FORSEE POWER

HALF-YEAR FINANCIAL REPORT 2026

Société Anonyme (French public limited company) with a Board of Directors and share capital of €11,747,243.90.
Créteil Trade and Companies Register (RCS) 494 605 488

Registered office: 1 Boulevard Hippolyte Marquès, 94200 Ivry-sur-Seine, France

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Statement by the person responsible

“I hereby certify that, to the best of my knowledge, the condensed half-year consolidated financial statements of the Forsee Power group for the six-month period ended [closing date] have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, financial position and results of Forsee Power S.A. and of all the companies included in the consolidation, and that the half-year activity report presents a fair review of the significant events that occurred during the first six months of the financial year, their impact on the financial statements, the main related-party transactions, and a description of the main risks and uncertainties for the remaining six months of the financial year.

The condensed half-year consolidated financial statements included in this half-year financial report have not been audited.”

Signed in Ivry-sur-Seine, on 30 October 2026

Christophe Gurtner
Chairman and Chief Executive Officer

Presentation of the Forsee Power Group

Forsee Power S.A., referred to as the “Forsee Power Group” or the “Group”, is a French public limited company (société anonyme) incorporated in February 2007 for a term of 99 years and registered with the Créteil Trade and Companies Register under number 494 605 488.

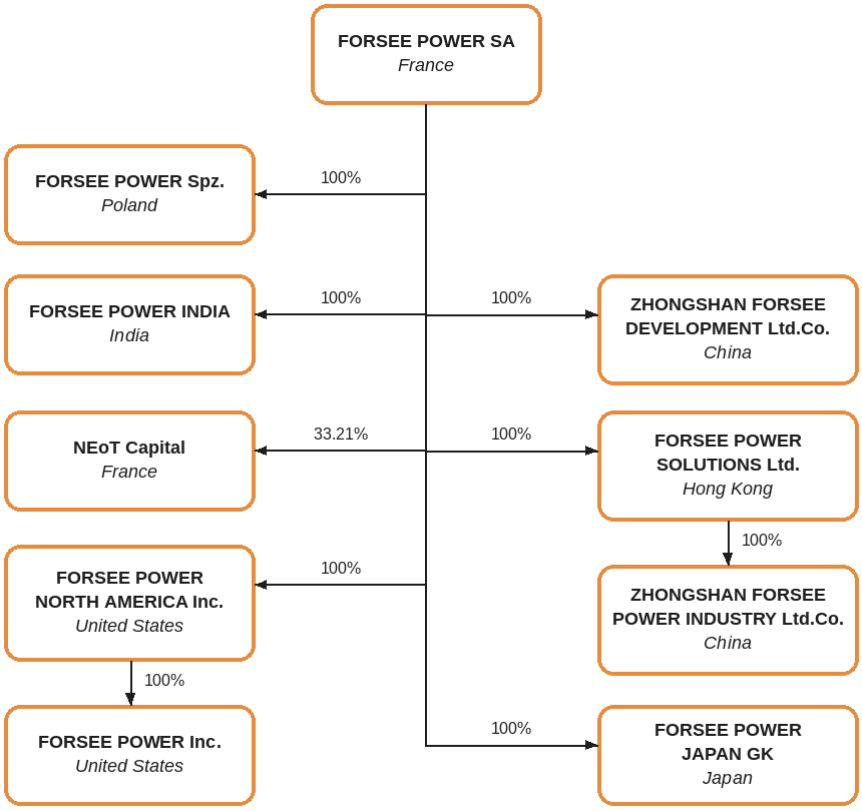
The registered office of Forsee Power S.A. is located at 1 Boulevard Hippolyte Marquès, 94200 IVRY-SUR-SEINE, France.

Forsee Power S.A. is engaged in the design and integration of specialised battery systems for industrial and commercial vehicles (buses, trucks, trains, off-highway vehicles, light vehicles and portable industrial equipment).

The consolidated financial statements are prepared in accordance with IFRS as adopted by the European Union, and were approved on 7 May 2026 by the Board of Directors of Forsee Power S.A.

Forsee Power S.A., listed since 3 November 2021 on the Euronext Paris regulated market (Compartment B), has been listed since 12 February 2026 on the Euronext Growth Paris market under ISIN FR0014005SB3.

Group structure as at 31 December 2025



Half-year activity report

1. Significant events of the period

The key events of the first half of 2026 were as follows:

1.1. Commercial and operational activity

Following a second half of 2025 marked by a sharp decline in revenue due to the halt or reduction of deliveries to two major customers in the Heavy Vehicles segment, whose orders had been exceptionally strong over the same period of 2025, the Group faced extremely low activity in the first half of 2026, in a sluggish market with no short-term visibility. This decline was mainly concentrated in the French and European markets.

Consolidated revenue at 30 June 2026 therefore amounted to €20.4m compared with €80.9m at 30 June 2025, a decrease of 74.8%. The decline was particularly marked in the Heavy Vehicles segment (€13.3m vs. €72.8m, i.e. -81.7%), notably in the bus market.

The Light Vehicles segment proved more resilient (€7.1m vs. €8.1m in 2026, i.e. -12%).

The Company considers this exceptionally low level of activity to be temporary and that the commercial agreements concluded over the last 12 months, for which product development is under way, will enable a return to growth during 2027.

1.2. Commercial agreements

During the first half of 2026, Forsee Power continued to execute its diversification and development strategy in the rail market, through several structuring partnerships and the signing of new electrification projects.

In March 2026, the Group announced the supply of its battery systems for the new trams and electric buses of the manufacturer Bozankaya, thereby strengthening its presence in zero-emission mobility solutions for public transport.

On 28 May 2026, Forsee Power and Hitachi Industrial Products signed a memorandum of understanding aimed at accelerating the electrification of off-highway and rail applications, combining their respective expertise in batteries and electric propulsion systems.

On 15 June 2026, Forsee Power entered into a memorandum of understanding with the US manufacturer Wabtec to develop the integration of its battery systems into battery-electric locomotives, opening up new prospects in the decarbonised rail freight market.

On 24 June 2026, the Group also announced a partnership with KONČAR for the electrification of regional passenger trains in Europe, confirming its positioning in the rail segment.

1.3. Planned sale of a majority stake in Forsee Power India Private, Ltd

On 12 March 2026, Forsee Power signed a non-binding letter of intent for the sale of 51% of its interest in its subsidiary Forsee Power India Private Ltd. This joint-venture project aims to establish a partnership with a local player in order to strengthen the subsidiary's commercial position with Indian electric vehicle manufacturers.

As part of this project, Forsee Power carried out a capital increase of this Indian subsidiary on 29 April 2026 for €878k. A second capital increase of €1,330k was carried out on 14 July 2026. These two transactions made it possible to settle intra-group trade receivables in favour of Forsee Power SA and Zhongshan Forsee Power Industry.

1.4. Personnel cost reduction measures

The long-term partial activity scheme (APLD), implemented for all employees since 1 September 2025, is still in force and is expected to continue for a large part of 2026.

The collective mutual termination scheme (RCC), implemented to adjust headcount in line with the decline in activity, ended on 9 March 2026. It resulted in 58 validated departures, out of the 60 initially planned.

1.5. Adjustment of bank debt

On 27 and 30 April 2026, Forsee Power obtained from its banking partners a comprehensive plan to reschedule the short-term maturities of its financial debt, aimed at securing the Company's cash position and ensuring its continuity as a going concern.

This arrangement is built around the following agreements, each conditional upon the other two:

a) Regarding inventory financing, a moratorium on the repayment of the short-term notes subscribed during 2025, initially due on 31 December 2025, leading to a gradual repayment of the €8.8m of outstanding principal until 31 December 2027 (of which €1.5m in 2026 and €7.3m upon the sale of assets other than the shares of the Indian subsidiary, with the balance in three instalments in June, October and December 2027);

b) Regarding the EIB loans (see Note 7.13), a moratorium on and rescheduling until the end of 2027 of the €6m Tranche A instalment of the EIB debt, initially due in June 2026 (of which €0.9m in 2026 and €5.1m in 2027);

c) Regarding the State-Guaranteed Loans (PGE) (€2.8m), a moratorium until 31 December 2027 followed by amortisation over a further 24 months, i.e. until 31 December 2029.

Each of these agreements is subject to customary conditions subsequent, relating in particular to financing transactions, repayment and distribution flows, and the maintenance of a financial position consistent with the lenders' expectations.

These agreements were subject to further adjustments in August 2026, which are described in section "3. Events after the reporting period" of this report.

1.6. Transfer of the listing of Forsee Power shares

On 12 February 2026, Forsee Power shares were transferred from the Euronext Paris regulated market (Compartment B) to Euronext Growth Paris, whose regulatory framework is better suited to the Company's size. The shares were delisted from Euronext Paris on the same day. The transfer of listing aims in particular to simplify administrative obligations and reduce management costs.

2. Review of the financial statements

2.1. Income statement

in thousands of euros	30 June 2026	30 June 2025	change	change (%)
Revenue	**20,408**	**80,887**	**(60,479)**	**-74.8%**
Personnel expenses	(12,142)	(16,167)	4,025	-24.9%
Other operating expenses	(20,051)	(62,492)	42,441	-67.9%
EBITDA	**(11,785)**	**2,228**	**(14,013)**	
Current operating income (loss)	**(16,295)**	**(4,543)**	**(11,752)**	
Non-current operating income (loss)	(205)	(670)	465	-69.4%
Net financial income (expense)	(2,760)	(5,547)	2,787	-50.2%
Share of profit (loss) of equity-accounted companies	479	(108)	587	
Income (loss) before tax	**(18,781)**	**(10,868)**	**(7,913)**	**72.8%**
Income tax	62	(197)	259	
Consolidated net income (loss)	**(18,719)**	**(11,065)**	**(7,654)**	**69.2%**

in thousands of euros	30 June 2026	30 June 2025
Current operating income (loss)	**(16,295)**	**(4,543)**
Depreciation and amortisation of fixed assets	(4,732)	(4,597)
Depreciation of right-of-use assets	(1,434)	(1,404)
(Charges) / Reversals of provisions on current assets	1,149	(639)
Provisions for recycling	519	(71)
Share-based payments	(12)	(61)
EBITDA	**(11,785)**	**2,228**

In the first half of 2026, consolidated revenue fell sharply to €20.4m (-74.8%) compared with the first half of 2025, due to the halt in mid-2025 of deliveries to IVECO and the sharp decline in orders from the main customer in the Heavy Vehicles segment.

The decline in revenue was offset by the proportional decrease in the cost of goods sold (+€42.4m) and the reduction in personnel expenses (+€4.0m, i.e. a 25% reduction) through initial restructuring measures at the French and Chinese industrial sites.

Non-current operating income (-€0.2m in the first half of 2026) consists of fees and legal costs related to the restructuring of financial debt. In the first half of 2025, it corresponded to implementation costs for the new ERP and restructuring costs.

Net financial expense amounted to -€2.8m in 2026 compared with -€5.5m in 2025; the change reflects foreign exchange losses of €0.25m in 2026 compared with -€3.2m in 2025.

The share of profit of equity-accounted companies was a profit of €479k in 2026 after a loss of -€108k in 2025, reflecting the improved results of NeoT Capital.

Consolidated net income for the half-year was therefore -€18.7m in 2026 compared with -€11.1m in 2025.

2.2. Balance sheet

2.2.1. Assets

in thousands of euros	30 June 2026	31 December 2025
Goodwill	1,523	1,523
Intangible assets	35,441	34,765
Property, plant and equipment	30,912	32,479
Investments in equity-accounted companies	4,837	4,687
Other non-current assets	1,503	2,160
Non-current assets	**74,216**	**75,614**
Inventories	27,294	27,887
Trade and related receivables	5,131	8,127
Other current assets	9,433	14,302
Cash and cash equivalents	**2,171**	**11,809**
Current assets	**44,029**	**62,125**
Assets held for sale	3,159	4,646
Total assets	**121,404**	**142,385**

At 30 June 2026, the main movements in assets reflect continued development investment, with €3.1m of capitalised costs, while acquisitions of property, plant and equipment remained limited to €0.3m against €2.1m of depreciation.

Inventories have a gross value of €39.9m, impaired by €12.6m.

Factoring continues to be used, with non-recourse receivables sold but not financed decreasing to €0.8m, with no significant credit risk identified.

Other assets include €4.7m of research tax credit receivables, of which €3.9m have been the subject of a refund request, as well as €0.9m of receivables from the factor and retention guarantees.

Cash consists of demand deposits denominated in the Group's main operating currencies.

2.2.2. Liabilities

in thousands of euros	30 June 2026	31 December 2025
Share capital	**11,747**	**11,746**
Share premium	26,851	63,763
Reserves	(896)	(10,311)
Net income (loss)	(18,719)	(28,022)
Equity	**18,983**	**37,177**
Provisions	8,691	9,715
Borrowings and financial debt	56,592	13,694
Other non-current liabilities	5,471	5,560
Non-current liabilities	**70,754**	**28,969**
Borrowings and financial debt	11,507	53,810
Trade payables	7,117	6,137
Other current liabilities	12,171	14,864
Current liabilities	**30,795**	**74,811**
Liabilities held for sale	872	1,429
Total liabilities and equity	**121,404**	**142,385**

At 30 June 2026, the change in equity is mainly explained by the half-year net loss of -€18.7m.

Share premium decreased by -€36.9m following the allocation to reserves.

Provisions (€8.7m at 30 June 2026 compared with €9.7m at 31 December 2025) decreased mainly as a result of the reversal of provisions for recycling and warranties.

Following the bank debt restructuring agreements concluded during the half-year, debt maturing in more than one year has been reclassified as non-current financial debt.

Other liabilities include in particular social security liabilities subject to a payment schedule and €4.5m of deferred revenue on warranty extensions.

Finally, the assets and liabilities of Forsee Power India Private Ltd are presented separately due to the planned sale of 51% of the subsidiary.

2.3. Cash flow statement

in thousands of euros	30 June 2026	30 June 2025
Operating income (loss)	**(16,500)**	**(5,213)**
Elimination of non-cash items and items relating to other cash flows	*4,849*	*6,259*
Cash flow from operations before net cost of debt and tax	**(11,650)**	**1,045**
Tax paid	**553**	**(625)**
Inventories	766	7,451
Trade receivables	2,997	(1,209)
Trade payables	862	1,931
Other receivables and payables	4,549	(2,311)
Change in working capital requirement	**9,174**	**5,861**
Net cash from operating activities (A)	**(1,924)**	**6,281**
Acquisition of fixed assets	(3,427)	(6,127)
Proceeds from financial assets	650	755
Dividends received	331	
Other	22	99
Net cash from investing activities (B)	**(2,425)**	**(5,273)**
Capital increase and share premium	0	19,003
Proceeds from borrowings, debt or repayable advances	0	3,399
Repayment of borrowings and lease liabilities	(3,642)	(4,434)
Financial expenses	(1,713)	(5,219)
Net cash from financing activities (C)	**(5,356)**	**12,748**
Effect of exchange rate changes (D)	66	(240)
Change in cash (A) + (B) + (C) + (D)	**(9,638)**	**13,516**
Net cash at beginning of period	11,809	5,369
Net cash at end of period	2,171	18,885

Negative cash flow from operations linked to the contraction in activity (-€11.7m) was partly offset by the decrease in working capital requirement (+€9.2m).

Cash flows from investing activities were limited to -€2.4m due to reduced asset acquisitions, the release of the €650k pledge relating to the stand-by letter of credit in favour of the Indian customs authorities, the release of which was obtained on 31 December 2025, and the receipt of a €331k dividend from the investment in NeoT Capital.

Cash at 30 June 2026 thus stood at €2,171k compared with €11,809k at 31 December 2025 and €18,885k at 30 June 2025.

3. Events after the reporting period

3.1. Shareholder current account advances

Pending the completion of the planned asset disposals and capital increase, the shareholders SPI, Eurazeo and Noria granted the Company current account advances in July 2026 for a total amount of €4 million. These advances will be repaid in shares at the time of the forthcoming capital increase.

3.2. Planned capital increase

On 15 July 2026, Forsee Power announced that it had entered into exclusive negotiations with the Singapore investment fund FCAP Investors Pte. Ltd with a view to strengthening its equity in order to support the execution of its RePower27 strategic plan.

The proposed transaction included in particular a capital increase of approximately €22m, with the support of the Group's reference shareholders, Bpifrance Investissement, Eurazeo and Noria, as well as a reorganisation of the shareholding structure including the sale of the stake held by Mitsui & Co.

On 9 October 2026, the Company announced that it had ended negotiations with FCAP Investors, as no agreement satisfactory to both parties could be reached.

The Company is pursuing its planned capital increase for an amount of at least €22m (including the participation of the reference shareholders) and is in active discussions to this end with various strategic investors.

3.3. Joint venture in India

On 26 October 2026, the Group signed a partnership agreement with the Varroc group concerning its subsidiary Forsee Power India Private, Ltd, which specialises in batteries for light mobility (2-, 3- and 4-wheelers) on the Indian subcontinent. By combining the technology developed by Forsee Power with Varroc's commercial presence, the two parties intend to significantly develop the entity's activities in its territory.

Under the terms of this agreement, Varroc is acquiring 45% of the shares of Forsee Power India immediately and a further 6% at a later date, at a price depending on the achievement of certain commercial targets.

The shareholders' agreement concluded with the buyer gives the latter effective control of the company.

Finally, under a technical licence agreement, Forsee Power grants Forsee Power India, in return for a royalty, the right to use the intellectual property relating to the products manufactured and distributed by the latter in its market.

3.4. Adjustment of the debt structure

On 10 August 2026, the Company made marginal adjustments to the agreements concluded with its banking partners on 27 and 29 April.

Under the terms of the updated agreements:

a) Regarding inventory financing, the gradual repayment of the €8.8m of outstanding principal is spread until 31 March 2028 (of which €1.9m in 2026, €5.7m in 2027 and €1.2m in 2028);
b) Regarding the EIB loans, the moratorium on the €6m Tranche A instalment is extended until June 2028, while the maturities of Tranches A bis, C and D are rescheduled between 2028 and 2031 (see Note 7.13 Financial debt);
c) The State-Guaranteed Loans (PGE) (€2.8m) will be repaid over 6 months following the end of the moratorium in December 2027.

These agreements remain subject to conditions subsequent relating in particular to financing transactions, repayment and distribution flows.

4. Information on risks and uncertainties for the next half-year

The risk factors presented in the 2025 Annual Financial Report published by Forsee Power on 13 May 2026 have not undergone any significant change in nature or magnitude.

5. Half-year consolidated financial statements

Consolidated statement of financial position

in thousands of euros	Notes	30 June 2026	31 December 2025
Non-current assets		**74,216**	**75,614**
Goodwill	7.1	1,523	1,523
Intangible assets	7.2	35,441	34,765
Property, plant and equipment	7.3	30,912	32,479
Non-current financial assets	7.4	697	1,335
Investments in equity-accounted companies	7.5	4,837	4,687
Other non-current assets	7.8	676	724
Deferred tax assets	7.19	131	101
Current assets		**44,028**	**62,125**
Inventories	7.6	27,294	27,887
Trade and related receivables	7.7	5,131	8,127
Other current assets	7.8	9,433	14,302
Cash and cash equivalents	7.9	2,171	11,809
Assets held for sale	**7.20**	**3,159**	**4,646**
Total assets		**121,404**	**142,385**
Equity		**18,983**	**37,177**
Equity attributable to owners of the parent company		**18,983**	**37,177**
Share capital issued	7.10	11,747	11,746
Share premium	7.10	26,851	63,763
Translation reserve	7.10.5	(725)	(1,154)
Reserves	7.10	(171)	(9,157)
Net income (loss)	7.10	(18,719)	(28,022)
Non-controlling interests		**(0)**	**(0)**
Liabilities		**102,421**	**105,208**
Non-current liabilities		**70,754**	**28,969**
Provisions for risks and charges	7.11	8,255	9,246
Employee benefits	7.12	436	469
Borrowings and financial debt	7.13	56,592	13,694
Financial instrument derivatives	7.14	643	749
Other non-current liabilities	7.18	4,101	4,077
Deferred tax liabilities	7.19	727	734
Current liabilities		**30,795**	**74,811**
Borrowings and financial debt	7.13	11,507	53,810
Trade payables	7.17	7,117	6,137
Other current liabilities	7.18	12,171	14,864
Liabilities held for sale	**7.20**	**872**	**1,429**
Total liabilities and equity		**121,404**	**142,385**

Consolidated income statement

in thousands of euros	Notes	30 June 2026	30 June 2025
Revenue	8.1	20,408	80,887
Other operating income and expenses	8.2	1,216	(533)
External services and purchases consumed	8.3	(21,297)	(60,801)
Personnel expenses	8.4	(12,142)	(16,167)
Taxes and duties	8.5	(456)	(528)
Depreciation and amortisation	8.6	(6,166)	(6,001)
Net impairment	8.6	1,149	(639)
Net provisions	8.6	992	(762)
Current operating income (loss)		**(16,295)**	**(4,543)**
Non-current operating income (loss)	**8.7**	**(205)**	**(670)**
Operating income (loss)		**(16,500)**	**(5,213)**
Financial income	8.8	10	20
Gross cost of financial debt	8.8	(1,863)	(2,076)
Other net financial income and expenses	8.8	(907)	(3,490)
Net financial income (expense)	**8.8**	**(2,760)**	**(5,547)**
Share of profit (loss) of equity-accounted companies	**7.5**	**479**	**(108)**
Income (loss) before tax		**(18,781)**	**(10,868)**
Income tax	8.9	62	(197)
Consolidated net income (loss)		**(18,719)**	**(11,065)**
of which attributable to owners of the parent company		*(18,719)*	*(11,065)*
of which non-controlling interests		*(0)*	*(0)*
Earnings per share	7.10.6	€(0.16)	€(0.15)
Diluted earnings per share	7.10.6	€(0.16)	€(0.15)

Statement of other comprehensive income

in thousands of euros	Notes	30 June 2026	30 June 2025
Consolidated net income (loss) (A)		**(18,719)**	**(11,065)**
Other comprehensive income			
Translation differences for the period	7.10.5	428	(1,150)
Change in value of foreign currency cash flow hedges	7.13	43	(458)
Tax effects		(11)	115
Total gains and losses recognised in equity and reclassifiable to profit or loss		**460**	**(1,494)**
Change in actuarial gains and losses on defined benefit plans	7.12	36	(13)
Tax effects		(9)	3
Total gains and losses recognised in equity and not reclassifiable to profit or loss		**27**	**(10)**
Total gains and losses recognised in equity, net of tax (B)		**487**	**(1,504)**
Comprehensive income (A) + (B)		**(18,232)**	**(12,568)**
of which attributable to owners of the parent company		*(18,232)*	*(12,568)*
of which non-controlling interests			

Consolidated statement of cash flows

in thousands of euros	Notes	30 June 2026	30 June 2025
Operating income (loss)		**(16,500)**	**(5,213)**
Elimination of non-cash items and items relating to other cash flows			
Share of profit (loss) of equity-accounted companies	7.5	479	(108)
Depreciation, amortisation & provisions	9.1	5,170	6,810
(Gains)/Losses on disposals	9.4	0	0
Share-based payments	7.10.3.2	12	61
Income tax expense (income)	8.9	(62)	197
CIR income allocated to operating expenses	9.2	(750)	(701)
Cash flow from operations before net cost of debt and tax		**(11,650)**	**1,045**
Change in grants		**0**	**0**
Change in income tax receivables and payables (excl. CIR)	9.2	122	125
Change in non-prefinanced CIR receivables	9.2	431	(750)
Tax paid		**553**	**(625)**
Inventories	9.2	766	7,451
Trade receivables	9.2	2,997	(1,209)
Other receivables	9.2	6,049	7,499
Trade payables	9.2	862	1,931
Other payables	9.2	(1,500)	(9,810)
Change in operating working capital requirement		**9,174**	**5,861**
Net cash from operating activities (A)		**(1,924)**	**6,281**
Acquisitions of fixed assets (net of payables and advances paid)	9.3	(3,427)	(6,127)
Repayment of cash pledge	7.4	650	618
Assets managed under liquidity agreement	7.4	(2)	59
Gains (Losses) realised under liquidity agreement	7.4	24	38
Dividends received from NeoT Capital	7.5	331	0
Proceeds from financial assets	7.4	0	137
Net cash from investing activities (B)		**(2,425)**	**(5,273)**
Cash capital increase	7.10	0	4,556
Increase in share premium (net of costs)	7.10	0	14,122
Payment of capital increase costs	7.10	0	325
Proceeds from borrowings	7.13	0	1,263
Repayment of other borrowings	7.13	(2,284)	(3,128)
Repayment of lease liabilities	7.13	(1,358)	(1,306)
Drawdown of a short-term credit line	7.13	0	1,809
Receipt of a repayable advance	7.8	0	327
Change in financial liabilities relating to related parties	7.13	78	(132)
Bank fees paid	8.8	(282)	(59)
Financial expenses paid	8.8	(1,509)	(5,028)
Net cash from financing activities (C)		**(5,356)**	**12,748**
Effect of exchange rate changes		66	(240)
Change in cash (A) + (B) + (C)		**(9,638)**	**13,516**
Net cash at beginning of period	7.9	11,809	5,369
Net cash at end of period	7.9	2,171	18,885
Net change in cash		**(9,638)**	**13,516**

Consolidated statement of changes in equity

in thousands of euros	Notes	Share capital issued	Share premium	Trans-lation reserve	Share-based payment reserve	Treasury shares	Other reserves and compre-hensive income	Total attributable to owners of the parent	Non-controlling interests	Total equity
Equity at 31 December 2025		**11,746**	**63,763**	**(1,154)**	**5,826**	**(400)**	**(42,604)**	**37,177**		**37,177**
Cash capital increase									0	0
Allocation of share premium to reserves			(36,912)				36,912			
Allocation of free shares		1						1		1
Share-based payments	7.10.3.2				12			12		12
Lapsed share-based payments	7.10.3.2				(15)		15			
Comprehensive income				428			(18,643)	(18,215)		(18,215)
Change in treasury shares held under the liquidity agreement	7.10.4					(2)		(2)		(2)
Gain on disposal of treasury shares and change in fair value of treasury shares held	7.4						10	10		10
Equity at 30 June 2026		**11,747**	**26,851**	**(725)**	**5,823**	**(402)**	**(24,310)**	**18,983**	**0**	**18,983**
Equity at 31 December 2024		**7,175**	**66,616**	**(258)**	**5,851**	**(315)**	**(31,515)**	**47,554**	**(0)**	**47,554**
Capital increase		4,556	14,122					18,678		18,678
Issue costs on capital increases			(437)					(437)		(437)
Reclassification of share premium to reserves			(16,507)				16,507			
Share-based payments	7.10.3.2				61			61		61
Comprehensive income				(1,150)			(11,418)	(12,568)	0	(12,568)
Change in treasury shares held under the liquidity agreement	7.10.4						(60)	(60)		(60)
Equity at 30 June 2025		**11,731**	**63,794**	**(1,408)**	**5,912**	**(315)**	**(26,486)**	**53,227**	**(0)**	**53,227**

Notes to the consolidated financial statements

6. General notes

6.1. General information

Forsee Power S.A. is a French public limited company (société anonyme), registered with the Créteil Trade and Companies Register under number 494 605 488, whose registered office is located at 1 boulevard Hippolyte Marquès, 94200 Ivry-sur-Seine, France. The condensed interim consolidated financial statements comprise the parent company and its subsidiaries, together referred to as the “Group”.

The Group designs and integrates battery systems intended mainly for the industrial and commercial vehicle markets. The condensed interim consolidated financial statements at 30 June 2026 were approved by the Board of Directors on 29 October 2026. They are presented in thousands of euros; unless otherwise stated, the amounts shown in the notes are expressed in thousands of euros.

6.2. Accounting standards and basis of preparation

The condensed interim consolidated financial statements have been prepared in accordance with IAS 34 “Interim Financial Reporting” and with IFRS as adopted by the European Union at 30 June 2026. They are unaudited, do not include all the information required for complete annual financial statements and should be read in conjunction with the consolidated financial statements for the year ended 31 December 2025.

The accounting policies and measurement rules applied are identical to those used to prepare the annual consolidated financial statements at 31 December 2025. The Group has applied the standards and interpretations mandatory from 1 January 2026. It has not early-adopted any texts whose application was not mandatory at 30 June 2026. The impact of IFRS 18, applicable from 2027, is currently being analysed.

6.3. Estimates and judgements

The preparation of the consolidated financial statements requires the use of estimates and judgements that may affect the amounts recognised for assets, liabilities, income and expenses, as well as the information relating to contingent assets and liabilities. Estimates are based on the information available at the closing date and may be revised if circumstances change. The main estimates and judgements are of the same nature as those described in the consolidated financial statements at 31 December 2025.

6.4. Going concern

The financial statements have been prepared on a going concern basis. This assessment is based in particular on the following:

- consolidated available cash of €2.2m at 30 June 2026;
- the effect in the second half of 2026 of cash improvement actions already taken (reduction in personnel costs, requests for early refund of research tax credits, sale of a majority stake in the subsidiary Forsee Power India, rescheduling of financial debt maturities, current account advance from the reference shareholders);
- the continuation of the plan to dispose of non-strategic assets;
- ongoing discussions with existing shareholders and new investors with a view to strengthening equity through a capital increase.

Under these conditions, Group Management considers that it will have the financial resources necessary to continue operations over the twelve months following the closing date.

6.5. Scope and methods of consolidation

At 30 June 2026, the scope of consolidation comprises nine fully consolidated companies and one equity-accounted company. NEoT Capital, 33.21% owned, is accounted for using the equity method. The Singapore

company Forsee Power Pte, Ltd was liquidated in March 2026; this exit from the scope had no material impact on the consolidated financial statements.

The assets and liabilities of Forsee Power India Private Ltd are classified as assets and liabilities held for sale, in view of the planned sale of 51% of the shares covered by a letter of intent signed on 12 March 2026.

The financial statements of foreign entities are translated using the closing rate method: assets and liabilities at the closing rate, income and expenses at the average rate for the period, and translation differences in other comprehensive income.

			30 June 2026			31 Dec. 2025		
Company	**Location**	**Currency**	**% control**	**% interest**	**Method**	**% control**	**% interest**	**Method**
1 - Forsee Power SA	France	Euro	100%	100%	Parent	100%	100%	Parent
2 - Forsee Power Solutions Ltd.	Hong Kong	Hong Kong dollar	100%	100%	FC	100%	100%	FC
3 - Zhongshan Forsee Power Industry Co Ltd.	China	Renminbi yuan	100%	100%	FC	100%	100%	FC
4 - Zhongshan Forsee Power Development Co Ltd.	China	Renminbi yuan	100%	100%	FC	100%	100%	FC
5 - Forsee Power Spz	Poland	Zloty	100%	100%	FC	100%	100%	FC
6 - Forsee Power India Private Ltd	India	Indian rupee	100%	100%	FC	100%	100%	FC
7 - Forsee Power Pte Ltd	Singapore	Singapore dollar	Liquidated	during the	period	100%	100%	FC
8 - NEoT Capital	France	Euro	33.21%	33.21%	EM	33.21%	33.21%	EM
9 - Forsee Power North America Inc	United States	US dollar	100%	100%	FC	100%	100%	FC
10 - Forsee Power Inc	United States	US dollar	100%	100%	FC	100%	100%	FC
11 - Forsee Power Japan GK	Japan	Japanese yen	100%	100%	FC	100%	100%	FC

FC: full consolidation (IG); EM: equity method (ME).

6.6. Segment and geographical information

Internal reporting distinguishes two segments: “Light Vehicles and Industrial Tech”, covering light electric mobility and industrial applications, and “Heavy Vehicles”, covering solutions intended in particular for buses, commercial vehicles, trucks, rail transport, marine applications and stationary storage.

Segment performance monitored by management relates mainly to revenue. Operating income is not monitored by segment, given the current limitations of the information system in allocating costs.

6.6.1. Segment information

in thousands of euros	**Light Vehicles and Industrial Tech (LeV & Ind Tech)**	**Heavy Vehicles (HeV)**	**30 June 2026**
Total revenue	7,058	13,349	20,407
Breakdown in %	34.6%	65.4%	100%

in thousands of euros	**Light Vehicles and Industrial Tech (LeV & Ind Tech)**	**Heavy Vehicles (HeV)**	**30 June 2025**
Total revenue	8,068	72,819	80,887
Breakdown in %	10.0%	90.0%	100%

Revenue generated with customers individually representing more than 10% of revenue amounted to €6.3m in the HeV (Heavy Vehicles) segment at 30 June 2026.

in thousands of euros	**Business segment concerned**	**30 June 2026**	**% of revenue**	**30 June 2025**	**% of revenue**
Customer 1	HeV	3,507	17.2%	41,478	51.3%
Customer 2	HeV	2,865	14.0%	18,022	22.3%
Selection		**6,372**	**31.2%**	**59,500**	**73.6%**
Total HeV revenue		**13,349**	**65.4%**	**72,819**	**90.0%**

Revenue generated with customers in the LeV & Ind Tech (Light Vehicles and Industrial Tech) segment individually represents less than 10% of revenue at 30 June 2026.

6.6.2. Geographical information

6.6.2.1. Revenue

in thousands of euros	Light Vehicles and Industrial Tech (LeV & Ind Tech)	Heavy Vehicles (HeV)	30 June 2026	Breakdown in %
France	3,937	3,188	7,125	34.9%
Europe	836	6,577	7,413	36.3%
Asia	1,249	3,336	4,585	22.5%
United States	1,036	248	1,285	6.3%
Rest of the world				
Total revenue	**7,058**	**13,349**	**20,408**	**100%**

in thousands of euros	Light Vehicles and Industrial Tech (LeV & Ind Tech)	Heavy Vehicles (HeV)	30 June 2025	Breakdown in %
France	4,618	3,464	8,082	10.0%
Europe	632	61,301	61,933	76.6%
Asia	2,307	7,494	9,801	12.1%
United States	511	325	836	1.0%
Rest of the world		235	235	0.3%
Total revenue	**8,068**	**72,821**	**80,887**	**100%**

6.6.2.2. Non-current assets and capital expenditure

Non-current assets			Capital expenditure		
in thousands of euros	30 June 2026	31 December 2025	in thousands of euros	30 June 2026	31 December 2025
France	65,857	64,841	France	2,748	9,338
Europe	659	741	Europe	6	10
Asia	7,051	6,835	Asia	550	1,737
United States	649	3,197	United States	66	243
Rest of the world			Rest of the world		
Total non-current assets	**74,216**	**75,614**	**Total capital expenditure**	**3,370**	**11,328**

7. Notes to the consolidated balance sheet

7.1. Goodwill

Goodwill is allocated to the cash-generating units to which it relates. No indication of impairment was identified at 30 June 2026; an annual impairment test will be performed at the 31 December 2026 closing.

No indication of impairment was identified on intangible assets or property, plant and equipment.

7.2. Intangible assets

Development costs capitalised during the period and not yet put into service amount to €3,066k. Research and development costs not capitalised amount to €3,878k for the period.

7.3. Property, plant and equipment and right-of-use assets

Additions to property, plant and equipment for the period amount to €287k, while depreciation amounts to -€2,055k.

The main movements in right-of-use assets relate to the renewal of the lease for the Zhongshan industrial and storage premises until February 2028 and a finance lease agreement for test benches. The main leased properties are located in China, the United States, France and India.

7.4. Financial assets

Financial assets include in particular cash allocated to the liquidity agreement, deposits and guarantees, and cash pledges associated with letters of credit. The pledge relating to the Hilliard site amounts to €381k before discounting at 30 June 2026. The €650k pledge relating to the Indian bank guarantee was fully repaid on 11 April 2026.

7.5. Equity-accounted investment

The equity-accounted investment relates exclusively to NEoT Capital, with a net value of €4,837k. Following the general meeting of 26 June 2026, NEoT Capital paid a dividend of which the share received by Forsee Power amounts to €331k. No indication of impairment was identified at 30 June 2026.

7.6. Inventories

The gross value of inventories amounts to €39.9m at 30 June 2026 and the corresponding impairment to €12.6m. Impairment is determined item by item in order to bring inventories to their net realisable value, taking into account in particular sales forecasts, technical and commercial obsolescence and the costs necessary to sell them.

The geographical breakdown of inventories is as follows:

in thousands of euros	30 June 2026	31 December 2025
France	23,840	24,288
Poland	8	0
China	2,836	3,284
India (1)	0	0
United States	601	308
Japan	9	7
Total inventories	**27,294**	**27,887**

7.7. Trade receivables

The Group uses a non-recourse factoring programme with Facto France. Receivables sold that meet the derecognition criteria are removed from the balance sheet on the date of sale. Non-recourse receivables sold but not financed amount to €839k at 30 June 2026 compared with €4,927k at 31 December 2025.

The amount of expected credit losses is not material.

The ageing of trade receivables due is as follows:

in thousands of euros	30 June 2026	31 December 2025
Trade receivables not yet due	2,853	4,053
Trade receivables overdue by less than 30 days	238	1,384
Trade receivables overdue by 30 to 60 days	219	946
Trade receivables overdue by more than 60 days	1,820	3,033
Trade receivables due	**5,131**	**9,416**

Overdue receivables do not present any particular risk of non-recovery or of an increase in the level of expected credit losses.

7.8. Other assets

Other current assets include in particular research tax credit receivables, which amount to €4,671k before discounting. An amount of €3,920k was the subject of a refund request during the first half of 2026. They also include receivables from the factor and retention guarantees, which amount to €862k at 30 June 2026.

7.9. Cash

Cash comprises demand deposits denominated in euros, US dollars and the functional currencies of the subsidiaries.

in thousands of euros	30 June 2026	31 December 2025
Cash in euros (€)	852	7,406
Cash denominated in US dollars ($)	616	255
Cash denominated in other currencies (Chinese yuan, Indian rupee, Polish zloty, Japanese yen, etc.)	703	4,148
Cash and cash equivalents	**2,171**	**11,809**

7.10. Equity

7.10.1. Share capital and share premium

The share capital of Forsee Power S.A. consists of 117,472,390 shares with a par value of €0.10, i.e. €11,747,243.90 at 30 June 2026. The change during the half-year results from the issue of 10,426 shares under the 2024 free share plan.

in thousands of euros	Number of shares or units	Par value	Share capital amount	Share premium amount net of costs
At 31 December 2024	**71,744,727**	**€0.10**	**7,174**	**66,616**
Allocation of net income to share premium following the GM of 24 June 2025				(16,507)
Capital increase of 24 June 2025	45,555,031	€0.10	4,556	13,670
Capital increase of 1 November 2025	9,584	€0.10	1	(1)
Capital increase of 1 December 2025	152,671	€0.10	15	(15)
At 31 December 2025	**117,462,013**	**€0.10**	**11,746**	**63,763**
Capital increase of 1 January 2026	10,426	€0.10	1	(1)
Allocation of net income to share premium following the GM of 30 June 2026				(36,910)
At 30 June 2026	**117,462,013**	**€0.10**	**11,747**	**26,852**

No dividend was distributed for the year ended 31 December 2025 and no distribution is planned for the 2026 financial year.

Under the liquidity agreement, the Group holds 521,021 treasury shares, recognised as a deduction from consolidated equity.

7.10.2. Share-based payments

No new share warrants were granted during the first half of 2026. Stock option and free share plans continue to be accounted for in accordance with IFRS 2 over the vesting period, based on the applicable service and performance conditions. The plan granted on 1 December 2025 covers 550,000 free shares with a vesting period of twenty-four months and collective performance conditions.

7.10.3. Translation reserve

The translation reserve by currency is as follows:

in thousands of euros		30 June 2026	31 December 2025
Hong Kong dollar	HKD	(219)	(335)
Chinese renminbi yuan	CNY	186	(217)
Polish zloty	PLN	(27)	(29)
Indian rupee	INR	60	32
Singapore dollar	SGD	0	(1)
US dollar	USD	(651)	(531)
Japanese yen	JPY	(74)	(73)
Translation reserve – Group share		**(725)**	**(1,154)**

7.10.4. Earnings per share

	30 June 2026	30 June 2025
Consolidated net income (loss)	(18,719)	(11,065)
Weighted average number of shares outstanding	116,950,356	73,530,086
Earnings per share	**€(0.16)**	**€(0.15)**
Diluted earnings per share	**€(0.16)**	**€(0.15)**

In accordance with IAS 33, diluted earnings per share are equal to basic earnings per share when the result is a loss.

7.11. Provisions for risks and charges

The provision for after-sales warranties amounts to €6,953k at 30 June 2026, compared with €7,530k at 31 December 2025. It covers the estimated future costs of repairing or replacing battery systems sold and is measured statistically on the basis of sales and actual costs incurred. The provision for recycling amounts to €509k and covers future costs relating to battery take-back and processing commitments.

Provisions for litigation amount to €607k, plus a specific provision of €186k relating to the Unu GmbH dispute. The latter mainly covers advisers' and experts' fees. Management considers, at this stage, that the claims made are unfounded and that no additional provision is necessary.

7.12. Retirement benefits

Retirement benefit obligations relate to French employees. They are measured using the projected unit credit method on the basis of demographic and financial assumptions updated at 30 June 2026.

The expense relating to defined contribution plans in France amounts to €562k for the half-year.

The Group has no defined benefit plans other than retirement benefits for French employees, which amount to €436k at 30 June 2026 compared with €469k at 31 December 2025.

7.13. Borrowings, financial debt and derivatives

in thousands of euros	31 December 2025	Issues	Repay-ments	Reclassi-fication	Trans-lation effects	EIR effect	Net change	Capital-ised interest	Fair value	IFRS 16 new leases	30 June 2026
EIB loans (1)				34,976		478		726			36,180
State-Guaranteed Loan from BPI (2)				938							938
State-Guaranteed Loan from BNP (2)				920		18					937
State-Guaranteed Loan from HSBC (2)				924		18					942
Right-of-use lease liabilities – non-current	12,965			(1,589)	129					1,320	12,825
Deposits and guarantees received	24				1						25
Repayable advances – non-current	590										590
Short-term credit line (3)			(75)	1,024	34						983
Inventory financing (4)				3,057							3,057
Related-party liabilities	115			0							115
Long-term financial debt	**13,694**		**(75)**	**40,249**	**163**	**514**		**726**		**1,320**	**56,592**
EIB loans (1)	34,976			(34,976)							(0)
State-Guaranteed Loan from BPI (2)	938			(938)							
State-Guaranteed Loan from BNP (2)	920			(920)							
State-Guaranteed Loan from HSBC (2)	924			(924)							
Accrued interest on financial debt	1,108	93	(0)		0					0	1,200
Right-of-use lease liabilities – current	2,309		(1,371)	1,589	24					13	2,564
Accrued interest on right-of-use liabilities	18	67	(66)		1					0	19
Short-term credit line (3)	3,647		(2,209)		310						1,747
Financial liabilities relating to related parties	144	78									222
Inventory financing (4)	8,783			(3,057)							5,726
Fair value hedges related to foreign exchange risk (5)	45						27		(43)		28
Short-term financial debt	**53,810**	**238**	**(3,646)**	**(39,225)**	**334**		**27**		**(43)**	**13**	**11,507**
Gross financial debt & similar	**67,505**	**238**	**(3,721)**	**1,024**	**498**	**514**	**27**	**726**	**(43)**	**1,333**	**68,099**
of which											
Current	*53,810*	*238*	*(3,646)*	*(38,984)*	*334*		*27*		*(43)*	*13*	*11,507*
Non-current	*13,694*		*(75)*	*40,008*	*163*	*514*		*726*		*1,320*	*56,592*

(1) Financial debt mainly comprises Tranches A, A bis, C and D of the European Investment Bank financing, the State-Guaranteed Loans and inventory financing. The agreement concluded on 17 August 2026 notably postpones the €6m Tranche A instalment to June 2028, extends Tranche C until December 2030 and Tranche D until September 2031. The application of financial covenants is suspended at 31 December 2026.

(2) The balance of the State-Guaranteed Loans, i.e. €2,817k, is repayable on a straight-line basis from the first quarter of 2028 until the end of 2029.

(3) In 2025, ZFI signed a new short-term letter of credit provided by China Merchants Bank during the 2025 financial year.

(4) The inventory-backed financing, whose outstanding principal amounted to €8.8m at the date of renegotiation, has been rescheduled from the last quarter of 2026 until March 2028.

(5) The Group also uses currency swap contracts with a notional amount of €3.9m to hedge payments scheduled in US dollars, Japanese yen and Chinese yuan in the second half of 2026.

The share warrants granted to the EIB are recognised as derivative liabilities measured at fair value through profit or loss. They show no significant change over the period.

7.14. Financial instrument derivatives

in thousands of euros	Issue date	Maturity date	Number of BSA instruments	Number of shares subscribed on exercise of BSA (2) (3)	30 June 2026	31 December 2025
BSA Warrant A for EIB (1)	18 March 2018	15 March 2028	6,857	1,828,228	341	399
BSA Warrant C for EIB (1)	4 June 2021	4 June 2041	3,500	810,972	206	224
BSA Warrant E for EIB (1)	4 December 2023	4 December 2043	1,000	494,615	97	126
Total			**11,357**	**3,133,815**	**644**	**749**

(1) The Company has issued several share subscription warrants (Bons de Souscription d'Actions – BSA) to the European Investment Bank (EIB):

- 6,857 BSA EIB Warrant A giving access to 1,828,228 ordinary shares (OS), issued on 18 March 2018 in addition to the €20m financing;
- 3,500 BSA EIB Warrant B giving access to 810,972 ordinary shares (OS), issued on 4 June 2021 in addition to the €21.5m financing;
- 1,000 BSA EIB Warrant E giving access to 494,615 ordinary shares (OS), issued on 4 December 2023 in addition to the €10m financing.

These BSA are presented and measured as a derivative liability for the following reasons:

- these BSA do not meet the definition of an equity instrument insofar as their settlement cannot result in a fixed number of the Company's shares;
- these BSA carry a put option allowing the EIB to obtain a cash repayment at the fair value of the shares not received.

(2) The conversion ratios of these BSA into ordinary shares of the Company were updated following the capital increase of 24 June 2025, the vesting of 162,255 free shares and the grant of 570,000 free shares. The number of ordinary shares (OS) for the 6,857 BSA EIB Warrant A thus increased from 1,118,379 OS to 1,828,228 OS at 31 December 2025, for the 3,500 BSA EIB Warrant B from 496,094 OS to 810,972 OS at 31 December 2025, and for the 1,000 BSA EIB Warrant E from 302,079 OS to 494,615 OS at 31 December 2025.

(3) Under the terms of the amendment of 28 August 2025, Forsee Power undertook to the EIB to amend, before 1 July 2026, the terms and conditions of the BSA EIB Warrant E. The purpose of this amendment is to revise the exercise price of the BSA EIB Warrant E so as to set it at the par value of the shares to which they give entitlement. Under the initial documentation, the exercise price of the BSA EIB Warrant E was calculated using a formula based on a weighted average of the most recent capital increases carried out by Forsee Power.

Changes over 2026 and 2025 are presented in the table below:

in thousands of euros	30 June 2026	31 December 2025
Derivative instruments at opening	749	696
Change in fair value recognised in profit or loss	(106)	53
Derivative instruments issued (net of costs) (1)	0	0
Derivative instruments cancelled following conversion	0	0
Derivative instruments at closing	**644**	**749**

The maturity schedule of financial instrument derivatives is as follows:

in thousands of euros	Within 1 year	1 to 5 years	More than 5 years	Total
BSA Warrant A for EIB		341		341
BSA Warrant C for EIB			206	206
BSA Warrant E for EIB			97	97
Total	**0**	**341**	**303**	**644**

The fair value of the derivatives would impact the financial statements as follows in the event of changes in the key assumption of the Forsee Power share price:

	BSA Warrant A for EIB	BSA Warrant C for EIB	BSA Warrant E for EIB	Gross impact on fair value at 30 June 2026
Decrease in the Forsee Power share price of (25)%	226	153	70	449
Increase in the Forsee Power share price of 10%	386	226	108	720

7.15. Management of risks relating to financial assets and liabilities

In the absence of any significant change, the reader is referred to section 7.15 of the notes to the annual financial statements for the year ended 31 December 2025 presented in the Group's 2025 Annual Financial Report, as well as to sections 1.6, 3.4 and 6.4 of this half-year report.

7.16. Information on the fair value of financial assets and liabilities

(a) The Group considers that the carrying amount of cash, trade receivables, other receivables, trade payables, other payables and various deposits and guarantees is a good approximation of market value at 30 June 2026, due to the high degree of liquidity of these items and their maturity of less than one year.

(b) The Group does not hold any marketable securities at 30 June 2026.

(c) The Group does not hold any trading derivative instruments at 30 June 2026.

At 30 June 2026, the Group has hedging in US dollars, Japanese yen and Chinese yuan by means of two currency swap contracts (FX swaps) for an amount of €3.9m to cover payments in the second half of 2026.

(d) For trade payables, the Group considers that the carrying amount is a good approximation of market value, due to the high degree of liquidity of these items.

The market value of long-term and short-term financial debt is determined using the value of estimated future cash outflows, discounted using the rates observed by the Group at the end of the period for instruments with similar terms and maturities.

(e) Financial instruments on the balance sheet:

The market values of financial assets and liabilities measured at fair value correspond to the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal or most advantageous market at the measurement date. The valuation methods for financial assets and liabilities used by level are as follows:

- Level 1: fair value determined exclusively by reference to prices observed in active markets;
- Level 2: fair value measured using a model based on market parameters that are directly or indirectly observable;
- Level 3: fair value measured using a model incorporating certain parameters not observable in a market.

The methods and assumptions used to estimate the fair value of financial assets and liabilities are presented in note 3.3.7 to the consolidated financial statements at 31.12.2025.

in thousands of euros	30 June 2026	Fair value	Level 1 Unadjusted quoted prices	Level 2 Observable data	Level 3 Unobservable data
Cash and cash equivalents	2,171	2,171	2,171		
Financial instruments not held for trading					
Financial assets at fair value	**2,171**	**2,171**	**2,171**		
Deposits and guarantees paid	312	312			312
Other financial assets	384	384			384
Trade and related receivables	5,131	5,131			5,131
Other assets	9,960	9,960			9,960
Assets at amortised cost	**15,787**	**15,787**			**15,787**
Financial instrument derivatives	644	644		644	
Foreign exchange hedging derivative	28	28		28	
Financial liabilities at fair value	**671**	**671**		**671**	
Long-term financial debt	56,592	56,592			56,592
Short-term financial debt	11,479	11,479			11,479
Trade payables presented in WCR	7,117	7,117			7,117
Other liabilities	16,272	16,272			16,272
Liabilities at amortised cost	**91,460**	**91,460**			**91,460**

7.17. Trade payables

in thousands of euros	30 June 2026	31 December 2025
Suppliers	7,117	6,137
Trade payables presented in WCR	**7,117**	**6,137**
Trade payables	**7,117**	**6,137**

7.18. Other liabilities

in thousands of euros	30 June 2026	31 December 2025
Customers – Advances and down payments received (IFRS 15 contract liabilities)	638	1,441
Social security liabilities (1)	9,281	9,530
Tax liabilities	918	485
Liabilities relating to customer contracts (2)	4,490	4,336
Other miscellaneous current liabilities (3)	864	2,945
Benefits granted on PGE at below-market interest rates	0	36
Other liabilities presented in WCR	**16,191**	**18,773**
Corporate income tax liability	48	77
Liabilities on acquisitions of fixed assets	33	91
Other liabilities	**16,272**	**18,941**
of which		
Current	*12,171*	*14,864*
Non-current	*4,101*	*4,077*

1) Of the €9,530k of social security liabilities at the end of December 2025, €815k owed to URSSAF and €306k relating to pension contributions, corresponding to the employer's share for November and December 2025, are subject to a payment schedule planned for 2026. A 12-month deferral was granted. At 30 June 2026, the social security liabilities subject to deferral increased by €385k and amount to €1,506k.

2) Of which €4,454k at 30 June 2026 of deferred revenue on specific battery warranty extensions and €36k of investment grants. At 31 December 2025, the amount included €3,855k of deferred revenue on warranty extensions and €450k of investment grants.

3) Of which, at 30 June 2026, €384k at Zhongshan Forsee Power Industry Ltd (compared with €467k at 31 December 2025) and €259k at Zhongshan Forsee Power Development Ltd (compared with €197k at 31 December 2025).

7.19. Deferred taxes

in thousands of euros	30 June 2026	31 December 2025
Temporary tax differences	10	31
Provisions for retirement benefits	128	126
Lease liabilities on lease contracts	3,761	5,086
Right-of-use assets on lease contracts	(3,438)	(4,791)
Loan issue costs at EIR	0	(190)
Intra-group margins on inventories	78	58
Other temporary differences (incl. R&D)	(1,135)	(952)
Recognition of tax loss carryforwards	0	0
Total net deferred taxes	**(596)**	**(632)**

Deferred taxes are measured at the rates expected to apply when the temporary differences reverse.

The Group limits the recognition of deferred tax assets on tax loss carryforwards to amounts whose recovery is probable over a three-year horizon.

Unrecognised tax loss carryforwards of Forsee Power S.A. amount to €262,420k, corresponding to €65,605k of unrecognised deferred tax assets.

7.20. Assets and liabilities held for sale

in thousands of euros	30 June 2026	31 December 2025
Property, plant and equipment	745	809
Right-of-use assets	124	161
Financial assets	137	137
Deferred tax assets	4	5
Non-current assets	**1,010**	**1,112**
Inventories	602	1,265
Trade receivables	190	538
Other receivables	1,263	1,399
Cash	93	333
Current assets	**2,148**	**3,534**
Total assets held for sale	**3,158**	**4,646**

The assets and liabilities of Forsee Power India Private Ltd are presented separately in accordance with IFRS 5, as the sale of a controlling majority of the company's shares is considered highly probable in view of the partnership project undertaken with a local player. They are measured at the lower of their carrying amount and fair value less costs to sell.

8. Notes to the consolidated income statement

8.1. Revenue

Revenue is recognised when control of the promised goods or services is transferred to the customer, for an amount corresponding to the consideration to which the Group expects to be entitled. It is analysed by the Light Vehicles and Industrial Tech and Heavy Vehicles segments and by geographical area. Unsatisfied performance obligations correspond mainly to the backlog of firm orders remaining to be delivered.

in thousands of euros	30 June 2026	30 June 2025
Sales of goods	18,134	78,148
Services	2,221	1,323
Other activities	53	1,401
Total	**20,408**	**80,871**

The firm order backlog amounts to €23.8m at 30 June 2026 (of which €16.9m for delivery in 2026, €4.6m in 2027 and €2.4m in 2028). It amounted to €40.8m at 30 June 2025.

8.2. Other operating income and expenses

in thousands of euros	30 June 2026	30 June 2025
Gain (loss) on disposal of fixed assets	0	0
Directors' fees	(106)	(134)
Insurance indemnities	789	0
Miscellaneous operating income and expenses (1)	375	(399)
Sub-letting income	158	
Other operating income and expenses	**1,216**	**(533)**

1) Of which, at 30 June 2025, prior-year expenses of €203k.

8.3. External services and purchases consumed

in thousands of euros	30 June 2026	30 June 2025
Purchases consumed, including foreign exchange gains and losses on purchases (1)	(14,682)	(51,328)
Fees, external services (1)	(1,142)	(2,102)
Rentals, maintenance & insurance	(1,842)	(2,581)
Transport, travel & entertainment	(1,227)	(1,672)
Study and research costs	(1,599)	(1,475)
Postal & telecommunications costs	(251)	(223)
Subcontracting (1)	(534)	(526)
Other	(20)	(895)
External services and purchases consumed	**(21,297)**	**(60,801)**

Operating expenses mainly comprise purchases consumed, external services, personnel expenses, taxes and duties, and depreciation, amortisation, provisions and impairment. The research tax credit is recognised as a deduction from the expenses to which it relates: €27k as a deduction from study and research costs, €437k as a deduction from salaries and €201k as a deduction from social security charges at 30 June 2026.

Non-current operating expenses for the half-year correspond mainly to fees of advisers, lawyers and agents incurred in connection with the renegotiation of borrowings. Charges and reversals include in particular the effects of re-estimates of provisions for warranties, recycling, litigation and inventory impairment.

8.4. Personnel expenses and headcount

in thousands of euros	30 June 2026	30 June 2025
Personnel expenses		
Salaries (1)	(8,801)	(11,648)
Social security charges (2)	(3,046)	(4,044)
Other short-term benefits	(286)	(355)
Service cost of defined benefit plans	3	(59)
Share-based payment costs	(12)	(61)
Total	**(12,142)**	**(16,167)**

(1) Part of the research tax credit (CIR) income is presented as a deduction from salaries for €437k at 30 June 2026 and €446k at 30 June 2025.

(2) Part of the research tax credit (CIR) income is presented as a deduction from social security charges for €201k at 30 June 2026 and €192k at 30 June 2025.

The average full-time equivalent headcount is as follows:

	30 June 2026	30 June 2025
Managerial staff (cadres)	286	295
Non-managerial staff	298	351
Total	**584**	**646**

8.5. Taxes and duties

Taxes and duties amount to €456k at 30 June 2026 compared with €528k at 30 June 2025.

8.6. Depreciation, amortisation and operating provisions – charges/reversals

in thousands of euros	30 June 2026	30 June 2025
Amortisation and impairment of intangible assets	(2,439)	(2,168)
Depreciation of right-of-use assets on property, plant and equipment	(1,434)	(1,404)
Depreciation and impairment of property, plant and equipment	(2,293)	(2,429)
Provisions for risks and charges (1)	992	(762)
Net impairment of inventories and receivables	1,149	(639)
Net charges	**(4,024)**	**(7,402)**

8.7. Non-current operating income (loss)

in thousands of euros	30 June 2026	30 June 2025
Non-capitalised costs relating to capital increase and IPO	0	0
Other non-current income and expenses (1)	(205)	(670)
Non-current operating income (loss)	**(205)**	**(670)**

(1) Non-current expenses at 30 June 2026 correspond to fees of advisers, lawyers and agents related to the renegotiation of bank debt. Non-current expenses at 30 June 2025 corresponded to costs related to the implementation of a new enterprise resource planning (ERP) software for €286k and employee departure costs for €384k.

8.8. Net financial income (expense)

in thousands of euros	30 June 2026	30 June 2025
Financial income received on financial assets	10	20
Financial income not received	0	0
Financial income	**10**	**20**
Interest expense on borrowings (1)	(1,863)	(2,076)
Gross cost of financial debt	**(1,863)**	**(2,076)**
Foreign exchange gains and losses	(253)	(3,180)
Net impairment of financial assets measured at amortised cost	(18)	(14)
Change in fair value of derivatives (2)	79	(277)
Discounting expense on non-current assets and liabilities or those exceeding 12 months	175	35
Effective interest rate (EIR) expense on financial liabilities (3)	(478)	(62)
Interest expense on lease liabilities	(203)	(329)
Bank and factoring fees and commissions	(282)	(59)
Other financial income received	(109)	69
Benefits granted on PGE at below-market interest rates	181	327
Other net financial income and expenses	**(907)**	**(3,490)**
Net financial income (expense)	**(2,760)**	**(5,546)**

Net financial income (expense) comprises the cost of debt, the effects of discounting, foreign exchange differences and changes in the fair value of derivative instruments.

(1) At 30 June 2026, interest expense relating to EIB financing includes in particular €1,419k for Tranche A, of which €726k capitalised, €250k for Tranche C and €817k of accrued interest not yet due for Tranche D.

(2) Changes in fair value include income of €58k on the BSA EIB Warrant A, €18k on the BSA EIB Warrant C and €29k on the BSA EIB Warrant E, as well as an expense of €26k on foreign exchange hedging instruments.

8.9. Income tax

The tax expense for the half-year is determined by applying the estimated effective tax rate for the year to income before tax, adjusted for items whose tax impact is recognised in full in the period. It takes into account the limitation on the recognition of deferred tax assets on tax loss carryforwards where their future use is not sufficiently probable.

Deferred tax liabilities at opening	**30 June 2026**	**30 June 2025**
Current taxes	3	(131)
Deferred taxes (1)	59	(66)
Tax expense	**62**	**(197)**

The tax reconciliation for 2026 and 2025 is as follows:

in thousands of euros	**30 June 2026**	**30 June 2025**
Theoretical tax expense (at the applicable rate)	4,695	2,717
Actual tax expense	62	(197)
Difference	**4,634**	**2,914**
Permanent differences on share-based payments	3	15
Other permanent differences	418	60
Tax credits (CIR and CIF)	(750)	(189)
Financial instrument derivatives	94	97
Non-recognition of DTA on other temporary differences	(90)	61
Tax loss arising in the period and not recognised in the balance sheet	5,073	2,854
Use of prior tax losses not recognised in the balance sheet	(76)	0
Tax rate differences between countries	(45)	29
Other differences	7	(13)
Total	**4,634**	**2,914**

9. Notes to the cash flow statement

9.1. Depreciation, amortisation, provisions and impairment

in thousands of euros	30 June 2026	30 June 2025
Net depreciation and amortisation of fixed assets	4,732	4,597
Net depreciation of right-of-use assets on property, plant and equipment	1,434	1,404
Net charges to provisions for risks and charges	(992)	750
Service cost of defined benefit plans	(3)	59
Net charges	**5,170**	**6,810**

9.2. Working capital requirement

in thousands of euros	Notes	31 December 2025	WCR	Discounting and other non-cash effects in WCR	Translation effects	30 June 2026
Net inventories	7.6	27,887	(766)		173	27,294
Trade and related receivables	7.7	8,127	(2,997)		1	5,131
Other assets	7.8	10,743	(6,049)		776	5,471
Trade payables	7.17	(6,137)	(862)	0	(119)	(7,117)
Other liabilities	7.18	(18,773)	1,500	1,174	(92)	(16,191)
Total		**21,848**	**(9,174)**	**1,174**	**739**	**14,586**

in thousands of euros	Notes	31 December 2025	Change and impact on income	Translation effects	Discounting and other non-cash effects in WCR	30 June 2026
Change in deferred taxes	7.19	(632)	59	4	(26)	(596)
Change in income tax receivables and payables (1)	7.8 and 7.18	4,207	223	(3)	163	4,590
of which CIR		*4,130*	*345*		*163*	*4,638*
Tax expense recognised	8.9	(197)	(62)			62
Total changes in tax			**(125)**	**1**	**(26)**	

9.3. Cash flows on acquisitions of fixed assets

in thousands of euros	30 June 2026	30 June 2025
Acquisition of intangible assets	(3,086)	(4,696)
Acquisition of property, plant and equipment net of advances and down payments	(281)	(1,492)
Acquisition of financial assets	(3)	(3)
Total capital expenditure	(3,369)	(6,190)
Liabilities on acquisitions of fixed assets	(58)	63
Net cash flows on acquisitions of fixed assets	**(3,427)**	**(6,127)**

9.4. Cash flows on disposals of fixed assets and changes in scope

The Group did not record any cash flows relating to disposals of fixed assets or changes in scope during the half-year.

10. Other information

10.1. Events after 30 June 2026

See section “3. Events after the reporting period”.

No other event after the closing date likely to call into question the principles used to prepare the financial statements at 30 June 2026 was identified at the date of approval.

10.2. Related-party transactions

10.2.1. Management compensation

Management compensation is presented in note 10.2.1 to the consolidated financial statements at 31 December 2025.

At its meeting of 29 June 2026, the Ordinary General Meeting approved the compensation policy for corporate officers.

10.2.2. Related-party transactions

The main related parties and related-party transactions are defined and presented in notes 3.3.32 and 10.2.2 to the consolidated financial statements at 31 December 2025.

Significant related-party transactions during the first half of 2026 were as follows:

in thousands of euros	30 June 2026	30 June 2025
Receivable from NEoT CAPITAL	0	0
Trade payables with a shareholder	(4)	0
Financial debt owed to shareholders	(338)	(351)
Total statement of financial position items	**(342)**	**(351)**
Salaries and other short-term benefits	(1,164)	(1,408)
Share-based payments	(7)	(62)
Fees	(15)	(44)
Revenue	131	108
Purchases		
Total income statement items	**(1,055)**	**(1,406)**

10.3. Off-balance sheet commitments

The main commitments include stand-by letters of credit issued in favour of lessors, banks or suppliers, parent company guarantees granted to certain Chinese suppliers, the pledge of the business (fonds de commerce) granted to the EIB and the residual guarantees granted to Mitsui & Co. under the investment agreement concluded in 2017.

The letter of credit relating to the Hilliard industrial site covers a maximum amount of $1m and decreases annually until November 2032. The €650k bank guarantee relating to Indian customs was repaid in April 2026. A parent company guarantee of 58 million yuan and two additional guarantees of 1.3 million yuan have been granted to Chinese suppliers in order to extend payment terms.

Detailed information on off-balance sheet commitments is available in note 10.3 of the 2025 annual financial report.