
Net current assets		<u>27,877</u>	<u>25,230</u>
Total assets less current liabilities		<u>397,707</u>	<u>454,264</u>
Creditors: amounts falling due after more than one year	15	<u>(80)</u>	<u>(87)</u>
Net assets		<u><u>397,627</u></u>	<u><u>454,177</u></u>
Capital and reserves			
Called up share capital	18	1,238,445	1,238,445
Share premium account		46,315	46,315
Other reserves		15,042	15,042
Profit and loss reserves		<u>(902,175)</u>	<u>(845,625)</u>
Total equity		<u><u>397,627</u></u>	<u><u>454,177</u></u>

The financial statements were approved by the board of directors and authorised for issue on 30 June 2025 and are signed on its behalf by:

Mr H James
Director

Company registration number 03864157 (England and Wales)

ARVIN EUROPEAN HOLDINGS (UK) LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

	Share capital	Share premium account	Capital contribution	Profit and loss reserves	Total
	€ 000	€ 000	€ 000	€ 000	€ 000
Balance at 1 January 2023	1,238,445	46,315	15,042	(454,670)	845,132
Year ended 31 December 2023:					
Loss for the year	-	-	-	(391,412)	(391,412)
Other comprehensive income:					
Currency translation differences	-	-	-	457	457
Total comprehensive expense	-	-	-	(390,955)	(390,955)
Balance at 31 December 2023	1,238,445	46,315	15,042	(845,625)	454,177
Year ended 31 December 2024:					
Loss for the year	-	-	-	(57,719)	(57,719)
Other comprehensive income:					
Currency translation differences	-	-	-	1,169	1,169
Total comprehensive expense	-	-	-	(56,550)	(56,550)
Balance at 31 December 2024	1,238,445	46,315	15,042	(902,175)	397,627

ARVIN EUROPEAN HOLDINGS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

Company information

Arvin European Holdings (UK) Limited is a private Company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the Company's registered office is shown on the company information page.

The principal activity of the company is stated in the Strategic Report on page 1.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in Euros, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest € 000.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements; and
- Section 33 'Related Party Disclosures' – Compensation for key management personnel and other related party transactions.

The financial statements of the company are consolidated in the financial statements of Cummins, Inc. These consolidated financial statements are available from its registered office, 500 Jackson Street Box 3005 Columbus, IN 47201 United States. They can also be downloaded from the website www.cummins.com.

ARVIN EUROPEAN HOLDINGS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.2 Going concern

Whilst the company has made a loss of €57,719,000 in the year, this was driven by an impairment of €59,201,000 in its subsidiary undertakings Meritor Heavy Vehicle Braking Systems (UK) Limited and ArvinMeritor Holdings France (SNC). The company has net assets of €397,627,000 including net current assets of €27,877,000. The company generates revenue from other group companies for services rendered by its employees to other Cummins group companies.

The directors have concluded that the company has sufficient resources to continue to trade for at least twelve months from the date of signing the financial statements and meet any liabilities as they fall due. In drawing this conclusion the directors note that:

- Cummins, Inc. group has cash and financing resources available to it of approximately \$2,264m, revolving credit facilities of \$2,741m and other credit facilities of \$628m (per the most recent 10k filing).
- the company is in a net assets positions; and
- the company does not manufacture and has limited overheads which the directors are confident can be met as they fall due.

1.3 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is twenty years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

ARVIN EUROPEAN HOLDINGS (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

1 Accounting policies

(Continued)

1.6 Financial instruments

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

ARVIN EUROPEAN HOLDINGS (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

1 Accounting policies

(Continued)

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

ARVIN EUROPEAN HOLDINGS (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

1 Accounting policies (Continued)

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Foreign exchange

Transactions in currencies other than Euros are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

1.12 Consolidation

The company has taken the exemption provided by Section 401 of the Companies Act 2006 and has not prepared consolidated financial statements on the basis that the company is included in the consolidated financial statements of a larger group and those consolidated financial statements meet the criteria set out in section 401 (2) of the act. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.13 Interest receivable

Interest income is recognised when it is probable that the economic benefits will flow to the company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable.

ARVIN EUROPEAN HOLDINGS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Impairment of fixed assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the profit or loss as follows: for financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

At the year-end date the company held investments in Meritor Heavy Vehicle Braking Systems UK Limited ("HVBBS") of € 73.9m, ArvinMeritor Holdings France SNC of €287.4m and Wilmot-Breedon (Holdings) Limited of €8.5m which were supported by the net assets of the relevant entities at that date.

The directors believe that owing to the straightforward nature of the business there are no other key sources of estimation uncertainty or critical accounting judgement.

3 Turnover

Turnover represents the value of management fees and services invoiced to customers during the year, excluding Value Added Tax, relating to the principal class of business. Turnover is recognised at the point of provision of those services.

An analysis of the company's turnover is as follows:

	2024	2023
	€ 000	€ 000
Turnover analysed by class of business		
Turnover	1,138	839
	<u> </u>	<u> </u>
	2024	2023
	€ 000	€ 000
Turnover analysed by geographical market		
Other European countries	768	469
North America	370	370
	<u> </u>	<u> </u>
	1,138	839
	<u> </u>	<u> </u>

ARVIN EUROPEAN HOLDINGS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

4 Operating profit/(loss)

	2024	2023
	€ 000	€ 000
Operating profit/(loss) for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	10	10
Amortisation of intangible assets	3	4
	<u>13</u>	<u>14</u>

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2024	2023
	Number	Number
Administration	5	5
	<u>5</u>	<u>5</u>

Their aggregate remuneration comprised:

	2024	2023
	€ 000	€ 000
Wages and salaries	825	825
Social security costs	227	227
Other pension costs	14	14
	<u>1,066</u>	<u>1,066</u>

6 Directors' remuneration

All directors who were in office during the period are paid directly by other Cummins Inc. group companies. They received no remuneration for their services to Arvin European Holdings (UK) Limited. No emoluments for these directors were charged to the company during the year (2023 - €nil).

7 Interest receivable and similar income

	2024	2023
	€ 000	€ 000
Interest income		
Interest receivable from group companies	1,412	1,128
	<u>1,412</u>	<u>1,128</u>

ARVIN EUROPEAN HOLDINGS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

8 Amounts written off investments

	2024	2023
	€ 000	€ 000
Impairment of investments	(59,201)	(391,892)

During the year the company impaired its investment in Meritor Heavy Vehicle Braking Systems UK Limited by €12,289,000 (2023: €44,401,000) – the impairment was driven by a significant devaluation of the defined benefit pension scheme asset held in Meritor Heavy Vehicle Braking Systems UK Limited owing to the significant deterioration in market conditions at the time of the actuarial valuation owing to the fallout from the mini budget announcement.

During the year the company impaired its investments in its French operations by €46,921,000 (2023 - €347,491,000) owing to a reduction in the recorded assets of those entities.

9 Taxation

The actual charge for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2024	2023
	€ 000	€ 000
Loss before taxation	(57,719)	(391,412)
Expected tax credit based on the standard rate of corporation tax in the UK of 25.00% (2023: 23.52%)	(14,430)	(92,060)
Tax effect of expenses that are not deductible in determining taxable profit	12,969	90,742
Group relief	-	148
Transfer pricing adjustments	1,831	1,166
Deductible losses from French SNC companies	32	(11)
Fixed asset timing differences	1	1
Movement in deferred tax not recognised	(403)	14
Taxation charge for the year	-	-

In December 2021, the Organisation for Economic Co-operation and Development (OECD) released the Pillar Two model rules to reform international corporate taxation. Large multinational enterprises within the scope of the rules are required to calculate their effective tax rate for each jurisdiction where they operate. They will be liable to pay a top-up tax for the difference between their effective tax rate per jurisdiction and the 15% minimum rate. Arvin European Holdings (UK) Limited expects to be within the scope of the Pillar Two rules in 2024 and the group has carried out an impact assessment and has determined that there is no material exposure to top-up taxes for the UK territory including for this entity.

ARVIN EUROPEAN HOLDINGS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

10 Intangible fixed assets

	Goodwill € 000
Cost	
At 1 January 2024 and 31 December 2024	75
Amortisation and impairment	
At 1 January 2024	62
Amortisation charged for the year	3
At 31 December 2024	65
Carrying amount	
At 31 December 2024	10
At 31 December 2023	13

Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is twenty years.

11 Fixed asset investments

	Notes	2024 € 000	2023 € 000
Investments in subsidiaries	12	369,820	429,021

Movements in fixed asset investments

	Shares in subsidiaries € 000
Cost or valuation	
At 1 January 2024 & 31 December 2024	1,181,140
Impairment	
At 1 January 2024	752,119
Impairment losses (note 8)	59,201
At 31 December 2024	811,320
Carrying amount	
At 31 December 2024	369,820
At 31 December 2023	429,021

ARVIN EUROPEAN HOLDINGS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

12 Subsidiaries

Details of the company's subsidiaries at 31 December 2024 are as follows:

Name of undertaking	Address	Nature of business	Class of shares held	% Held	
				Direct	Indirect
ArvinMeritor Holdings France SNC	1	Holding company	Equity interests	100.00	-
Fonderie Venissieux SAS	2	Manufacture of castings	A shares	0	51.00
Meritor Aftermarket France SAS	1	Aftermarket	Ordinary	0	100.00
Meritor Axles France SAS	1	Manufacture and supply of truck axles	Ordinary	0	100.00
Meritor France SNC	1	Holding company	Equity interests	0	100.00
Meritor Heavy Vehicle Braking Systems (UK) Limited	3	Manufacture and supply of braking systems	Ordinary	100.00	-
Meritor Holdings France SNC	1	Holding company	Common/Ordinary	0	100.00
Wilmot-Breedon (Holdings) Limited	3	Holding company	Ordinary	100.00	-
Meritor Czech s.r.o	4	Automotive Repair and Maintenance	Ordinary	0	100.00
Meritor France Holdings, LLC	5	Holding company	Ordinary	0	100.00
ArvinMeritor Light Vehicle Systems (UK) Limited	3	Wholesale trade of motor vehicle parts and accessories	Ordinary	0	100.00

Registered office addresses (all UK unless otherwise indicated):

- 1 29, rue du Pont, CS 20070 92578 Neuilly-Sur-Seine Cedex, France
- 2 Avenue Pierre Cot, 69200 Vénissieux, France
- 3 Grange Road, Cwmbran, Gwent, NP44 3XU
- 4 Fügnerova 572, 543 01 Vrchlabí, Czechia
- 5 2:35 West Maple Road Troy, MI 48084 United States

13 Debtors

	2024	2023
Amounts falling due within one year:	€ 000	€ 000
Amounts owed by group undertakings	28,509	25,875
Other debtors	2	6
Prepayments and accrued income	20	20
	<u>28,531</u>	<u>25,901</u>

Amounts owed by group undertakings attract no interest and are payable on demand.

The company is part of a group wide cash pooling agreement. Interest is received on any amount owed by the cash pooling entity at a rate of SONIA less 0.5% and paid on any amount owed to the cash pooling entity at a rate of SONIA plus 0.5% remaining. Amounts owed by other group undertakings attract no interest and are payable on demand.

ARVIN EUROPEAN HOLDINGS (UK) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

14 Creditors: amounts falling due within one year

	2024	2023
	€ 000	€ 000
Trade creditors	22	9
Amounts owed to group undertakings	314	299
Taxation and social security	282	291
Other creditors	3	4
Accruals and deferred income	33	68
	<u>654</u>	<u>671</u>
	<u><u>654</u></u>	<u><u>671</u></u>

The company is part of a group wide cash pooling agreement. Interest is received on any amount owed by the cash pooling entity at a rate of SONIA less 5% and paid on any amount owed to the cash pooling entity at a rate of SONIA plus 0.5%.

Amounts owed to group undertakings attract no interest and are payable on demand.

15 Creditors: amounts falling due after more than one year

	2024	2023
	€ 000	€ 000
Other creditors	80	87
	<u>80</u>	<u>87</u>
	<u><u>80</u></u>	<u><u>87</u></u>

This pension-related provision is paid directly to the employee on the date of their retirement.

16 Deferred taxation

A deferred tax asset of £73,252,388 (2023: £73,655,516) has not been recognised in respect of losses and capital losses as there is insufficient evidence that the asset will be recovered. This asset would be recovered if ArvinMeritor Limited made sufficient taxable profits from non-trade activities in future accounting periods. An analysis of the unrecognised deferred tax asset is as follows:

	Assets	Assets
	2024	2023
	€ 000	€ 000
Balances:		
Short term timing differences	20	22
Losses and other deductions	73,232	73,634
	<u>73,252</u>	<u>73,656</u>
	<u><u>73,252</u></u>	<u><u>73,656</u></u>

ARVIN EUROPEAN HOLDINGS (UK) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024****17 Retirement benefit schemes**

	2024	2023
	€ 000	€ 000
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	14	14

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

18 Share capital

	2024	2023	2024	2023
	Number	Number	€ 000	€ 000
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	1,238,445,000	1,238,445,000	1,238,445	1,238,445

19 Ultimate controlling party

The immediate parent company of Arvin European Holdings (UK) Limited is Meritor Holdings (UK) Limited, a company incorporated in the United Kingdom.

The ultimate parent company and controlling party of Arvin European Holdings (UK) Limited is Cummins, Inc., incorporated in the United States of America. Cummins, Inc. is also the parent undertaking of the smallest and largest group which includes the company for which group financial statements are prepared. Copies of the group financial statements of Cummins, Inc. are available from the company's registered address: 500 Jackson Street Box 3005 Columbus, IN 47201 United States. They can also be downloaded from the website www.cummins.com.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.