BEYOND THE BATTERY

UNIVERSAL REGISTRATION DOCUMENT

including the annual financial report

2024

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FORSEE POWER
Public limited company with a Board of Directors with a share capital of €7,174,472.70
Registered office: 1 boulevard Hippolyte Marques, 94200 Ivry-sur-Seine

Detailed chapter summaries are provided at the beginning of each chapter.

* This information is an integral part of the Annual Financial Report, as provided for in Article L. 451-1-2 of the French Monetary and Financial Code.

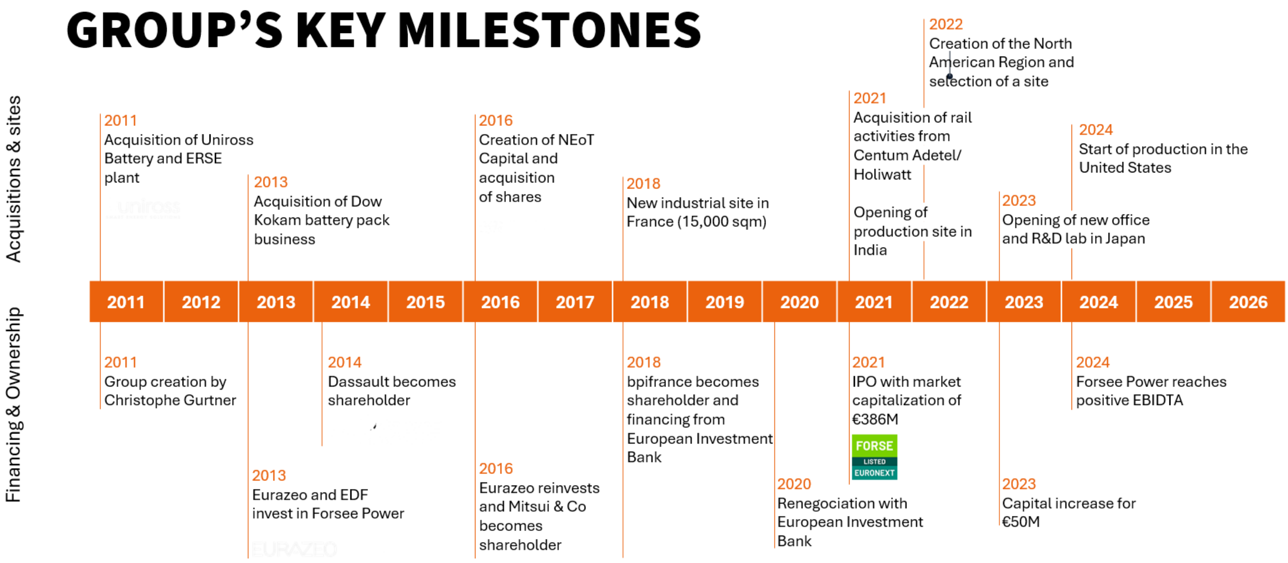
1. PRESENTATION

1.1 General overview

1.1.1 History and development of the Group

Forsee Power designs and manufactures intelligent battery systems for electromobility. These systems are developed from electrochemical cells and then integrated into vehicles for a first life of about ten years. From the outset, the Group has been developing battery systems with the aim of using them in a second life as stationary energy storage or grid back-up, combined with the production of renewable energy such as solar panels. The Company also aims to support its customers in managing the end-of-life and recovery of components, such as electrochemical cells or steel, in partnership with the recycling industry.

On the strength of this experience, the Group believes that the solutions it offers are among the most effective in the segments in which it operates (see section 1.4 "Research and Development activities" of this document).



1.1.2 Strategy

1.1.2.1 Increase industrial capacity to establish geographical presence

Increase production capacities in existing regions

The Company intends to take advantage of the scalability of its current production sites to increase its production capacity.

In June 2022, the Company announced its expansion into North America and the construction of a battery system plant in the United States, which will enable it to address the growing commercial vehicle market, primarily buses, trucks, trains, and off-highway vehicles. Such a location is not only a means of optimizing costs and the supply chain, but also a requirement of certain key markets, such as the urban bus market, which requires a local location to comply with the FAST Act (70% of the value must be produced locally under public procurement contracts).

The site is fully operational for series production in the second quarter of 2024.

1.1.2.2 Increase presence in current markets and expand into the most dynamic new sectors

The Group has chosen to address very specific market segments, where the battery system represents a high added value combined with attractive volumes. The very high-volume markets (automotive) are not a focus of development for the Group's activities because they are characterized by low margins and the internalization of production directly with customers.

The Group's commercial strategy is therefore to strengthen its presence in its current markets in which it has acquired a leading position, and to gradually develop emerging markets at the same time, which are powerful growth drivers.

Heavy vehicles

- **Commercial vehicles: Buses, trucks and special vehicles**

In the commercial vehicle market, the Company's strategy is to strengthen its position by:

  - Expanding its range of products and services to support its current customers in their growth, for example through the "Mobility as a Service" offer that allows them to be more competitive and win new markets;
  - Expanding its customer base in its current markets.
  - diversifying, thanks to the evolution of its technologies in terms of energy density or flexibility in particular, the types of vehicles equipped with its batteries (intercity buses, trucks and special vehicles);
  - developing new markets, particularly in Asia Pacific and North and South America, based on the Company's experience and credibility in Europe and on the location of its productions.

- **Off-highway vehicles**

The "off-highway", a market in the making, enjoys very powerful growth engines due to anti-pollution and public health regulations for non-road machinery such as the Stage standard in Europe and the Tier standard in the United States, which aim to limit the permissible values of fine particle emissions, in particular nitrogen dioxide.

In order to best address this market, the Company has developed a range of dedicated and extremely modular products.

This market, which is still being defined/validated, is expected to experience a phase of strong growth (see section 1.2.3.2 "Heavy vehicles" of this document).

The Company will be able to rely on its existing industrial base in Europe, Asia and North America to acquire new customers who will benefit from the experience and critical mass it has already achieved in the commercial vehicle and scooter markets.

- **Rail**

In the railway sector (which requires very stringent standards and technical requirements), the Company intends to capitalize on its experience curve acquired by supporting its current customers in their development and series launch phases, and to develop new products with high added value.

In this sense, Forsee Power acquired, in July 2021, the assets attached to the autonomous elements branch of the company Holiwatt, allowing it to integrate more than 20 years of know-how in the railway field and an offer of energy storage systems and power converters and auxiliary converters (CVS).

Initially, deployment in this market should be done primarily in Europe.

Light Vehicles

In the field of light vehicles, the Group enjoys a leading position in the light vehicle sector (2 to 4 wheels) with customers such as Piaggio, Peugeot Motocycle and Kawasaki.

For this segment, the Group's strategy is to strengthen its position with its customers by equipping their new product ranges, and to acquire new ones in Europe and Asia, and particularly in India, by focusing its efforts on 3 and 4 wheels.

The Group has also expanded the scope of its light vehicle segment, by acquiring light 4-wheeler, urban and commercial customers such as Mathieu Groupe Fayat and Toyota.

1.1.2.3 Enhancing the range of services

As a designer and manufacturer of high value-added systems, the Group now derives almost all of its revenues from the sale of systems.

In addition to the sale of systems, the Company also supports its customers in the design phase of their vehicles: technological choices (sizing model, aging models, TCO model, etc.), integration of battery systems (mechanical studies, BMS interfacing), and on-site interventions during the prototype development phase.

With serial deployment, the Company also offers preventive and curative maintenance services thanks to remote diagnostic tools (Diagtool), training for its customers' staff and fleet operators, a network of local partners, a hotline and remote monitoring of battery/vehicle fleets.

Finally, the Company is developing electromobility financing services that can include not only the battery, but also the vehicles and the complete charging infrastructure, thanks to the NeoT company (see paragraph 2.3.1.6 of this document), the support of Mitsui and an extensive banking and investor network with certain pre-negotiated financing agreements in order to facilitate and accelerate financing.

The Company is therefore expanding its service offering to support its customers throughout the life of their vehicles and intends to enrich this service offering, which is a sales facilitator and allows customer loyalty.

1.1.2.4 Expand the customer portfolio

Through its development and the enrichment of its service offering, the Group aims to strengthen the long-term relationships built with its customers while expanding its customer base towards commercial prospects. The

Company's capacity for innovation allows it to constantly develop solutions adapted to the new needs of its customers.

As a result, the current portfolio, concentrated around 10 customers representing together around 90% of revenues in 2023, is intended to diversify into new customers as the Group's business expands into new business segments. In 2028, the company expects about 62% of revenue to come from the top 10 customers currently.

For more details on the Group's customers, the reader is invited to refer to paragraph 1.3.3 "Group customers".

1.1.2.5 Strengthen its technological lead and battery performance

Technological progress is one of the key growth drivers of the Group's markets, which stands out for its ability to provide battery system offerings that meet the needs of each customer, both in terms of autonomy or operating time as well as transmission, absence of noise and vibrations, and competitive total cost of ownership (TCO). The Group's ambition is to constantly improve the performance of its battery systems in order to support the growth in the number of customers and vehicles equipped.

Promote flexible formats

The Company emphasizes the modularity of its battery formats, to ensure the most flexible integration possible into its customers' vehicles. The Company focuses its industrial approach on modular designs that make it possible to offer the same platforms of modules, BMS, cooling, etc., in different formats, in particular through its SLIM and PLUS ranges.

The Company is developing several battery formats, capable of being installed in different orientations (horizontal or vertical) and/or being flexibly combined with each other in order to simplify and optimize their installation by its customers. This approach aims to optimize the use of available space, meeting the varied needs of customers with vehicle ranges with varying integration spaces.

Increase energy density (multiplied by 2 by 2025 compared to 2014).

The Company has made energy density a fundamental focus of its technological advancements, recognizing its crucial importance in the choice of a battery system.

By selecting the cells it deems most suitable for each system, by developing the most efficient (new materials) and densest integration technologies, without impacting on lifespan and safety, the Company aims to continue to reduce the weight and volume of battery systems in order to meet the strict weight constraints incumbent on the Group's customers.

Efficiency (cost/kWh ratio divided by 2 by 2025 compared to 2014)

The Group's customers who manufacture the vehicles operate in highly competitive markets and must ensure the best TCO for their customers. With this in mind, the Company designs its products with economic efficiency in mind in order to achieve the most competitive prices based mainly on:

- a geographical presence consistent with the locations of its customers,
- standardised production facilitating their production and integration into its customers' industrial processes,
- a pooling of components and internal sub-assemblies of its products, in order to generate scale effects in its supplies and productivity gains in its developments, such as for the ZEN SLIM, ZEN LITE and ZEN PLUS ranges.

These elements should enable the Company to halve its production costs by 2025 (compared to 2014), allowing it to offer its customers a high level of competitiveness while continuing to increase its margins.

Development of standardized product platforms integrating artificial intelligence

By focusing its efforts on key and innovative technologies, the Company is developing a platform strategy offering several standard product lines, allowing its customers to benefit from a significant reduction in their development schedules and engineering costs, a higher level of innovation and validation as these technologies are developed for multiple customers and applications.

This strategy also makes it possible to optimize their transversal use in different products and to accelerate the acquisition of new customers and projects without multiplying development efforts by offering its standard LIFE, GO, ZEN, FLEX, PULSE and SPIKE ranges.

At the heart of this platform, the Company integrates the intelligence and know-how accumulated by its teams of engineers.

1.1.2.6 Acquisitions

In addition to its organic growth, the Company could make targeted acquisitions in order to access products already validated in the markets concerned and technical and/or commercial teams present in strategic countries for its development. The criteria for these acquisitions will be the quality of the products and teams, their alignment and complementarity with the Company's strategy, and their financial evaluation.

1.1.3 Competitive advantages

1.1.3.1 Forsee Power, a European leader in its main markets in Europe and Asia

For more details on the European leadership position in its main markets in Europe and Asia, the reader is referred to section 1.2.4 "Competitive environment". The Group has developed several partnerships :

- With Alstom, for the hybridization of the Alstom TER;
- With one of the world's leading hydrogen buses, Wrightbus, in an exclusive partnership to equip its standard and double-decker hydrogen buses. Wrightbus has accumulated more than two million kilometres of experience with its hydrogen buses equipped with Forsee Power batteries that are on the road in several cities in the United Kingdom;
- With Maxion, in order to optimize the integration of battery systems into chassis and structural elements, of which the Brazilian Group is one of the world leaders;
- With Hyliko, a French specialist in hydrogen trucks;
- With Ballard, to successfully experiment with the interface between their fuel cells and Forsee Power battery systems.

1.1.3.2 Local support to strengthen the momentum of the electromobility market

The Group has a global production capacity of nearly 3 GWh in 2024 in Europe (France and Poland), Asia (China and India) and North America (Ohio, United States), localized to support the ramp-up of global electromobility (see section 1.2 of this document).

The location of production capacity is defined according to that of customers, relying on a local supply chain to reduce the carbon footprint related to the transport of both supplies and deliveries to customers.

Since its creation, the Group has sought to set up an industrial network that allows it to meet the needs of its international customers and to locate production as close as possible to the markets. For more details on the establishment of this industrial network, see paragraph 1.1.1 of this document.

In 2024, the Group inaugurated its American site in Hilliard, Ohio to cover the needs of the American continent.

1.1.3.3 Industrial and commercial capabilities to seize growth opportunities

The Group's factories are designed to develop production capacities and support the growth in customer demand. The production lines are designed by the Group's industrialization engineers with the support of R&D engineers who develop the battery systems in their entirety and thus master the constraints related to the production of these systems and their components.

On the one hand, the current definition of factories allows for a gradual increase in their capacity (approximately doubling) by adding additional assembly lines, either by simple duplication or by installing new lines.

On the other hand, the production teams are calibrated so that they can produce in three shifts, thus allowing the Group's factories to operate 24 hours a day to absorb any variations in demand.

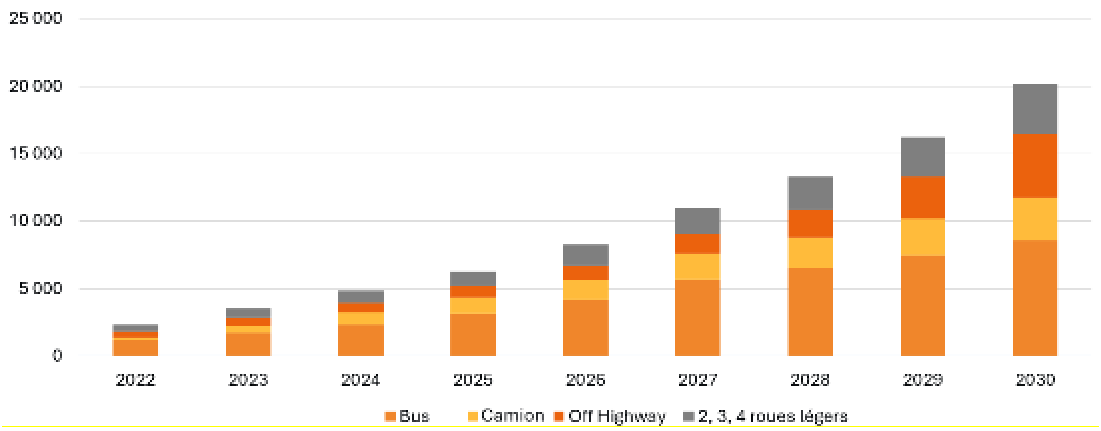
Then, the capacity increase will be achieved by increasing the Group's sites and new locations. It should be noted that the Group has extensive experience in the creation of production units.

1.2 Description of the Group's target markets

1.2.1 A fast-growing lithium-ion rechargeable battery market

Most market studies predict very strong growth in the market over the next few decades. With growth from around 550 GWh in 2020 to more than 9,400 GWh in 2030, Bloomberg[1] predicts an average annual growth rate (CAGR) of more than 30%.

Lithium-ion Battery Systems Market Outlook in USD Million



Source: Source: Markets and Markets, IDtechEx, Forsee Power

1.2.2 Growth Drivers

1.2.2.1 A strong commitment from the public authorities

Cities and regions

Most of the world's major cities have begun to accelerate their pace of adoption of zero-emission modes of transport in urban areas, with the C40 declaration " *Fossil Fuel Free Streets* " being endorsed by 36 major cities representing 25% of global GDP. In this context, the City of Paris has announced that it will put an end to diesel mobility by 2024 In addition, financial incentives and accompanying measures have been put in place to promote the installation of bicycle shelters and electric charging stations.

In the United States, eight states (California, Connecticut, Maryland, Massachusetts, New York, Oregon, Rhode Island, and Vermont) have set a goal of reaching 3.3 million zero-emission vehicles by 2025

[1] *Bloomberg NEF Hitting the EV Inflection Point, 2021.*

Governments

A multilateral commitment by most of the world's governments has accelerated the transition to electric powertrains. Some notable examples are described below:

- **The Paris Agreement:** an international legally binding treaty on climate change adopted by 196 States at COP21 in Paris on 12 December 2015 and entered into force on 4 November 2016.
- **China's Air Pollution Action Plan:** 2018-2020 three-year action plan to combat air pollution. Key policies in the 2021 Action Plan include a 20% share of non-fossil fuels in 2025 and an 18% reduction in carbon intensity between 2021 and 2025[2].
- **European Green Deal**: roadmap to make the European Union's economy sustainable by turning climate and environmental challenges into opportunities in all policy areas, announced in December 2019. This roadmap commits the European Union to achieving carbon neutrality by 2050.
- **National Clean Air Program:** a long-term national strategy to tackle air pollution in India. The objective is to reduce particle concentrations by 20 to 30% by 2024 compared to 2017.
- **Biden Plan:** The goal of which is to build modern, sustainable infrastructure and a clean, equitable energy future. This plan includes $174 billion in spending to boost the electric vehicle market. The Biden administration announced in July 2021 a plan to electrify 50,000 buses in the next 8 years, or 70% of the country's fleet.
- **Inflation Reduction Act (IRA):** passed in 2022 in the United States, this plan is a climate plan to finance the country's energy transition over ten years with a view to reducing greenhouse gas emissions by 50% in 2030 compared to 2005. $400 billions is devoted to the plan.

1.2.2.2 Maturity of the offer and consumers

The electric vehicle market is experiencing strong and continuous growth due to increased customer and supply maturity. As batteries become more efficient, range increases, and charging stations multiply, sales of pure battery electric vehicles now exceed those of plug-in hybrid electric vehicles[3]. Sales of electric vehicles have

[2] *Reuters, « China to cut energy intensity, but no consumption cap in new 5-year plan », 5 mars 2021.*

[3] *Agence Internationale de l'Energie (IEA), Global EV Outlook 2021, avril 2021.*

doubled every year in several markets, thanks in part to numerous subsidies and regulations that encourage their adoption[4]. The share of Original *Equipment Manufacturer* production of electric vehicles and major components such as batteries and electric motors is increasing in most developed countries, with China hosting the most mature players.

In a few figures and examples:

- Target of 80% of the fleet of purely electric buses in Paris by 2025[5] ;
- Target of 100% of Greater London buses being "zero emission" by 2037[6] ;
- Goal for California's public transit agencies to transition to a zero-emission bus fleet by 2040[7] ;
- Target to have almost all cars, vans, buses and heavy-duty vehicles "zero emission" in Europe by 2050[8] ;
- Forecast of a CAGR of 41% over the period 2019 – 2027 for electric scooters and motorcycles in Europe[9] ;
- Forecast of a 45% CAGR over the period 2020 – 2027 of the European electric commercial vehicle market[10].

World market share of Light Vehicles by powertrain[(2)]

Light Vehicles sold[(1)]

(million units)

Impact and early adopter electrification

Cost-of-ownership electrification

Supply-driven

Notes: (1) Sales for 2018, 2019 and 2020 are actual data. Data from 2021 onward are BCG projections.

(2) Projections include cars, SUVs and all other light passenger vehicles, excluding heavy vans.

(3) FCEV = fuel cell electric vehicle, BEV = battery electric vehicle, PHEV = plug-in hybrid electric vehicle, HEV = hybrid electric vehicle, MHEV = mild hybrid electric vehicle. As a result of rounding, the percentage for a given year may not equal 100%.

[5] *Ile-de-France Mobilités, Communiqué de presse, « Le STIF et la RATP présentent les nouveaux bus électriques », mai 2017.*

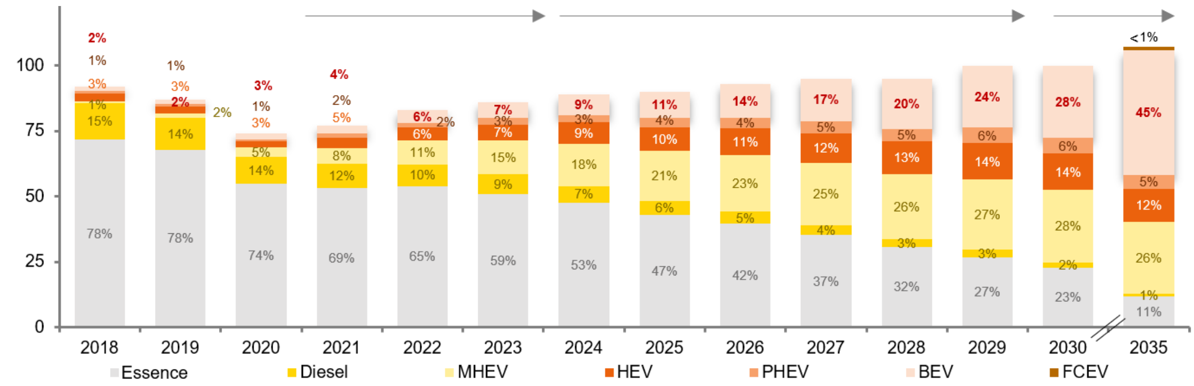
[6] *Mayor of London government, Communiqué de presse, London's electric bus fleet becomes the largest in Europe, 5 septembre 2019.*

[7] *California Air Resource Board, 2018.*

[8] *European Commission, A fundamental transport transformation: Commission presents its plan for green, smart and affordable mobility, 9 décembre 2020.*

[9] *MarketsandMarkets, Electric scooter and motorcycle market – Global Forecast to 2027, 2019.*

[10] *MarketsandMarkets, Electric commercial vehicle market – Global Forecast to 2027, 2019.*



Sources : European, Environment Agency, BloombergNEF, UN World Urbanization Prospects 2018, McKinsey & Company, BCG analysis
Notes: (1) Les ventes pour 2018, 2019 et 2020 sont des données réelles. Les données à partir de 2021 sont des projections du BCG
(2) Les prévisions incluent les voitures, les VUS et tous les autres véhicules de tourisme légers, à l'exception des fourgons lourds
(3) FCEV = électrique à pile à combustible, BEV = électrique à batterie, PHEV = électrique hybride rechargeable, HEV = électrique hybride complet, MHEV = électrique hybride doux.
En raison de l'arrondissement, le pourcentage pour une année donnée peut ne pas être égal à 100 %

Source: BCG, Why Electric Cars Can't Come Fast Enough, April 20, 2021

1.2.2.3 Economic parity

Electrification is driven by strong improvements in the EV economy, including lower battery costs, strong potential for battery pack rentals, and state subsidies.

According to a study, across all market sectors, electric vehicles are expected to become the cheapest option in the next 5 to 10 years[11]. "The timing of total cost of ownership (TCO) parity in the U.S. and China is comparable to that of Europe, with parity occurring slightly earlier in China, and the U.S. slightly later, reflecting differences in fuel taxes and subsidies for electric vehicles."[12] According to a study, the electric bus achieved parity in 2018 in Europe[13]. This is due to the intensive use of the vehicle throughout the day (up to 16 hours a day) and the battery size adapted to the use and exactly as needed.

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[11] *McKinsey Energy Insights' Global Energy Perspective, janvier 2019.*

[12] *McKinsey Energy Insights' Global Energy Perspective, janvier 2019.*

[13] *McKinsey Energy Insights' Global Energy Perspective, janvier 2019.*

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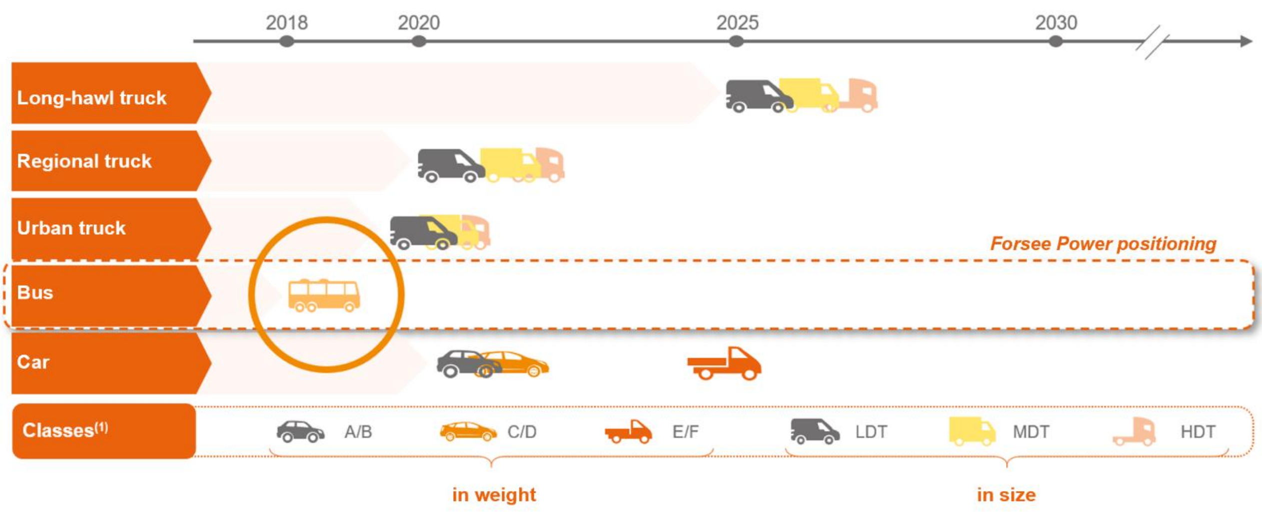
Timing of cost parity of electric vehicles with fuel-powered vehicles, based on TCO in the EU



(1) Categories of vehicles:

- *A/B: below 4 meters - 20k CHF;*
- *C/D: 4-5 meters - 28-55k CHF;*
- *E/F: greater than 4.5 meters and 50k CHF;*
- *LDT : Transport léger (Light Duty Transport) ;*
- *MDT : Transport moyen (Medium Duty Transport) ;*
- *HDT : Transport lourd (Heavy Duty Transport).*

Source : McKinsey Energy Insights' Global Energy Perspective, janvier 2019.

1.2.3 Market structure

Light vehicles (urban and commercial)

The light vehicle sector is experiencing strong growth, affecting various categories such as scooters, 3-wheelers, and recently urban or utility light 4-wheelers. These markets are strongly supported by public policies aimed at developing alternative means of transport in cities (subsidies, traffic and parking facilities). Driving pleasure and the convergence of TCOs also contribute to this growth.

Unlike the passenger car market, the light vehicle market has not opted for a strategy of verticalization of its battery system manufacturing due to the small size and variability of these systems from one vehicle to another.

Lightweight 4-wheeler

The market for light 4-wheelers is tending to develop in Europe and North America, with 3 flagship applications: micro-vehicles for passenger transport, light commercial vehicles, autonomous or not, for utilities in urban areas, or for *off-road* applications, and recreational vehicles (go-karts, ski-doo, jet-skis, various small sports vehicles).

2/3 wheels

According to a 2019 MarketsandMarkets study "*Electric scooters and motorcycles market – Global Forecast to 2027* ", the electric scooter and motorcycle market for lithium-ion batteries could grow by up to 56% over the period 2019-2027.

India currently represents the largest market for 2-wheelers with 1.8 million units out of 4.5 million globally, with a projected annual growth of 25.5% between 2021 and 2026 of 3-wheelers equipped with lithium-ion batteries in Asia-Pacific[14], with a strong increase of 27% in India.

The Group's facilities in Asia (China and India) are a major and differentiating asset in this sense compared to other European competitors, particularly in India, where local production is mandatory to benefit from FAME II support programs.

In terms of product, the mechanical constraints inherent in 2-wheelers still make it difficult to offer a standard product common to several manufacturers. Nevertheless, market players are working on setting standards.

On the other hand, the 3-wheeler market (particularly in India) offers more opportunities for product pooling, scale effects and speed to market, for batteries manufactured in smaller volumes but with more energy (4-10 kWh per vehicle). The Group's GO product range meets this expectation.

Heavy vehicles

Bus

The commercial vehicle market, and in particular urban buses, is benefiting from a very significant growth dynamic, and is expected to represent the 2nd largest market for lithium-ion batteries in 2030 after that of passenger vehicles[15].

The urban bus market is the sector whose electrification is expected to be the fastest, with a study that could reach 60% of the world's bus fleet by 2040[16]. Its growth is driven by national and local regulations that encourage local authorities to quickly transition their fleets.

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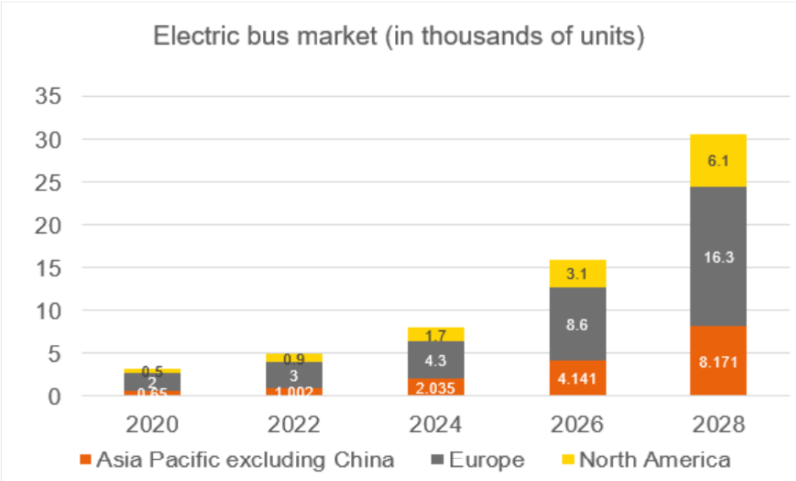
[14] *MarketsandMarkets, Asia Pacific 3-wheeler market – Forecast to 2026, 2021.*

[15] *BloombergNEF, Hitting the EV Inflection Point, 2021.*

[16] *BloombergNEF, Electric Vehicle Outlook, 2020.*

In France, for example, since 2015, Law No. 2015-992 on the energy transition for green growth has imposed a minimum share of low-emission vehicles when renewing fleets for fleets of more than 20 buses or coaches: this percentage has increased to 50% since 1 January 2020 and will increase to 100% from 1 January 2025.



Source : MarketsandMarkets, Electric Commercial Vehicle Market – Global Forecast to 2027, 2019

The bus and truck market is expected to register a compound annual growth rate (CAGR) of 27.8% over the period 2020-2027[17]. The two main drivers of this market are:

- technical progress (energy density) that makes it possible to increase ranges, thus gradually expanding the size of the market accessible to all-electric technologies and extending it to intercity buses;
- electrification plans for major cities and public operators that complement and strengthen national policies.

For example, the RATP has set a target of electrifying 80% of the Paris bus fleet by 2025. More recently, the Zebra (Zero Emission Buses Regional Area) program in the United Kingdom offers grants to local authorities to accelerate their transition to zero-emission buses.

The dominant traction technology on the European market is all-electric with overnight charging at the depot, which requires high-capacity, energy-dense batteries. Because of their regular routes, city buses benefit from a high predictability of their energy consumption and optimal use of the battery.

In parallel with traditional city buses, the autonomous shuttle sector is also developing. Due to regulatory and social barriers to autonomous vehicle traffic, the start-up power of this market sector remains to be confirmed. Nevertheless, all of these vehicles adopt electric traction technologies that are better suited to integrating autonomous driving technologies.

Outside of Europe, the North American and Asia-Pacific markets are also expected to experience strong growth between 2022 and 2028[18].

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[17] MarketsandMarkets, Electric Bus Market – Global Forecast to 2027, 2019 pour le nombre d'unités et estimations de la Société pour les capacités de batteries et valeurs.

[18] MarketsandMarkets, 2020 et company forecasts

In the United States and Canada, manufacturers should benefit from proactive public policies, and from public contracts from large cities that will allow for rapid increases in volumes. They should also benefit from the advances of the European and Chinese markets, while adapting technical specifications to local needs (distances, energy consumption, power). The greater concentration of manufacturers should make it possible to offer significant purchase volumes.

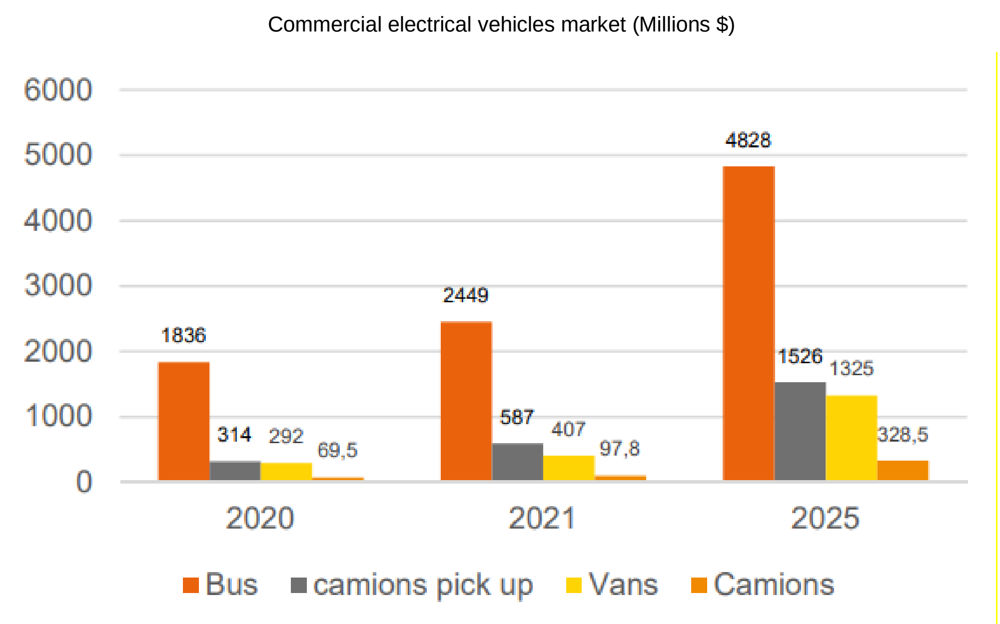
In Asia-Pacific (India and Southeast Asia in particular), many countries are also taking the step of electrifying their fleets. Some manufacturers are keen to diversify their sources of battery technologies in order to reduce their dependence on Chinese suppliers, and they are likely to choose to form partnerships with leading European players in Asia.

Other Commercial Vehicles

Other types of commercial vehicles, including pickup trucks in Europe and light pick-up trucks in North America, have also begun an electrification process, a few years after the urban bus market.

The growth of this sector is also driven by the convergence of TCO, the regulatory framework and technological advances that now make it possible to design these vehicles in an all-electric version without compromising on usage profiles.

Due to a later start-up and a much lower on-board battery capacity than city buses (50-80 kWh for light trucks compared to 350-550 kWh for city buses), this market is expected to remain lower in value than the city bus market.



Source: MarketsandMarkets, Electric Commercial Vehicle Market – Global Forecast to 2027, 2019 for the number of vehicle units and the Company's estimates for battery capacities and their values

According to MarketsandMarkets' projections, "Electric commercial vehicle market, Global Forecast to 2027", the European market is expected to outpace the North American market, with the strong development of vans (more than 332,400 units in 2028 in Europe, compared to 105,900 in North America); the North American market is developing mainly in pick-ups (284,700 units in 2028 in North America, compared to 112,000 in Europe).[19]

With larger series than the urban bus market, the "pick-up" market could prove less open to independent suppliers. Indeed, the batteries to be fitted to these vehicles will probably have technical characteristics quite similar to those of private electric vehicles (50-80kWh, 400V). Thus, a large number of manufacturers have announced that they want to design and build their own batteries in association with cell manufacturers (Volvo with SDI and Daimler with CATL in particular).

The Group could nevertheless benefit from the growth of this market as it is likely that:

- large manufacturers will focus their development efforts on high-volume vehicles, leaving opportunities for medium-sized series;
- Medium-sized players, new entrants and manufacturers of special vehicles distributed in smaller series could choose to entrust the design and manufacture of their systems to third parties and could start looking for modular and off-the-shelf systems.

In addition, the Group could also benefit from the development of hydrogen-powered heavy-duty commercial vehicles, thanks to its range of power batteries adapted to fuel cell systems.

« Off-Highway » Market

The " *Off-Highway* " market is the term commonly used to refer to agricultural applications, construction equipment, mining vehicles, and any other industrial vehicle that does not operate on the road (i.e., excavators, graders, bulldozers, loaders, mining dumpers, telehandlers, sprayers, farm tractors, mowing tractors, etc.).

This market is very diverse and has started a movement towards electrification of its traction systems. Indeed, the battery market for the " *Off-Highway* " segment is expected to record a compound annual growth rate (CAGR) of 34.0% over the period 2020-2027, with the market growing from €0.1 billion in 2020 to €1.0 billion in 2027[20].

The growth drivers of this market are as varied as the applications and include:

- a "zero emission" policy and a reduction in noise in cities, which impact the modes of propulsion of construction equipment or the maintenance of public gardens;
- the costs (installation and maintenance) of ventilation systems in underground mines to preserve the health of personnel, as well as the costs of transporting fuel, coupled with a desire by mining players to green their image under the pressure of ESG policies;

[19] *MarketsandMarkets, Electric Commercial Vehicle Market – Global Forecast to 2027, 2019 et estimations de la Société.*

[20] *MarketsandMarkets, Off-highway Vehicle Market – Global Forecast to 2027, 2019 for units and estimates, and Company's estimates for battery capacities and values.*

- regulations for the depollution of engines in agricultural vehicles making the investment in hybridization profitable.

In addition, the autonomy of agricultural vehicles, aimed at increasing the productivity of equipment, requires the electrification of the traction system / controls.

As a result, most operators of "*Off-Highway*" vehicles (public works, mines, farms) have set emission reduction policies and are implementing programs to electrify their fleets. Driven by this demand for electric or hybrid vehicles, most "*Off-Highway*" vehicle manufacturers are gradually offering electric, hybrid or hydrogen versions of their vehicles in their catalog.

These different applications require great modularity to adapt to the different mechanical configurations of the equipment, to the various levels of voltage (48V on small machines, 800V on the largest), energy (a few kWh up to several hundred kWh) and power depending on the charging modes (one per day or multiple fast recharges) or traction modes (all-electric, hybrid, " *fuel cell* ").

Railway

Among the various means of heavy transport, the rail market is also beginning the electrification of its propulsion systems.

This movement affects both passenger transport (tramways, regional trains) and freight transport. Indeed, the rail market is expected to record a compound annual growth rate (CAGR) of 21.3% over the period 2020-2027, with the market increasing from €0.2 billion in 2020 to €0.8 billion in 2027[21].

The main motivations for these transformations are both economic (infrastructure savings in the case of catenary-free rail) and energy (in the case of diesel-electric systems, anti-pollution regulations force rail operators to reduce their emission levels).

The rail market is also moving towards all-electric systems that would be powered solely by the battery, including passenger services that operate regular services such as ferries and regional trains. Eliminating all diesel engines, where possible, avoids the very high maintenance costs of these powertrain systems. Due to the mass of these vehicles, the required propulsion power and energy consumption are very important in these applications; As a result, the sizing of the battery and the charging system are critical, which can justify the implementation of fast charging systems.

Finally, due to the very high energy consumption and the problems of integration and energy density, the railway markets are also moving towards powering their traction systems with fuel cells coupled with a battery to smooth out power peaks.

Due to the very long lifespan of these vehicles (30 to 40 years), the authorities are also encouraging this electrification to be carried out on both new vehicles and the existing fleet, during heavy maintenance operations, in order to have a more effective effect in environmental terms. This leads to stronger constraints in terms of the integration of hybridization and battery systems and opens up significant market potential.

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[21] *MarketsandMarkets, Marine Battery Market – Global Forecast to 2030 to 2020 and Train Battery Market - Global Forecast to 2025, 2018 for the number of units and Company's estimates for battery capacities and values.*

All of these developments are fuelling a growing demand for rail traction batteries. The strong technical and safety constraints and the long lifespan of these vehicles are leading to high value-added technologies, with advanced safety systems and a long service life.

1.2.4 Competitive environment

The Group considers itself to be the non-Chinese leader in the bus sector in terms of the number of customer references[22]. On the electric bus market (100% batteries (*Battery Electric Vehicle*) and fuel cell (*Fuel Cell Electric Vehicle*)), the Group has, as of the date of this document, thirteen manufacturers in its references, including 6 bus manufacturers, including IVECO Heuliez, Wrightbus, Van Hool, MCV, which are equipped with several of the Group's technologies (ZEN, PULSE, FLEX).

The Group is also positioned as a leading supplier in the emerging market for *off-highway* vehicles (agriculture, construction, mining) and, at the date of this document, has about ten references in this market segment. The Group recently signed a partnership with Kubota, one of the Japanese leaders in off-road vehicles, as well as Mathieu Groupe Fayat, Iseki and Vensys.

On the other hand, the Group is a leading player in the light vehicle market in Asia and Europe. It counts Piaggio, the European leader in two-wheelers, Peugeot Motocycle, among its references, and supports many manufacturers and equipment suppliers, including Znen and Kawasaki.

The Group believes that it is the only European manufacturer to benefit from such a positioning in Asia with a dual industrial presence in China and India. The Group's strength is also to support the customer journey of manufacturers and equipment suppliers who export vehicles from China to Europe, where the Group can provide after-sales service at its site in Poland.

In addition, in a context of increased competition, the Group faces several competitors whose respective positions vary from those of the Group depending on their geography and the market sector considered.

In particular, Forsee Power, which has chosen not to position itself on mass markets, believes that there is a risk of internalisation by manufacturers for players who address very high-volume markets such as cars and trucks.

Forsee Power has identified below a non-exhaustive list of its potential competitors:

- BorgWarner (Akasol), Hoppecke and BMZ in Germany;
- CATL, Greenway and Sunwoda in China;
- Corvus in Canada;
- American Battery Solutions (Komatsu), Cummins, Xalt Energy, Nikola (Romeo Power), Microvast (a player of Chinese origin) and Proterra (Volvo) in the United States;
- Exicom in India;
- Impact Clean Power Technology in Poland;
- Flash in Italy;
- Leclanché in Switzerland;
- Saft in France.

[22] *Company assumptions based on Chatrou CME Solutions market study*

1.3 Description of the Group's activities*

1.3.1 Activities and key figures

2011	5	3	679
START OF THE ACTIVITY	PRODUCTION AND MAINTENANCE SITES	R&D CENTERS	EMPLOYES

The Group has focused its strategy on two business segments: *Light Vehicles (Lev) and Heavy Vehicles (HeV).*

These business segments accounted for 10.7% and 89.3% of the Group's business respectively for the year ended December 31, 2024. They are spread over five geographical areas. The breakdown of revenue by segment and geographic area is presented in Section 4.3.6.2 "Information by Geographic Area" and Section 2.3.2 "Results of Operations."

Indeed, each of these markets benefits from a significant estimated annual growth rate (as detailed below), in different phases, thus providing potential successive growth drivers for the Group's development.

The Group also has 5 production sites, in Europe (France, Poland), Asia (China, India) and North America (United States). The latter was officially inaugurated in September 2024. This strong industrial anchoring, sized to meet the needs of its customers around the world, allows the Group to locate the production of its batteries as close as possible to its customers' assembly plants, significantly reducing the carbon footprint related to transport and limiting costs and delivery times. The production sites also provide battery maintenance services, in addition to remote diagnostic devices.

1.3.2 Technologies and products

1.3.2.1 Technologies

A lithium-ion battery is based on an electrochemical accumulator using lithium in an ionic form, with different technologies formed from different compounds on the market. Thus, in electric vehicles several families of electrochemistry can be present, the main ones being NMC (Nickel Manganese Cobalt), NCA (Nickel Cobalt Aluminum), LTO (Lithium Titanate Oxide) and LFP (Lithium Iron Phosphate).

To design its battery systems, the Group selects various technologies in order to optimally respond to each of the applications it addresses.

The battery modules are made of cells from renowned suppliers (Toshiba, LG, Panasonic in particular) for quality, performance and their safety requirements. The battery also contains a Battery *Management System* (BMS), which provides safety, maximizes service life, and enables communication with the host system. All of this is integrated into a mechanical structure that protects and interfaces with the vehicle.

The high-quality batteries are developed according to development standards for safe systems, such as IEC 61508

1.3.2.2 Products

(I) *Battery systems for heavy vehicles*

100% battery vehicles

- Overnight/depot charging: This application requires high-energy batteries. The charging time varies between 3 and 6 hours.

- End-of-line charging: This application requires batteries of energy and power. Charging takes about 15 minutes.

- Fast charging: This app requires high-power batteries. Charging takes place for a few minutes at some stops.

- Ultra-fast charging: This application requires very high-power batteries. Charging takes place for a few seconds at each stop (or almost).

Hydrogen vehicles

Hydrogen vehicles require a power battery system to work with the fuel cell. In buses, the fuel cell, powered by the vehicle's hydrogen tanks, produces electricity that powers the electric motor. Hydrogen is the main source of energy, while batteries, charged by the cell's electricity, provide additional energy during sudden changes in load allowing the vehicle to move forward thanks to the battery, or the fuel cell, or by means of both to deliver more power.

Diesel/battery hybrid vehicles

To meet the integration needs of manufacturers, the Group offers batteries that can be integrated into the roof or rear of vehicles.

The different types of batteries offered by the Group are outlined below.

(II) *Battery systems for light vehicles*

The battery in this sector is mostly used in single traction mode.

The batteries are essentially removable for electric bikes and scooters, with charging done through an external charger connected to the grid. These must be light, therefore energy dense by using NMC lithium-ion technology to allow battery swapping to always have a fully charged battery and increase the use of the vehicle during the day. Thus, it is not uncommon for the user to have more than one battery per vehicle.

For light 3-wheelers and 4-wheelers requiring between 5 and 10 kWh of energy, the batteries are recharged through an on-board energy converter connected to the electricity grid. Weight remains a determining factor for this type of battery.

The Group has a wide range (GO, ZEN SLIM) and strong expertise in the development of tailor-made batteries to meet the needs of these markets.

1.3.2.2.1 Service offer

In order to accelerate the transition to electromobility for its customers and their products, the Company has developed a set of services to support them at every stage of this transition. These services should enable everyone to meet the specific challenges of this change by covering all the stages of a product's life, from its design to its recycling.

System Design

Among the first to develop electromobility in many sectors, the Forsee Power teams have accumulated a strong experience covering the battery, the associated vehicle and its charging infrastructure.

Financing

To accelerate the transition to electric fleets (buses or other vehicles), Forsee Power has created NEoT Capital (shareholding with EDF and Mitsui) in order to finance the installations in the form of battery/vehicle/infrastructure rental. These financing offers are based on the following principle:

- equipment suppliers (battery, vehicle, infrastructure) sell the equipment to the financier (and not to the end customer as in the case of a "dry sale");
- the funder makes this equipment (or "assets") available to the end customer (transport operator) against the payment of a rent; and
- The rental offer includes all associated maintenance services and warranties.

NEoT Capital's goal is to facilitate the transition to zero-emission mobility and access to off-grid energy solutions.

From prototype to mass production

Beyond the definition of the solution, Forsee Power supports its customers in the integration of battery systems in vehicles, by providing technical support and/or providing remote battery support via its data management services.

Deployment of large series

The deployment of large-scale electromobility solutions is leading operators and end customers to completely review their methods and tools for managing and maintaining their vehicle fleet. To meet these needs, the Group offers:

- remote maintenance provided by a dedicated tool (Diagtool) for its systems allowing remote monitoring of the fleet of batteries developed by the Group's teams, for preventive and curative maintenance purposes. It is suitable for battery systems for heavy vehicles and is widely used for bus fleet management;
- training and certifications for maintenance and design office staff via its Forsee Power Academy centre;
- preventive and curative maintenance services thanks to remote diagnostic tools, *flying doctors* and a network of local partners and a hotline via Forsee Power Field Services;
- remote monitoring of battery/vehicle fleets via digital solutions;
- from battery structuring and financing services to the full infrastructure through its subsidiary NeoT, the support of its partner Mitsui and an extensive banking and investor network with some pre-negotiated financing agreements, through Forsee Power Financial Services.

Second life and recycling

The Group develops its batteries with a circular economy in mind, so that their mechanical and electrical design facilitates their integration into containers. They can thus be used in a second life in a vehicle with less demanding needs, or even integrated into stationary storage applications intended to optimize a grid or to set up an autonomous storage system coupled with the production of renewable energies such as photovoltaic panels or wind turbines.

It has carried out several second-life pilot projects in order to anticipate the return in a few years (from 2025) of the first series of products in accordance with the applicable regulations.

The Group started mass production of its battery systems for heavy vehicles in 2018. Given that the first life of batteries can extend from 8 to 15 years depending on the technology (see section 1.5 "Regulatory environment" of this document), it anticipates a gradual return of some batteries currently in service on board the heavy vehicles of its European customers. Through partnerships with manufacturers and start-ups, the Group wants to be able to offer either a second life or a recycling solution for all its customers.

From 2015 to 2017, Forsee Power, EDF, Mitsubishi Motors Corporation, Mitsubishi Corporation and PSA Peugeot Citroën tested an energy storage solution using used lithium-ion batteries from electric vehicles as part of a demonstrator installed in Moissy-Cramayel. Thus, the technical solution exists, the second life market must now develop following the 1st life of the batteries supplied by the Group.

Second-life batteries could extend the economic value of the battery and provide an additional source of revenue for the Group in the future.

1.3.3 Group customers

(I) *Light Vehicles*

The customer portfolio for this activity, while relying on several major references including Piaggio and Omega Seiki, remains diversified.

- **Piaggio** : a multi-year partnership established in 2017 and renewed in 2020, under which Forsee Power has developed several batteries for the electric version of the iconic Vespa scooter and the new Piaggio One scooter designed for a younger clientele and with an accessible budget.
- **Kawasaki:** In 2023, Forsee Power and Kawasaki signed a contract to supply replaceable GO 1.6 batteries to equip the electric version of the iconic Ninja and Z models.
- **Toyota:** partnership concluded in 2023 for the supply of FORSEE ZEN 8 SLIM batteries for zero-emission transport during the major global sporting event to be held in Paris in the summer of 2024.
- **Sodikart:** in 2015, Forsee Power supported the launch of its leisure and competitive range of electric karts.

For more details, the reader is referred to paragraph 1.2.3.1 "Light vehicles".

(II) *Heavy Vehicles*

The Group has developed a large portfolio of customers in the field of heavy vehicles, including some leading customers.

- **Wrightbus (Bamford Group):** since 2012, Forsee Power has been supplying Wrightbus with its entire range of products (Flex, Pulse, Zen). The relationship with Wrightbus is punctuated by pioneering projects: deployment of the 1st bus line with induction loads of opportunity in 2013, the first *double-decker fuel-cell* buses in 2016, the first double-decker buses integrating battery packs into the chassis in 2021.

The depth of the Group's offering allows Wrightbus to optimize its vehicle designs, in particular by adopting the "roof" formats of battery packs on its single-decker buses, and Slim on its double-decker buses.

- **Iveco/Heuliez (CNHi Group):** a customer of the Group since 2012. In 2016, as part of a long-term partnership, the Group launched the development of the Zen range. It is with this system that Heuliez set a track range record by reaching 527 km in October 2019. Iveco/Heuliez has also capitalised on the Group's wide range and developed 18-metre articulated buses and fast-charging systems for the Dutch market, thanks to the Flex and Pulse product ranges developed by the Group. Iveco/Heuliez is also the 1st Forsee Power customer to have benefited from the battery financing offer proposed by the Group. The activity with the customer IVECO, barring new projects, is expected to end in 2025 since the latter has chosen another supplier of battery systems through its subsidiary FPT in Italy.
- **Alstom:** Forsee Power has been a partner of Alstom since 2016. Forsee Power was selected in 2018 to supply the high-energy batteries of the series version for the RATP markets (Alstom being among the 3 selected suppliers).

  Forsee Power is also a supplier to Alstom for its hybrid regional express train project, which consists of replacing half of the diesel engines of diesel-hybrid trains with a very high-power battery system developed according to railway standards. After a successful test, a first train was put into operation in December 2023 and series production of the battery systems is planned for 2025. Designed with the SNCF and in partnership with the Occitanie, Grand Est, Nouvelle-Aquitaine and Centre-Val-de-Loire regions, this new hybrid TER called "Régiolis Hybride" is manufactured by Alstom with the aim of saving 20% energy and reducing greenhouse gas emissions. Régiolis Hybride will benefit in particular from regenerative braking on arrival at the station, allowing the batteries to be charged and this energy to be used in the traction phases. At the end of the tests, Alstom plans to convert between 100 and 200 trains in its fleet to hybrid mode.
- **Skoda:** Forsee Power has been selected by the railway manufacturer to supply the necessary systems for its trains running 100% on batteries and with a range of around 80 km.
- **Kubota** : Kubota materializes Mitsui's contribution to the development of the Group's business thanks to its international network, and in particular its presence in Japan. Kubota is enabling the Group to enter the promising sector of off-highway vehicle hybridization, with its first power product: the PULSE 0.5.

1.3.4 Major contracts

Except for the contracts described below, the Group has not entered into any material contracts other than those entered into in the ordinary course of business.

(I) Cooperation Agreement with Mitsui & Co. Ltd. "Business Contribution Agreement"

Under a contract entitled "*Business Contribution Agreement*" (the "Cooperation Agreement") with Mitsui & Co., Ltd., which was amended and replaced by a final amendment dated June 17, 2022 (effective retroactively to October 1, 2021), the Company authorized Mitsui & Co. Ltd. to carry out business development activities, sales and marketing services on behalf of the Company as an exclusive agent in the territory of Japan (the "Cooperation Agreement").

This authorization does not exclude the possibility for the Company to collaborate directly with potential customers in Japan and applies only to business development and sales and marketing activities. The Company retains the right to promote its products in Japan at all times and to establish direct business relationships with potential customers in Japan. However, under the Cooperation Agreement, the Company shall refrain from dealing with other business partners that may compete with Mitsui & Co. Ltd. and shall not appoint any third party as an agent or distributor in Japan; the Company may deal directly with customers in Japan, on the principle that, if the project is implemented or the contractual relationship is entered into in Japan, Mitsui & Co. Ltd. is entitled to receive the success commission (see below), on all sales of the Company in Japan.

In addition, this authorization does not exclude the possibility for Mitsui & Co. Ltd. to collaborate directly with other companies and suppliers in Japan; the said Cooperation Agreement applies only to the commercial development and sales and marketing activities of the Company. Mitsui & Co. Ltd. retains the right to promote its products in Japan at all times and to establish direct business relationships with potential customers offering other products in Japan.

Under the Cooperation Agreement, the Company and Mitsui & Co. Ltd. communicate regularly via conference call to discuss the battery systems market, leads to contact and meetings with customers scheduled in Japan. In addition, Mitsui & Co. Ltd. has the right to obtain from the Company a monthly report showing all orders, sales and payments from Japan.

Compensation : In consideration of Mitsui & Co. Ltd.'s performance of its contractual obligations, the Company shall pay to Mitsui & Co. Ltd., at the end of each month in which it has received payment from any customer located in Japan, a success fee based on the sales invoiced by the Company to any customer having its registered office in Japan.

If the Company fails to pay, in whole or in part, the success fee due to Mitsui & Co. Ltd. on the due date, it will be required to pay Mitsui & Co. Ltd. default interest at the rate of 2.6% per annum by way of damages, calculated from the due date of such payment until the actual date of payment.

In addition, Mitsui & Co. Ltd. bears all travel expenses for the promotion and sale of the Company's products in Japan.

Duration of the contract: The Cooperation Contract has been effective since October 1, 2020, for a period of one year, renewable by tacit agreement, for successive periods of one year.

In the event that the Cooperation Agreement expires or is terminated, the Company shall be required to continue to pay the success fee to Mitsui & Co. Ltd., the amount of which shall then be based on the sales invoiced by the Company to any customer located in Japan within 9 months of the expiration or termination date and shall be equal to 50% of the amount of the success fee that should have been paid under the contract.

The Business *Contribution Agreement* has been terminated by mutual agreement of the parties with effect from 8 April 2025.

(II) Collaboration Agreement with Mitsui & Co. Ltd.

Under a contract entered into on September 27, 2021 (the "Collaboration Agreement"), the Company and Mitsui & Co. Ltd. have agreed to the following:

- Establishment of a cooperation committee
    - This committee shall act as the primary interface between the Company and Mitsui & Co. Ltd. in order to jointly pursue cooperation and shall make reasonable efforts to promote close and frequent business communication, provided that this is in accordance with applicable laws in order to:
        - exchange information on the battery market;
        - introduce each other to new business contacts and business opportunities;
        - Identify opportunities for business collaboration in the field of mobility, including in the context of *battery as a service* , battery monitoring and battery energy consumption forecasts.
        - Promote new projects, particularly in terms of battery financing or leasing, battery exchange, in particular for specific sites such as airports, mines, ports, etc.
    - This committee is composed of 7 members, of whom 4 members are appointed by the Company and 3 members are appointed by Mitsui & Co. Ltd.
    - This committee will meet at least four times a year, including in the month following the finalization of the quarterly financial reporting.
- Business Development
    - Mitsui & Co. Ltd. may second two full-time employees to the Group to develop business with the Group in order to accelerate its growth and hold certain positions within the Group or its subsidiaries in order to achieve this objective. These two employees will remain employees of Mitsui & Co. Ltd. and will be required to sign commitments (binding during their secondment and for a period of two years after the end of their secondment) involving an agreement on their part not to share any confidential information to which they have had access during their secondment with the commercial departments of Mitsui & Co. Ltd. which (i) are present in the same markets as those of the Group, or (ii) have entered into partnerships with companies that are present in the same markets as those of the Group.
- Marketing activities
    - Mitsui & Co. Ltd. provides strategic support to the Group to enable it to achieve its future business growth, in particular through the development of new products and services and its expansion into new markets.

- Mitsui & Co. Ltd.'s activity as the Group's representative in Japan will continue from the admission of the Company's shares to trading on the regulated market of Euronext Paris for a minimum period of 5 years from the date of the Collaboration Agreement.
- Should Mitsui & Co. Ltd. find an opportunity to sell the Company's products to a new customer in a business sector such as mining, marine or rail (the " New Sector ") other than those provided for in the Cooperation Agreement or the Services Agreement, Mitsui & Co. Ltd. may notify the Company of such opportunity. If such New Sector is of interest to the Company (if such New Sector is not of interest to the Company, the Company shall not be obliged to accept such opportunity), the Company may notify Mitsui & Co. Ltd., and the parties to the Collaboration Agreement shall be obligated either (i) to amend the Cooperation Agreement or the Services Agreement to include the New Sector, or (ii) enter into a new cooperation agreement (exclusive or non-exclusive) under which Mitsui & Co. Ltd. contributes to the marketing of the Company's products to a new customer in the New Sector and, in return for which Mitsui & Co. Ltd. will be entitled to success commissions.

  Where an amendment is entered into under option (i) above, if no contract is entered into for new sales of the Company's products to a new customer in the relevant New Sector within 12 months from the date on which the amendment was entered into, either party to the Collaboration Agreement may elect to further amend the agreement to remove the relevant New Sector from that agreement by giving notice 3 months to the other party. Where a new contract is entered into under option (ii) above, if no contract is entered into for new sales of the Company's products to a new customer in the relevant New Sector within 12 months from the date on which the new contract was entered into, either party may elect to terminate such new contract by giving 3 months' notice to the other party.
- If Mitsui & Co. Ltd. finds an opportunity to sell the Company's products to a new customer in a country such as Australia, Russia, Southeast Asian countries or the United States (the " New Country ") other than those provided for in the Cooperation Agreement or the Services Agreement, Mitsui & Co. Ltd. may notify the Company of such opportunity. If such New Country is of interest to the Company (if such New Country is not of interest to the Company, the Company shall not be obliged to accept such opportunity), the Company may notify Mitsui & Co. Ltd., and the parties to the Collaboration Agreement shall be obligated either (i) to amend the Cooperation Agreement or the Services Agreement to include the New Country, or (ii) enter into a new cooperation agreement (exclusive or non-exclusive) pursuant to which Mitsui & Co. Ltd. contributes to the marketing of the Company's products to a customer in the New Country and, in consideration of which, Mitsui & Co. Ltd. will be entitled to success fees.
- Where an amendment is entered into under option (i) above, if no contract is entered into for new sales of the Company's products to a new customer in the relevant New Country within 12 months from the date on which the amendment was entered into, either party to the Collaboration Agreement may elect to further amend the agreement to remove the relevant New Country from such agreement by giving prior notice 3 months to the other party. Where a new contract is entered into under option (ii) above, if no contract is entered into for new sales of the Company's

products to a new customer in the relevant New Country within 12 months from the date on which the new contract was entered into, either party may elect to terminate such new contract by giving 3 months' notice to the other party.

  - Mitsui & Co. Ltd.'s success fee will be discussed with the Group on a case-by-case basis for each project, taking into account the financial impact on the Group.
  - The Company shall be free to develop and market its products by itself and/or through a third party, in a New Sector and/or in a New Country, without the permission of Mitsui & Co. Ltd. and without Mitsui & Co. Ltd. being entitled to a commission on the revenues received by the Company, provided that if the Company decides to take steps to develop and market its products through a new third party in a New Sector and/or in a New Country (the " Third Party Marketing "), the Company has notified Mitsui & Co. Ltd. in writing after making this decision in order to allow the Company and Mitsui & Co. Ltd. to discuss and negotiate the potential realization by Mitsui & Co. Ltd. of such Third Party Marketing on an exclusive basis for a period of at least 60 days from the date of receipt of such notification. After the expiration of such 60-day period (or, if applicable, after an earlier date on which Mitsui & Co. Ltd. confirms that it is not interested in Third-Party Marketing), unless the Company and Mitsui & Co. Ltd. have reached an agreement regarding Third-Party Marketing by Mitsui & Co. Ltd., the Company shall be free to discuss with any person the Third-Party Marketing for a period of 180 days. After the expiration of this 180-day period, any offer regarding Third-Party Marketing will again be subject to the right of first look of Mitsui & Co. Ltd.

Duration of the contract: The Collaboration Agreement will enter into force from the admission of the Company's shares to trading on the regulated market of Euronext Paris for a period of 5 years from the date of entry into force of the Collaboration Agreement. It will automatically renew upon the expiry of the initial term or any extension thereof for additional periods of 2 years each, unless terminated earlier.

1.4 Research and development activities*

The Group has three Research and Development (R&D) centers located in France and China as well as an annex laboratory in Japan. The Group's R&D teams have more than 160 engineers and technicians covering all the knowledge and know-how required for innovation, design, development, production, as well as the monitoring and maintenance of products and systems in service.

The Group's R&D teams have a wide range of multidisciplinary skills, including:

- electrochemistry, including materials physics and physico-chemical kinetics: advanced analysis of ageing phenomena over the entire life cycle (storage, recycling, etc.);
- system functional analysis and overall electrical dimensioning;
- complete thermomechanical design at several scales (cells, modules, packs, vehicle system);
- the wiring systems (power and control);
- the cooling system;

- analog and digital electronic design;
- electromagnetic compatibility in accordance with applicable standards and customer specifications;
- resistance to vibrations, shocks and all other environmental conditions specific to vehicles;
- software development as a whole (embedded software, diagnostic and maintenance software, test software, etc.).

The Group believes that these skills enable its R&D teams to master the key elements for its customers, including:

- Overall preliminary sizing and architecture analyses;
- functional and behavioral modeling, advanced simulations related to the mission profile specific to each application or target sector;
- systems engineering following a structured approach: specifications, architecture (functional/logical and physical), performance, operational safety, safety and reliability analyses;
- strategies and the conduct of integration, verification, qualification, validation and certification tests;
- the development of thermomechanical sub-assemblies and wiring;
- the development of power electronics products and modules;
- digital and analog electronics development;
- On-board software development in accordance with applicable standards implementing advanced control and regulation algorithms to maximize performance and system life.

As the vast majority of the Group's products and systems are embedded in vehicles with a lifespan of more than 10 or 12 years in most cases, the Group's engineers are committed to designing robust solutions to meet the various orders. In addition, R&D activities aim to optimize the performance and value of products and systems with a view to second life, while ensuring the recyclable nature of the materials and components used, which allows the Group's batteries to be as competitive as possible compared to the batteries offered by its competitors, especially in the ever-changing innovative environment in which it operates.

The R&D processes, methods and tools implemented tend to meet both the needs of transversality and genericity over the scope of the portfolio of products, systems and solutions offered by the Group, while taking into account the specificities of each range.

R&D cycles include:

- a phase of studies or exploration of concepts, mainly from a scientific and technological angle, which may call for external collaborations;
- a functional modelling phase aimed at demonstrating technical feasibility (key functionalities and performances), as well as the establishment of an initial technical and economic framework;
- from the iterative prototyping phases to the product-process representativeness prior to the preparation of series production.

In addition, the Group is moving towards the implementation of agile development principles and methods, in order to better understand the evolution of needs during the development phases, and also to promote better efficiency and autonomy of multi-business project teams.

Following the takeover of the assets attached to Holiwatt's autonomous business line at the end of July 2021, certain products and know-how are protected by patents that have been filed. As of the date of this document, the Group has 21 patents filed (9 of which are in force), the majority of which have been granted or filed in several countries.

1.5 Regulatory environment

1.5.1 Regulations on batteries and accumulators as well as waste batteries and accumulators

Regulation (EU) 2023/1542 of the European Parliament and of the Council of 12 July 2023 on batteries and waste batteries, amending Directive 2008/98/EC and Regulation (EU) 2019/1020 and repealing Directive 2006/66/EC shall apply.

This new regulation, with a circular approach, includes the following main measures:

- New classification of batteries.
- Labelling: batteries will have to be labelled, in a visible, legible and indelible way, to provide a certain amount of information (characteristics, lifespan, charging capacity, requirement for separate collection, presence of hazardous substances, etc.).
- Battery management system for electric vehicles: to store the information and data needed to determine the health status and expected life of the batteries.
- End-of-life management: provisions on registration, extended producer responsibility, collection, treatment and recycling, including recycling efficiency, end-of-life information, battery reuse and reporting. These rules replace the corresponding rules of Directive 2006/66/EC.
- New collection rate target for portable batteries: collection rates will gradually increase to ensure that by the end of 2025, 65% of portable battery waste is collected and by the end of 2030, 70% of this waste is collected.
- Battery passport: By 1 January 2026, industrial batteries and electric vehicle batteries will have to be registered for each battery placed on the market.
- Creation of a reporting system for automotive and industrial batteries.
- Recycling efficiency targets: New recycling and material recovery efficiency targets will be defined for lead-acid batteries, nickel-cadmium batteries and lithium batteries. The target for lithium batteries will be set at 65% from 2025.
- Obligation to declare the carbon footprint throughout the life cycle: Eventually, batteries will have to meet maximum carbon footprint thresholds over their life cycle.

- Performance and durability: This information will need to be made available online in a battery database and/or in the battery passport.
- Amount of recycled content: The technical documentation of industrial batteries and internally stored electric vehicles containing cobalt, lead, lithium or nickel in active ingredients will have to contain information on the quantity of the above materials recovered.
- Supply chain due diligence for raw materials in industrial batteries and electric vehicle batteries: Due diligence policies will be established for rechargeable industrial batteries and electric vehicle batteries placed on the single market. The European Commission will be empowered to review the list of substances and risk categories.
- Third-party verification: on the provisions for carbon footprint and recycled content declarations, and on the due diligence policy for the responsible sourcing of raw materials.

In China, the Law *of the People's Republic of China on the Prevention and Control of Solid Waste Pollution* provides, inter alia, that the management and disposal of hazardous and/or toxic wastes must be carried out by the company responsible for their creation.

In addition, the Law on the Prevention and Control of Pollution by Solid Waste also requires companies working with solid waste to draw up, in addition to preventive measures, emergency plans in the event of an accident and to communicate these plans to the competent authorities for registration.

In addition, the Group is subject to standard environmental, safety and recycling regulations in China and India.

1.5.2 Regulations on the transport of dangerous goods

Batteries are among the hazardous materials as defined by international regulations. Consequently, their transport is subject to the so-called Transport of Dangerous Goods (TDG) regulations, which are made up of several regulations adopted by the United Nations framework, each of which governs a mode of transport: road, rail, river, sea or air transport. In addition, within the European Union, Directive 2008/68/EC of the European Parliament and of the Council of 24 September 2008 on the inland transport of dangerous goods makes it mandatory to apply regulations relating to road, rail and inland waterway transport between two Member States of the European Union.

The obligations imposed by these regulations include measures for the labelling of dangerous goods, obligations relating to security, including for the prevention of malicious acts, and a procedure in the event of a transport accident involving dangerous goods.

In China, the Law on the Prevention and Control of Solid Waste Pollution provides for compliance with local and national regulations on monitoring, control, ventilation, sun protection, temperature regulation, fire prevention, fire suppression, decompression, poison prevention, moisture tightness, etc. lightning protection, static electricity prevention, corrosion prevention.

In addition, the same law also provides that hazardous materials must be stored in separate warehouses and comply with special storage conditions.

1.5.3 Chemical regulations

Regulation No. 1907/2006 of the European Parliament and of the Council of 18 December 2006, known as the "REACH" Regulation (Registration Evaluation and Authorization of Chemicals) on the Registration, Evaluation, Authorization and Restriction of Chemicals, the REACH Regulation, requires manufacturers, importers and downstream users to ensure that they manufacture, placing on the market or using substances that do not have harmful effects on human health and the environment (from an annual volume exceeding one tonne). These provisions are based on the precautionary principle.

Chemical substances of greatest concern, likely to cause serious irreversible effects on health or the environment, are subject to authorisation. After their inclusion on a list known as the "Annex XIV list" of the REACH Regulation, these substances can no longer be manufactured, imported or used, after the dates set for each of these operations, without authorisation from the European Commission.

In addition, restrictions or even a ban may be implemented for certain substances that pose an unacceptable risk to human health and the environment. In practice, this requires users of such substances to identify and secure their supply of alternative substances, or to modify their manufacturing process.

In addition, Europe is considering restricting the use of PFAS (per- and polyfluoroalkyl substances), chemical substances that are very persistent but essential for the production of batteries. A dialogue is underway with the battery industry in order to define the future regulations.

Classified Facility for Environmental Protection

Under French law, installations classified for the protection of the environment (ICPE) are activities potentially harmful to health, the environment, and other interests protected by Article L.511-1 of the Environmental Code. Depending on their dangerousness, the commissioning is subject to a declaration, registration or authorisation procedure by the local prefect. The procedure for obtaining an operating permit involves the submission of a file describing the technical and financial capacities of the operator and a public inquiry. The activities of the Chasseneuil-du-Poitou production site are, as of the date of this document, subject to declaration under the regulations on ICPEs, taking into account the levels of lithium thresholds per square metre.

During the period of operation of an ICPE, the operator must comply with the environmental regulations and technical requirements issued either by ministerial decree or by order adopted by the local prefect.

When activities cease on a site subject to the ICPE regulations, the operator must restore the site, according to the future use that will be made of it. The liability of the last operator persists for 30 years after the notification of cessation of activities, with the possibility of ordering restoration measures by the prefect.

1.5.4 Facilities Classified for Environmental Protection (Installation Classée pour la Protection de l'Environnement)

Under French law, installations classified for the protection of the environment (ICPE) are activities potentially harmful to health, the environment, and other interests protected by Article L.511-1 of the Environmental Code. Depending on their dangerousness, the commissioning is subject to a declaration, registration or authorization procedure by the local prefect. The procedure for obtaining an operating permit involves the submission of a file describing the technical and financial capacities of the operator and a public inquiry. The activities of the

Chasseneuil-du-Poitou production site are, as of the date of this document, subject to declaration under the regulations on ICPEs, taking into account the levels of lithium thresholds per square meter.

During the period of operation of an ICPE, the operator must comply with the environmental regulations and technical requirements issued either by ministerial decree or by order adopted by the local prefect.

When activities cease on a site subject to the ICPE regulations, the operator must restore the site, according to the future use that will be made of it. The liability of the last operator persists for 30 years after the notification of cessation of activities, with the possibility of ordering restoration measures by the authorities.

1.5.5 The standards applicable to the Group's products

- **The ECE R100 standard**

The Group's batteries for heavy vehicles are ECE R100 certified. The ECE R100 standard is an international standard for electric vehicles with a specific section dedicated to electric buses and trucks and meets a series of 9 tests:

- vibration test;
- thermal shock test and cycling test;
- mechanical shock test;
- integrity testing;
- fire resistance test;
- short-circuit protection test;
- overload protection test;
- over-discharge protection test;
- Over-temperature protection test.

The fire resistance test is not mandatory for buses and trucks when the batteries are located at a height greater than 1.5 meters (such as on bus roofs). However, in accordance with the ECE R100 standard, the Group tests all its batteries for fire resistance since they can be placed at the back of buses, on the roof or in the floor depending on the vehicle.

- **The ECE R10 standard (heavy vehicles)**

ECE R.10 (Uniform provisions concerning the approval of vehicles with regard to electromagnetic compatibility) applies to motor vehicles with less than four wheels (but also to two-wheeled and three-wheeled vehicles), cars, trucks, coaches but also to electric and electronic vehicles (including batteries and electric vehicle motors). These regulations include various tests, including radiofrequency immunity and emissions, transient immunity, and emissions. It also includes a requirement for explosion, ripple, harmonics, and vibration, as well as guidance and requirements for electric vehicles. The Group's batteries for heavy-duty vehicles are ECE R10 certified.

- **The ECE R136 standard (light vehicles)**

ECE R136 (Uniform provisions concerning the approval of vehicles of category L (as defined in the Consolidated Resolution on the Construction of Vehicles (R.E.3)), as regards the special provisions applicable to the electric powertrain) applies to:

- the electric powertrain of vehicles of category L, with a design speed exceeding 6 km/h, equipped with one or more electrically driven traction motors and not permanently connected to the grid, and high-voltage components and systems that are galvanically connected to the high-voltage rail of the electric powertrain;
- Rechargeable electrical energy storage system (REESS) for vehicles of category L with a design speed of more than 6 km/h, equipped with one or more electrically driven traction motors and not permanently connected to the grid.

These regulations include the approval rules, and the various tests associated with type approval. It also includes requirements for fire resistance, explosion, ripple, thermal cycling, water resistance, harmonics, and vibration, as well as guidance and requirements for Class L electric vehicles. The Group's batteries for heavy vehicles are ECE R136 certified.

- **The UN38-3 standard**

UN38-3 refers to section 38.3 of Part III of the United Nations Special Transport Test and Standard Manual for the Transport of Dangerous Goods, which requires high simulation, high and low temperature cycle test, vibration test, shock test, short circuit at 55°C, An impact test, an overload test before the transport of the lithium battery, and a forced discharge test to ensure the safety of the transport of the lithium battery. These tests must be conducted by an independent laboratory that issues a certificate. This UN38.3 certificate guarantees the quality of the batteries and their safety during transport. It is mandatory to obtain it to transport the batteries regardless of the means of transport used (land, sea or air); These high safety standards are in line with the rules of the International Air Transport Association (IATA).

2. ACTIVITY COMMENTS

The following information concerning Forsee Power's financial position and results should be read in conjunction with the Group's consolidated financial statements as of December 31, 2024, included in this document.

Forsee Power's annual consolidated financial statements have been prepared in accordance with IFRS as adopted by the European Union ("IFRS-EU") and have been certified by the Company's statutory auditors and are presented in their entirety in Chapter 4 of this document.

Figures in thousands of euros in the tables and analyses in this section have been rounded. Therefore, totals may not add up to the sum of figures rounded separately. Similarly, percentages, calculated from rounded figures, may not add up to 100%.

2.1 Overview

Given the nature of its business and its geographical location, the Group's results are affected by exchange rate fluctuations. For an analysis of the Group's exposure to foreign exchange risk, refer to paragraph 3.1.5 "Market risks" of this document.

2.1.1 Key figures

In thousands of euros	**Fiscal year 2024**	**Fiscal year 2023**	**Change**	**Change (as a %)**
Turnover	**151 766**	**171 238**	- 19 472	- 11%
o.w Heavy Vehicles (HeV)	135 523	405	- 9 882	- 7%
o.w Light Vehicles and Industrial Tech (LeV & Ind Tech)	16 243	25 831	- 9 588	- 37%
Adjusted EBITDA	**750**	**(6 800)**	+ 7 550	+ 111%
Adjusted EBITDA margin	**0,5 %**	**(4) %**		
Recurring operating income[b]	**(10 832)**	**(23 155)**	+ 12 323	+ 53%
Operating income[b]	**(12 534)**	**(23 155)**	+ 10 621	+ 46%
Financial income[b]	**1 794**	**(4 684)**	+ 6 478	+ 138%
Consolidated net income[b]	**(12 074)**	**(27 962)**	**+ 15 888**	**+ 57%**

a) *The adjusted EBITDA indicator is defined and detailed in section 2.1.3 of this document.*
b) *These positions are discussed in paragraph 2.3.2 of this document.*

In the 2024 financial year, Forsee Power recorded a decline in its activity in a more constrained market context, with consolidated revenue of €151,766 thousand, down 11%. This decrease is mainly due to the decline in the heavy vehicle segment, which fell for the first time in several years by 7% due to the gradual end of the contract with one of the main customers, but also due to the sharp decline in the light vehicle segment, which fell by 37%.

More than 4,200 buses and more than 145,000 light vehicles worldwide will be equipped with Forsee Power batteries by 2024.

The Group's adjusted EBITDA[23] increased sharply, from €(6,800) thousand in 2023 to €750 thousand in 2024. In this context, the adjusted EBITDA margin increased from (4)% in 2023 to +0.5% in 2024. This improvement is mainly the result of:

- Improved productivity and lower supply costs and therefore a better margin rate;
- a reduction in operating expenses;

2.1.2 Main factors influencing the Group's business, financial condition and results of operations

The following factors have recently affected, and may continue to affect, the Group's business, financial condition and results of operations.

(i) <u>The ability to retain existing customers</u>

The share of existing customers represented 95% of the Group's consolidated revenue as of December 31, 2024 and 94% as of December 31, 2023.

A significant part of the Group's turnover was generated with a limited number of strategic customers. The contribution of the top ten customers to the Group's revenue was 90% as of December 31, 2024 and 91% as of December 31, 2023. The customer with which the Group generated the highest revenue for the year ended December 31, 2024 represents 51% of the Group's consolidated revenue and the second 20%. The customer with which the Group generated the highest revenue for the year ended December 31, 2023 represents 40% of the Group's consolidated revenue and the second 35%.

As the level of activity that the Company carries out with its key customers is significant, any change in the relationship with these entities therefore affects the Group's financial position, results and prospects.

The Group's success also depends on the willingness of its current customers to continue using its battery systems and the integration of its batteries into their product ranges. As the Group's customers expand their product ranges, the Group expects to become the main supplier to their fleets. To ensure the acceptance of its products, the Group must constantly develop and introduce more powerful batteries with a longer range.

For more details on the importance of strategic customers, the reader is referred to paragraph 1.3.3 of this document.

(ii) <u>The ability to win new customers</u>

The share of new customers was 5% on December 31, 2024 and 6% on December 31, 2023 of the Group's consolidated revenue

The Group's success and ability to increase revenues and become profitable depends in part on its ability to identify target customers, attract new customers through its strategy and convert those contacts into meaningful orders or develop relationships with existing customers. Thus, the Group plans, based on its current estimated order book, a gradual diversification of its customer base.

For more details, the reader is invited to refer to the paragraph below

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[23] *Please refer to the definition of adjusted EBITDA in section 2.1.3 of this document.*

(iii) Evolution of the order book

As of December 31, 2024, €66,319 thousand of orders had been contracted compared to €133,346 thousand as of December 31, 2023. It should be noted that visibility on firm orders has decreased by about 2 months without this being a strong sign of a change in the group's growth outlook.

(iv) Exchange rate developments

Exchange rate fluctuations may have an impact on the value in euros of the Group's revenue, its expenses and its results.

Refer to paragraph 3.1.5 "Credit and/or counterparty risk" in note 3.3.20 of the consolidated financial statements in section 4.3 of this document.

(v) External growth operations

The Group was formed following several external growth operations in the activities of Uniross Batteries (formerly Alcatel Saft) in 2011, Ersé in 2012, and Dow Kokam France (formerly Société de Véhicules Electriques – SVE) in 2013. In recent years, the Group has made targeted creations that have made a significant contribution to the growth of its activities (see in particular section 2.11 "investments" of this document). In July 2021, Forsee Power integrated the assets of Holiwatt (formerly Centum Adetel Transportation), which was in receivership. This acquisition allows Forsee Power to integrate more than 20 years of know-how in the railway sector and a range of energy storage systems and power converters and auxiliary converters (CVS).

On the other hand, the expected benefits of future or completed acquisitions may not materialize on time and at the expected levels, which could have a material adverse effect on the Group's business, financial condition, results and prospects.

(vi) Provisions

Provisions have affected and will continue to have structurally affected the Group's results. The provisions are detailed in section 4.3 of this document, in note 7.11 of the consolidated financial statements.

(vii) Price trends and control of structural costs

If the Group is unable to pass on the price increases that did not occur in 2024 while controlling its cost plan and structural costs, this price change could have a negative impact on its profitability.

For more details, the reader is invited to refer to paragraph 3.1.3 of this document.

2.1.3 Key performance indicators

The Group uses revenue and adjusted EBITDA as key performance indicators. These performance indicators are regularly monitored by the Group to analyze and evaluate its activities and trends, measure their performance, prepare profit forecasts and make strategic decisions.

Definition of Adjusted EBITDA

The Group considers adjusted EBITDA, a non-accounting measure, to be a performance measure. This measure has no standardized definitions. As a result, the definition used by the Group may not correspond to the definitions given to the same term by other companies. This measure should not be used in conjunction with or as a substitute for IFRS measures.

Contractually, the Group must take responsibility for the recycling of batteries at the end of the warranty period. As such, a provision, recorded in recurring operating income, is set aside to cover the estimated future costs of recycling battery systems sold and for which the Group has a take-back and recycling commitment in the event of the return of batteries by customers.

This provision is calculated on the basis of the number of systems sold covered by the take-back commitment, and is valued according to the external cost of recycling the different types of batteries (see note 7.11 to the consolidated financial statements). Its calculation is therefore theoretical and the future impact undetermined and uncontrollable due to market and technological developments. In addition, a second-life market is opening up, thus transforming an estimated potential cost into a source of income for the Group.

Thus, in 2023, the Group decided to change the definition of adjusted EBITDA by restating the provision for recycling (with no impact on cash) from recurring operating income. As a result, the concept of adjusted EBITDA now corresponds to recurring operating income, restated:

- depreciation and impairment of intangible assets, amortization of rights of use on property, plant and equipment;
- depreciation and depreciation of property, plant and equipment and net depreciation on inventory and receivables;
- the cost of payments in shares and the related employer contributions;
- the provision for battery recycling, in line with the Group's change in the definition of adjusted EBITDA.

The reconciliation of this aggregate with the IFRS accounts is presented in the table below:

In thousands of euros	Fiscal year 2024	Fiscal year 2023
Current operating income	**(10 832)**	**(23 155)**
- Depreciation and amortization of intangible assets	(2 580)	(3 765)
- Amortization of right-of-use on tangible capital assets	(2 551)	(2 350)
- Depreciation and amortization of property, plant and equipment	(3 887)	(3 873)
- Net impairment of inventories and receivables	(3 478)	(4 301)
- Cost of Equity Payments	(555)	(1 092)
- Employers' contributions on share-based payments	0	(174)
- Provision for battery recycling [(a)]	1 470	(800)
Adjusted EBITDA	**750**	**(6 800)**

a) *The provision for battery recycling is a positive recovery of +€1,470 thousand in 2024 compared to a charge of €800 thousand in 2023 due to a decrease in recycling costs per tonne of batteries sent to Forsee Power's recycling sector.*

2.1.4 Sector presentation

The Group presents its segment information on the basis of the financial information presented to the Group's management in its internal *reporting*, which it regularly reviews with a view to making decisions on the allocation of resources to the business segments and the evaluation of their performance. The Group's reporting is divided into two business segments:

- *Heavy Vehicles (HeV)* brings together the market for solutions adapted to the development of electric or hybrid vehicles for different means of transport (buses, commercial and "last mile" vehicles, trams, trains, trucks and marine) and stationary storage (residential, commercial and industrial). Stationary storage is not part of the first life but of the second life.
- *Light Vehicles and Industrial Tech (LeV & Ind Tech)* brings together the light electric mobility market as well as that of other electric applications (electric scooters, light vehicles from 2 to 4 wheels, electric bikes, medical equipment, connected objects, home automation, robotics and professional tools).

These business segments are broken down by geographical area: France, Europe (excluding France), Asia, the United States and the rest of the world. The turnover by geographical area is determined according to the location of the customers.

2.2 Outlook

The guidance for the year ended December 31, 2025 presented below is based on data, assumptions and estimates, which the Group believes to be reasonable as of the date of this document.

However, these data, assumptions and estimates are subject to change or modification due to uncertainties related in particular to the economic, financial, accounting, competitive, regulatory and tax environment or to other factors or risks of which the Group is not aware at the date of this document.

In addition, the materialization of certain risks described in Chapter 3 "Risk Factors" of this document could have an impact on the Group's activities, financial condition, results or prospects and therefore call into question these forecasts.

In addition, the achievement of these forecasts assumes the success of the Group's strategy (refer to paragraph 1.1.2 of this document).

The Group therefore does not make any commitment or give any guarantee that the forecasts in this section will be achieved.

The forecasts for the year ended 31 December 2024 set out below, and the assumptions underlying them, have been prepared in accordance with the provisions of Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129 and the ESMA Guidance on Forecasting.

Underlying Assumptions

The guidance for the year ended December 31, 2025 presented below has been prepared on a basis comparable to historical financial information and in accordance with the accounting policies applied in the Group's consolidated financial statements for the year ended December 31, 2024. They are established on the basis of the consolidation and business perimeters existing at 31 December 2024.

They are mainly based on the following assumptions:

- ***Forsee Power's internal assumptions***

The guidance for the year ended December 31, 2025 is based on an increase in margins and adjusted EBITDA as defined in paragraph 2.1.3 compared to fiscal 2024, which will mainly come from:

- growth in battery system sales in the Heavy Vehicles ("HeV") segment;
- a slight recovery in sales in the *Light Vehicles and Industrial Tech* segment ("Lev & Ind Tech") on 3-4 wheeled vehicles;
- an ability to win new customers in new geographical areas (USA, Turkey) and to support them during their ramp-up, with a complete range of products and services for the entire life of the vehicle;
- the continued implementation of the Group's strategy described in paragraph 2.1.2.

- ***Macroeconomic and market assumptions***

The 2025 forecasts are also based on the following assumptions:

- Lack of a lasting deterioration in supply conditions that could, if necessary, create a shift in turnover and a deterioration in profitability;
- Growth of the Group's target markets as presented in section 1.2.3 of this document, and continued market share gain;
- No significant changes in the regulatory (including interpretations that may be retained by certain national regulators) and tax environment existing at the date of this document;
- Use of a budget rate incorporating bank forecasts, forward point market conditions, hedging rates already in place, exchange history and the current spot level.

It should be noted that as of the date of this document, the Company does not anticipate any significant impact of climate change on the Group's operations or its financial statements. Similarly, the Company anticipates that the bulk of the impact of the Russia-Ukraine conflict on its business is already known and that its continuation will not have a major impact in 2025.

2025 Forecasts

For the year ended December 31, 2025, the Group expects to generate revenue growth.

Adjusted EBITDA for the year ended December 31, 2025 is expected to increase.

The North American site is expected to begin production in 2025 in line with the Company's industrial roadmap.

2.3 Analysis of the business and results

2.3.1 Highlights

The reader is referred to section 4.3 – note 2 of this document for more details on the following highlights:

- Launch of new product lines;
- Inauguration of the North American production site and headquarters;
- Business development;
- Started a new Infor LN enterprise resource planning (ERP) software;
- Seeking funding;
- Litigation with Unu GmbH;

2.3.2 Results of operations

Turnover

The evolution of revenue by business segment and geographical area is detailed in the table below.

In thousands of euros	**Fiscal year 2024**	**Fiscal year 2023**	**Change**
France			
Heavy Vehicles (HeV)	4 882	2 026	+ 2 856
Light Vehicles and Industrial Tech (LeV & Ind Tech)	10 806	8 534	+ 2 272
Total	**15 689**	**10 560**	**+ 5 129**
In %	***10%***	***6%***	
Europe			
Heavy Vehicles (HeV)	117 130	137 703	- 20 631
Light Vehicles and Industrial Tech (LeV & Ind Tech)	1 774	6 075	- 4 301
Total	**118 904**	**143 779**	**- 24 933**
In %	***78%***	***84%***	
Asia			
Heavy Vehicles (HeV)	10 492	4 367	+ 6 125
Light Vehicles and Industrial Tech (LeV & Ind Tech)	3 330	9 170	- 5 840
Total	**13 822**	**13 537**	**+ 285**
In %	***9%***	***8%***	
USA			
Heavy Vehicles (HeV)	273	199	+ 74
Light Vehicles and Industrial Tech (LeV & Ind Tech)	331	1 977	- 1 646
Total	**605**	**2 176**	**- 1 571**
In %	***1%***	***1%***	
Rest of the world			
Heavy Vehicles (HeV)	2 744	1 110	+ 1 694
Light Vehicles and Industrial Tech (LeV & Ind Tech)	0	76	- 76
Total	**2 804**	**1 185**	**+ 1 619**
In %	***2%***	***1%***	
TOTAL	**151 766**	**171 238**	**- 19 472**
Heavy Vehicles (HeV)	135 523	145 405	- 9 882
Light Vehicles and Industrial Tech (LeV & Ind Tech)	16 243	25 831	- 9 588

The Group's consolidated revenue amounted to €151,766 thousand in 2024 compared to €171,238 thousand in 2023, down €19,472 thousand, a decrease of 11%. This decrease is mainly due to the decline in activity in the heavy vehicle (-7%) and light vehicle (-37%) markets. The order book recorded for the year 2025 represents 44% of 2024 revenue.

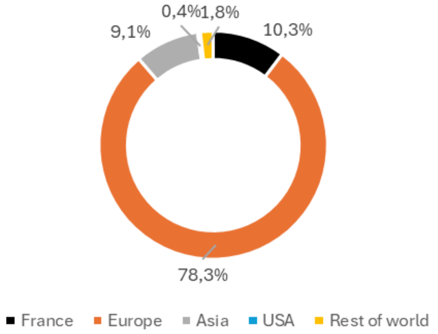
The Heavy Vehicles (HeV) business segment remained the leading contributor to the Group's consolidated revenue (89% in 2024 compared to 85% in 2023).

Revenue in this segment amounted to €135.5 million in 2024, down €9.9 million, or -7% compared to the 2023 financial year. This is mainly due to the decline in revenue with a long-standing customer of the Group whose orders decreased in 2024

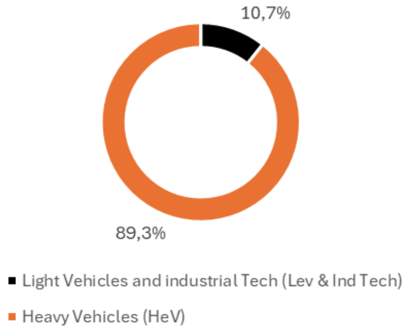
The Light Vehicles and Industrial Tech (LeV & Ind Tech) segment accounted for 11% of the Group's revenue in 2024 (compared to 15% in 2023).

Revenue in this segment was €16,243 thousand, down €9,588 thousand, or -37% compared to 2023. This decline is the consequence of the slowdown in activity among customers in the light vehicle/two-wheeler sector, resulting in a reduction in their orders.

BREAKDOWN OF SALES BY GEOGRAPHIC AREA



BREAKDOWN OF SALES BY BUSINESS SEGMENT



Current operating income

	Training				
	2024		2023		
	Thousands of euros	% of revenue	Thousands of euros	% of revenue	Change %
Turnover	**151 766**	**-**	**171 238**	**-**	**- 11%**
Other operating income and expenses	(1 062)	-0,7	850	0,5	- 225%
External services and purchases consumed	(121 797)	- 80,2	(147 651)	- 86,2	- 18%
Charges de personnel	(26 806)	- 17,6	(29 837)	- 17,4	- 10%
Taxes	(1 190)	- 0,7	(1 086)	- 0,6	+ 10%
Depreciation	(9 018)	- 5.9	(9 988)	- 5,8	- 10%
Provisions and impairments	(2 724)	- 1,8	(6 681)	- 3,9	- 59%
Current operating income	**(10 832)**	**- 7,1**	**(23 155)**	**- 13,5**	**+53%**

- ***Turnover***

See the analysis above.

- ***Other operating income and expenses***

Other operating income and expenses amounted to an expense of €1,062 thousand for the year ended December 31, 2024, mainly corresponding to penalties and dispute resolution for €243 thousand, prior-year expenses of €256 thousand and board fees of €393 thousand.

In 2023, the item corresponded to a gain of €850 thousand mainly attributable to the indemnities receivable on a customer protocol of the newly developed business in India for €698 thousand, to proceeds from the disposal of fixed assets for €370 thousand and to directors' fees for €(373) thousand.

- ***External services and purchases consumed***

The decrease in external services and purchases consumed by €25,854 thousand, or -18% in 2024 compared to the 2023 financial year, is mainly due to the decrease in purchases consumed of €28,766 thousand (-22% compared to 2023), mainly due to the decrease in the prices of certain components (mainly the price of cells due to market conditions).

The cost of battery cells depends in part on the prices and availability of raw materials such as lithium, nickel, cobalt and/or other metals.

Prices for these materials fluctuate and their availability or supply may be unstable depending on market conditions and global demand, including due to fluctuating global production of electric vehicles and energy storage products.

- ***Personnel costs***

The decrease in personnel expenses of €3,031 thousand (-10% compared to 2023) is mainly due to the €4,700 thousand decrease in personnel costs in France related to a higher capitalization of labor costs (+€2,600 thousand), operating subsidies for €2,100 thousand, a reduction in variable components for €1,800 thousand offset by the full-year effect of 2023 recruitments. On the other hand, personnel costs in foreign subsidiaries increased by €1,700 thousand due to the growth in headcount in the new subsidiaries (USA and Japan) and inflation in Asia (China, India, etc.).

- ***Taxes***

Taxes and duties increased by +104 thousand euros between 2024 and 2023 and amounted to 1,190 thousand euros at 31 December 2024. As a percentage of turnover, taxes and duties were stable compared to December 31, 2023 and represented 0.7%.

- ***Net depreciation, amortization, provisions and depreciation***

The position is detailed as follows:

In thousands of euros	Fiscal year 2024	Fiscal year 2023
Depreciation and amortization of intangible assets [c]	(2 580)	(3 765)
Amortization of right-of-use on tangible capital assets	(2 551)	(2 350)
Depreciation and amortization of property, plant and equipment	(3 887)	(3 873)
Provisions for liabilities and charges [b]	754	(2 380)
Net impairment of inventories and receivables [a]	(3 478)	(4 301)
Net charges	**(11 742)**	**(16 669)**

a) Including €1,358 thousand of depreciation of inventory identified as surplus or obsolete at the end of the 2023 financial year
b) Including €1,470 thousand in reversal of provisions for recycling due to the reduction in the cost of battery recycling in 2024
c) Including the end of the depreciation of the ZEN 35 in 2023.
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The item is decreasing, from (16,669) thousand euros in 2023 to (11,742) thousand euros in 2024. Fixed assets and provisions are discussed in detail in the balance sheet comments in section 2.3 of this document.

Operating income

Given the factors presented above, the Group's operating income increased by +€10,629 thousand, and amounted to €(12,534) thousand in 2024 compared to €(23,155) thousand in 2023.

Net financial income (expense)

The Group's financial result increased from €(4,684) thousand as of December 31, 2023 to €+1,794 thousand as of December 31, 2024, an improvement of +€6,478 thousand.

This is mainly due to the change in other net financial income and expenses, which correspond to income of €5,335 thousand for the 2024 financial year, compared with a financial expense of €(2,195) thousand in 2023. This change can be explained in particular by:

- the change in fair value on the BSA Warrant A and C derivative, which generated a financial gain in 2024 that had a positive impact on the financial result of €2,472 thousand and €1,093 thousand respectively. In 2023, the change in fair value generated a negative impact of €(52) thousand on the BSA EIB Warrant A derivative and €(6) thousand on the BSA EIB Warrant C derivative.
- the decrease in bank commission expenses (€780) thousand in 2024 compared to €(1,428) thousand thousand in 2023) resulting in particular from financing search expenses in 2023 for €(637) thousand.

- A foreign exchange gain of +€1,877 thousand in 2024 compared to a loss of €(12) thousand in 2023
- The decrease in the discount charge on non-current assets/liabilities or > 12 months from €(507) thousand in 2023 to +€1,074 thousand in 2024.

On the other hand, this is partially offset by the increase in the cost of gross financial debt of €(3,605) thousand in 2024 compared to €(2,721) thousand in 2023, explained by the higher use of factoring (see the Group's analysis of liabilities in section 2.8 of this document and note 8.8 of the consolidated financial statements).

Income tax expense

The tax expense was €(1,297) thousand as of December 31, 2024 compared to €(411) thousand as of December 31, 2023. The theoretical tax amounts to a tax income of +€2,694 thousand as of December 31, 2024 compared to a revenue of +€6,888 thousand as of December 31, 2023. The change in the tax expense is the result of deferred tax.

The differences (i.e. a tax income of +€3,991 thousand in 2024 and +€7,299 thousand in 2023) between the theoretical tax burden and the tax burden, are mainly the result of the impact of the change in the tax expense concerning the tax deficit not recognized in the balance sheet (€6,182 thousand in 2024 and €6,517 thousand in 2023), and permanent tax differences (-€92 thousand in 2024 and €1,435 thousand in 2023) and financial instruments (-€1,227 thousand in 2024 and €40 thousand in 2023). The income tax expense is detailed in Note 8.9 of the consolidated financial statements in section 4.3 of this document.

Net income

Given the factors presented above, consolidated net income represents a loss of €(12,074) thousand as of December 31, 2024 compared to €(27,962) thousand as of December 31, 2023, an improvement of +€15,888 thousand.

2.4 Group cash and equity

The following information regarding the Group's shareholders' equity, liquidity, funding sources and cash flows should be read in conjunction with the Group's consolidated financial statements as of December 31, 2024, included in section 4.3 of this document.

2.4.1 Financing and cash management policy

The Group uses its cash and cash equivalents to finance its current operating needs, its working capital and its capital expenditure in property, plant and equipment and intangible assets, in particular in terms of the development of innovative battery systems and, to a lesser extent, research expenses. The Group's cash position is mainly denominated in euros.

The Group's ability to generate cash from its operating activities in the future will depend on its future operating performance, which is itself dependent to some extent on economic, financial, competitive, market, regulatory and other factors, most of which are beyond the Group's control.

2.4.2 Information on the Group's capital, liquidity and sources of financing

The reader is due to refer to notes 3.1.3, 7.13 and 7.15.2 of the consolidated financial statements to this document.

2.4.3 Financial resources and liabilities

2.4.3.1 Cash and financial debt

Cash and financial borrowings and payables are detailed in sections 2.7 and 2.8 below.

2.4.3.2 Off-balance sheet commitments and contractual obligations

See note 10.3 of the Group's consolidated financial statements in section 4.3 of this document.

2.4.4 Shareholders’ equity

Shareholders' equity attributable to owners of the Group's parent company amounted to €47,554 thousand as of December 31, 2024 and €59,238 thousand as of December 31, 2023.

The decrease in shareholders' equity between 2023 and 2024 (-€11,685 thousand) is mainly due to the recognition of the profit for the year (-€12,074) thousand), the negative fair value of currency hedging instruments of €(-453) thousand and the allocation of the 2022 AGAs definitively acquired for +€555 thousand.

The change in shareholders' equity is detailed in the Company's consolidated financial statements in section 4.3 of this document.

2.5 Comments on the main balance sheet items

In thousands of euros	31.12.2024	31.12.2023	Var	Var (in %)
Non-current assets	**82 115**	**68 175**	**+ 13 940**	**+ 20%**
Of which tangible capital assets[(a)]	41 177	35 433	+ 5 744	+ 16%
Of which intangible assets[(b)]	31 731	23 024	+8 707	+ 38%
Of which investments in equity-accounted companies [(c)]	4 289	4 328	- 39	- 1%
Of which non-current financial assets[(d)]	2 164	2 089	+75	+ 4%
Current assets	**87 279**	**119 265**	**- 31 986**	**- 27%**
o.w inventories[(e)]	43 294	44 481	- 1 187	- 3%
Of which cash and cash equivalents[(f)]	5 369	25 902	- 20 533	- 79%
Of which trade receivables[(g)]	11 161	27 633	- 16 472	- 60%
Of which other current assets[(h)]	27 456	21 248	+ 6 208	+ 29%
Total assets	**169 394**	**187 440**	**- 18 046**	**- 10%**
Of which equity[(i)]	**47 754**	**59 238**	**- 11 684**	**- 20%**
Of which borrowings and financial debts[(j)]	**64 395**	**67 104**	**- 2 709**	**- 4%**
Of which borrowings from the EIB	34 349	32 324	2 025	6%
Of which state-guaranteed loans	7 294	12 961	-5 667	-44%
Of which debts on rights of use	17 536	17 687	-151	-1%
Of which Atout loan from the BPI	625	2 188	-1 563	-71%
Of which accrued interest on financial debts	64	1 069	-1 005	-94%
Of which debts relating to related parties	482	694	-212	-31%
Of which short-term credit line	2 068	0	2 068	ON
Of which derivatives on financial instruments[(k)]	**696**	**4 835**	**- 4 139**	**- 86%**
Of which provisions for liabilities and charges[(l)]	**9 036**	**9 550**	**- 514**	**- 5%**
Of which accounts payable [(m)]	**18 320**	**23 588**	**- 5 269**	**- 22%**
Of which other liabilities [(n)]	**28 012**	**22 315**	**+5 697**	**+ 26%**
Total liabilities	**169 394**	**187 440**	**- 18 049**	**- 10%**

a) *Tangible capital assets are detailed in Note 7.3 of the Consolidated Financial Statements – Section 4.3 of this document.*

b) *The increase in the item is mainly due to the activation of development costs for + 12,215 thousand euros. This effect is increased by the decrease in depreciation and amortization (987 thousand euros). Intangible assets are detailed in Note 7.2 to the Consolidated Financial Statements – Section 4.3 of this document.*

c) *The equity-accounted investments are exclusively related to the stake in NEoT Capital, in which the Group holds a 33.21% stake as of December 31, 2024 in partnership with the EDF Group and Mitsui (see note 7.5 of the consolidated financial statements – section 4.3 of this document).*

d) *Other non-current financial assets are mainly made up of cash pledges amounting to EUR 1 513 thousand. As this cash is not immediately available, this cash pledge is not presented in the "Cash" item but in the "Financial Assets" item in accordance with IAS 7. On the other hand, other non-current financial assets also consist of guarantee and surety deposits paid for €457 thousand and liquidity contract guarantee deposits for €94 thousand (see note 7.4 of the consolidated financial statements – section 4.3 of this document).*

e) *The decrease in inventories of €1,187 thousand mainly reflects an increase in inventory impairments of €2,930 thousand due to the Group's increased efforts on quality control as well as the lack of markets for certain older products (see note 7.6 of the consolidated financial statements – section 4.3 of this document), the decrease in semi-finished products of €2,056 thousand offset by an increase in raw material inventories of €4,363 thousand related to LG cells for the end of the supply of the Iveco contract.*

f) *As at December 31, 2024, cash consists of demand deposits in euros, US dollars and local currencies of the subsidiaries (Indian rupee, Chinese yuan, Polish zloty, Japanese yen) Cash flows are analyzed in section 2.7 of this document.*

g) *The decrease of €16,462 thousand in trade receivables is mainly due to the increase in disposals to the factoring company Factofrance (see note 7.7 of the consolidated financial statements – section 4.3 of this document).*

h) *Refer to Note 7.8 of the Consolidated Financial Statements – Section 4.3 of this document.*

i) *The movements affecting the Group's shareholders' equity during the 2023 and 2024 financial years are detailed in the consolidated equity change table and the associated note (see section 2.4 of this document and the consolidated financial statements, table "consolidated statement of changes in shareholders' equity").*

j) *Borrowings and liabilities are detailed in section 2.8 and note 7.13 of the consolidated financial statements – section 4.3 of this document.*

k) *Refer to Note 7.14 to the Consolidated Financial Statements – Section 4.3 of this document.*

l) *They are essentially made up of provisions:*

- for after-sales service (after-sales service) guarantee, intended to cover the risk of future after-sales costs due to Forsee Power's liability on the products sold (€6,665 thousand at the end of December 2024 compared to €6,633 thousand at the end of December 2023);
- for recycling constituted to cover the estimated future costs of recycling battery systems sold, for which the Group has a take-back and recycling commitment in the event of the return of batteries by customers (€927 thousand at the end of December 2024 compared to €2,397 thousand at the end of December 2023). Provisions for liabilities and charges are detailed in Note 7.11 – Section 4.3 of this document.

m) *The decrease in supplier payables is mainly due to lower raw material prices and lower activity at the end of 2024.*

n) *The non-current portion amounted to €4,264 thousand in 2024 (€3,396 thousand at the end of December 2023) and the current portion to €23,748 thousand at 31.12.2024 (18,919 thousand at the end of December 2023). The other liabilities mainly correspond to advances and advance payments received, social security and tax debts, income recognized in advance on specific battery warranty extensions, current debts to subsidiaries in China and advantages granted on state-guaranteed loans with rates on off-market terms. Other liabilities are detailed in Note 7.18 of the Consolidated Financial Statements – Section 4.3 of this document.*

2.6 Working capital requirements

As a percentage of sales, the balance of working capital on the balance sheet at the end of 2024 is slightly down to 23% compared to 2023 when it represented 26%. Working capital decreased by €11,053 thousand in 2024, due to lower trade receivables of €16,079 thousand due to higher assignments of invoices under the new factoring contract, higher liabilities (+€5,774 thousand) related to advances received from customers and lower inventories in 2024 (-€1,506 thousand). These effects were partially offset by the increase in other assets (+€6,849 thousand) due to the higher amount of invoices ceded not financed by the factor and the decrease in supplier payables (-€5,397 thousand) due to the decrease in raw material prices, particularly lithium cells.

These elements are detailed in the paragraph above "Comments on the main items of the balance sheet".

2.7 Group consolidated cash flows

In thousands of euros	Fiscal year 2024	Fiscal year 2023	Var
Cash from business-related operations	9 603	(27 278)	+ 36 881
Cash from investment operations	(20 401)	(24 481)	+ 4 080
Cash from financing operations	(9 804)	46 789	- 56 593
Impact of conversion rates	67	(141)	+ 208
Cash flow change	**(20 533)**	**(5 112)**	**- 15 423**

- ***Cash from business-related operations***

In thousands of euros	Fiscal year 2024	Exercise 2023	Var
Cash flow from operations before cost of net financial debt and tax[(a)]	(4 213)	(10 210)	+ 5 997
Tax expense disbursed (cash)[(b)]	2 763	152	+2 611
Change in operating working capital requirement[(c)]	11 053	(17 218)	+ 28 271
Cash from business-related operations	**9 603**	**(27 278)**	**+ 36 881**

a) *The change in cash flow from operations before the cost of net financial debt and taxes is mainly explained by the improvement in operating income (see paragraph 2.3.2 above).*

b) *As of December 31, 2024, the change observed mainly corresponds to the financing of CIR receivables from 2020 to 2023 by the BPI for €2,800 thousand, offset by a higher disbursement of corporate income tax in China. Refer to the consolidated statement of cash flows and notes 9.2 and 7.8 to the Group's consolidated financial statements in section 4.3 of this document.*

c) *The change in operating working capital (WCR) amounted to +€11,053 thousand, compared to €(17,218) thousand in 2023. This change +€28,271 thousand is the result of the effect of:*
- *the increase in other receivables (contribution to the change in working capital of +€6,849 thousand in 2024 compared to +€9,453 thousand in 2023), which is explained in particular by the increase in invoices ceded and not financed by the factor.*
- *the decrease in trade receivables (contribution to the change in WCR of €(14,600) thousand in 2024 compared to +€11,754 thousand in 2023) resulting from larger invoice assignments to the new factoring program (see note 7.7 of the consolidated financial statements – section 4.3 of this document);*
- *lower supplier payables (contribution to the change in working capital of +€3,978 thousand in 2024 compared to €(3,400) thousand in 2023) resulting from the decline in raw materials such as lithium ion cells.*

- *a decrease in the level of net inventory (contribution to the change in working capital of -€1,506 thousand in 2024 compared to +€7,222 thousand in 2023) related to a decrease in inventories of semi-finished products and the additional depreciation on inventories.*
- *the increase in other debts impacting working capital of (€5,645) thousand in 2024 compared to €(7,811) thousand in 2023), which is explained in particular by the increase in advances and advance payments received from customers as well as that of tax debts*

The increase in cash from business-related operations (+€9,603 thousand) is mainly attributable to the change in working capital of +€11,053 thousand, explained above.

- ***Cash from investment operations***

In thousands of euros	Exercise 2024	Exercise 2023	Var
Acquisitions of capital assets (net of debts and advances paid)[a]	(20 517)	(24 621)	+ 2 496
Implementation of the cash pledge[b]	(100)	(650)	+ 650
Repayment of cash pledge[b]	100	0	+ 100
Assets managed under liquidity contracts	21	75	- 54
Realized Gains (Losses) on Liquidity Contract	3	38	- 35
Disposals of capital assets (net of receivables)[c]	0	370	- 370
Receipts from financial assets	92	306	- 214
Cash from investment operations	**(20 401)**	**(24 481)**	**+4 080**

a) *These flows mainly concern research and development expenses, as well as those enabling the Company to increase its production capacity or improve its production facilities in its various plants. In 2024, they mainly relate to capitalized development costs and the completion of the development of the plant in the United States (see the consolidated cash flow statement and note 9.3 of the consolidated financial statements – section 4.3 of this document).*

b) *In 2023, Forsee Power obtained a stand-by letter of credit (SBLC) from a French banking institution on July 11, 2023 for the benefit of the Indian banking institution ICICI Bank on behalf of the subsidiary Forsee Power India Private Limited to guarantee a cash facility and a customs guarantee for an amount of 45 million Indian rupees (490 thousand euros). This SBLC letter of credit is accompanied by a remunerated cash pledge in the amount of €650 thousand covering the period from 10 July 2023 to 10 July 2025 (see notes 3.3.10 and 7.4 to the consolidated financial statements – section 4.3 of this document). In September 2024, Forsee Power obtained a new SBLC (stand-by letter of credit) of 9 million Indian rupees (approximately €100 K) from a French banking institution for the benefit of Indian customs and accompanied by a cash pledge with a maturity date of March 31, 2025.*

c) *In 2023, the Group sold 4.01% of its stake in NeoT Capital as part of its refinancing (see note 5.1 of the consolidated financial statements – section 4.3 of this document).*

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The downward trend in investment operations impacting the company's cash flow is the consequence of the end of work in the American plant in 2024.

- ***Cash from financing operations***

In thousands of euros	Exercise 2024	Exercise 2023	Var
Capital increase in cash[(a)]	0	49 283	- 49 283
Disbursement of capital increase or IPO costs[(b)]	0	(2 737)	+ 2 737
Change in other financial liabilities			
New borrowings[(c)]	2 013	10 000	- 7 987
Loan repayments[(c)]	(7 286)	(5 092)	- 2 194
Repayment of debts on rented property	(2 314)	(1 622)	- 692
Factor[(c)]	0	1	- 1
Issue of repayable advances	218	45	+ 173
Changes in financial liabilities with related parties	(211)	23	- 234
Bank fees paid	(1 143)	(1 428)	+ 285
Financial expenses paid[(d)]	(1 080)	(1 683)	+ 603
Cash from financing operations	**(9 804)**	**46 789**	**- 56 593**

a) On May 9, 2023, the Group completed a capital increase of €49.3 million (see paragraph 7.10 – section 4.3 of this document).
b) In 2023, the flow corresponds to the issue costs relating to the capital increase carried out on 9 May 2023, which are paid in full in 2023.
c) ZFI signed a short-term credit agreement during the financial year ended December 31, 2024 for €2,013 thousand, Forsee Power completed on December 4, 2023 the drawdown of an amount of €10 million of Tranche C from the financing agreement with the EIB signed in December 2020. Refer to the analysis of financial debt in section 2.8 of this document.
d) The decrease in bank commission fees is mainly due to the exceptional financing search costs incurred in 2023.

The decrease in cash from financing operations was mainly due to the repayment of state-guaranteed loans and Atout loans for €7,286 thousand and lease liabilities for €2,314 thousand, offset by the issuance of a new short-term loan to ZFI in China to finance its airframe purchases.

2.8 Financial debt

The evolution of financial liabilities is detailed in the table below in note 7.13 of the consolidated financial statements in section 4.3 of this document.

In thousands of euros	December 31, 2023	Issuance	Repayments	Debt issuance fees	Interest on interest-free loans	Reclassify	Currency translation effects	Effect of interest method	Variation nette	Capitalized interest	Fair value	IFRS 16 borrowings	December 31, 2024
Borrowings from the EIB	32 324							819		1 206			34 349
Atouts loan from the BPI	938					(938)							
State-guaranteed loan from the BPI	2 188					(1 563)							625
State-guaranteed loan from BNP	2 963					(2 128)							835
State-Guaranteed Loan from HSBC	2 729					(1 901)							828
Right-of-use debt – non-current	15 578	234				(2 749)	334					1 554	14 952
Deposits and Bonds Received	20												20
Repayable advances – non-current	45	218											263
Related party liabilities	694								(211)				482
Long-term financial debt	**57 477**	**452**				**(9 279)**	**334**	**819**	**(211)**	**1 206**		**1554**	**52 353**
Atouts loan from the BPI	1 250		(1 563)			938							625
State-guaranteed loan from the BPI	1 250		(1 563)			1 563							1 250
State-guaranteed loan from BNP	1 956		(2 209)			2128							1 875
State-Guaranteed Loan from HSBC	1 875		(1 895)			1 901							1 881
Accrued interest on financial debts	1 069	116	(55)				1						1 085
Right-of-use debt - current	2 109		(2 314)			2 749	39						2 584
Interest accrued on right-of-use	39	(63)	(1)			46	3						22
Short-term line of credit		2 013					54						2 068
Foreign exchange fair value hedges	77								121		453		651
Short-term financial debt	**9 626**	**2 066**	**(9 600)**			**9 325**	**96**		**121**		**453**		**12 041**
Whose													
Current	*9 626*	*2 066*	*(9 600)*			*9 490*	*96*		*121*				*11 799*
Non-common	*57 477*	*452*				*(9 444)*	*334*	*819*	*(211)*	*1 206*	*453*	*1 554*	*52 595*

- ***EIB loans***

The Company and the EIB entered into a €20.0 million credit agreement in 2017 with the first tranche 1 of €7.5 million being made available in March 2018, tranche 2 of €7.5 million in October 2018 and the third and final tranche of €5 million in December 2019. This €20.0 million loan was fully repaid in June 2021.

It was also accompanied by 6,857 $_{\text{EIB Warrant A}}$ warrants issued on 15 March 2018 that are still outstanding, and leading, in the event of exercise, to the issuance of 1,127,387 ordinary shares (AO) [1]

A new EIB loan was signed in December 2020, from which tranche A of €21.5 million was drawn on 16 June 2021 for a maturity of 5 years. This tranche is accompanied by 3,500 $_{\text{EIB Warrant C}}$ warrants issued on 4 June 2021, leading to the issuance of 500,090 ordinary shares (AO) in the event of exercise. On 28 September 2021, the Company obtained a prior approval requested by the EIB in order to be able to carry out the various capital restructuring operations prior to the IPO as well as the IPO itself. In return for obtaining this agreement, the capitalised interest rate applicable to Tranche A of the EIB bond has been increased by 0.5% from 4% to 4.5% per annum (applicable retroactively). In addition, the EIB demanded the payment of a restructuring fee of €1,255 thousand, which was paid to it in December 2021.

Tranche B was raised on October 21, 2021 for €8.5 million and then fully redeemed in November 2021. Following the Waiver Agreement of 28 September 2021, the issuance of tranche B was not accompanied by the issuance of 1,000 EIB $_{\text{Warrant D}}$ warrants as initially provided for in the credit agreement.

Tranche C was raised on December 18, 2023 for €10 million, for a period of 5 years and bearing an annual interest of 3% and a capitalized interest of 1.5% payable in fine upon repayment of the principal. On 4 December 2023, the drawdown of this tranche resulted in the issuance to the EIB of 1,000 new $_{\text{EIB Warrant E}}$ warrants with an exercise price of €5.78 per BSA and entitling, in the event of exercise, to subscribe for a maximum of 300,000 new AOs of the Company.

The derivative financial instruments on EIB borrowings (BSA $_{\text{EIB Warrant A,}}$ BSA $_{\text{EIB Warrant C}}$ and BSA $_{\text{EIB Warrant C}}$) are set out in paragraph 2.5.2 below.

The application of the test on the debt service coverage ratio was waived on 20 December 2024 (see 2.9 of this document).

The EIB financing is detailed in notes 2 and 7 of the consolidated financial statements in section 4.3 of this document.

- ***Other bank financing***

The State-Guaranteed Loans (PGE) with BNP for €7.5 million and HSBC for €7.5 million were granted in June 2020 at 0% interest and renegotiated in March 2021 at 0.75% and 0.31% respectively. The PGE with BNP is repaid quarterly from 4 September 2022 until 4 June 2026. The state-guaranteed loan with HSBC is repaid quarterly from 11 September 2022 until 11 June 2025.

In June 2020, Forsee Power SA also subscribed to a "PGE – innovation support" with the BPI for €5 million at a rate of 2.35%. The PGE with the BPI is repaid quarterly from 30 September 2022 until 30 June 2026

In June 2020, Forsee Power took out an "Atout" loan of €5 million with BPI at a rate of 5%. This loan is repaid quarterly over 4 years until June 30, 2025 after a one-year grace period that ended on August 31, 2021.

[1] *It should be noted that the number of ordinary shares (AO) to which the EIB Warrant A and EIB Warrant C warrants are entitled has been calculated at the date of preparation of the financial statements and accordingly adjusted with regard to the "Adjustment Events" (as these terms are defined in the subscription contract for the said BSAs) (i) that have already been carried out by the Company (in particular the capital increase recorded on May 9, 2023) and (ii) those that could be realized by the Company, on a fully diluted basis (i.e., if all outstanding securities and rights would be exercised by their beneficiaries). This "maximum" number would nevertheless be likely to be increased in the event of new "Adjustment Events" being carried out after the financial statements have been drawn up.*

The Chinese subsidiary ZHONGSHAN FORSEE INDUSTRY LTD has subscribed to a payment facility (Bills of Exchange) from the supplier CALB via the "China Merchants Bank" whose value as of 31.12.224 is 15,679 thousand RMB or 2,067 thousand euros.

Currency swap (FX Swap) and purchase/sale contracts of a notional of $10.1 million as of December 31, 2024 to cover in the first half of 2025 settlements in JPY and CNY currencies with several suppliers and collections in US Dollar $ for a significant client.

Refer to note 7.13 to the consolidated financial statements in section 4.3 of this document.

- ***Factoring***

Factoring contracts are detailed in Note 3.3.10 of the Consolidated Financial Statements – Section 4.3 of this document.

The outstanding amount of receivables ceded unfinanced in 2024 and 2023 by the non-recourse factoring contract is detailed in the table below.

In thousands of euros	**31.12.2024**	**31.12.2023**
assignment of non recourse receivables	15 680	3 175
Total receivables assigned	**15 680**	**3 175**

- ***Right-of-use debt***

The right-of-use debt amounted to €17,536 thousand as of December 31, 2024 and €17,687 thousand as of December 31, 2023. The slight decrease in this lease debt is mainly due to the amortization of lease commitments under IFRS 16 schedules, as well as the absence of significant new leases signed.

2.8.1 Schedule of financial debts

The timing of financial liabilities is detailed in the table below and in note 7.13 of the consolidated financial statements in section 4.3 of this document.

2.8.2 Derivatives on financial instruments

Derivatives of financial instruments are detailed in the table below and in note 7.14 of the consolidated financial statements in section 4.3 of this document.

In thousands of euros	Date of Issue	Due date	Number of BSA instruments	Number of shares subscribed in the event of exercise of the warrants [(a)]	December 31, 2024	December 31, 2023
BSA Warrant A for EIB	18 March 2018	March 15, 2028	6 857	1 127 387	397	2 869
BSA Warrant C for EIB	June 4, 2021	June 4, 2041	3 500	500 090	203	1 297
BSA Warrant E for EIB	December 4, 2023	December 4, 2043	1 000	300 000	96	669
Total			**11 357**	**1,927,477 [(a)]**	**696**	**4 835**

a) *The conversion parities for the conversion of these BSAs into ordinary shares of the company have been updated following the capital increase of December 2024 (definitive acquisition of the 2023 free share allocations (AGM), the allocation of free shares (AGM) of the 2024 plan, and the issuance of the 1,000 EIB Warrant E warrants. The number of ordinary shares (AOs) for the 6,857 EIB Warrant A warrants has thus increased from 859,263 AOs to 1,127,387 AOs as of December 31, 2024, and for the 3,500 EIB Warrant C warrants has thus increased from 388,761 AOs to 500,090 AOs as of December 31, 2024.*

The maturity of derivatives on financial instruments is between 1 and 5 years for Warrant A warrants and more than 5 years for Warrant C and E warrants.

2.9 Restriction on the use of capital

EIB 2020 loan agreement

- **Credit facilities**

Under the terms of the EIB 2020 Credit Agreement, the EIB is making available to the Company an investment loan of up to €50 million principal amount, intended, inter alia, to refinance a previous loan under the 2017 EIB Credit Agreement and to finance part of the €100 million investment program relating to an innovative battery system and part of sustainable energy transition projects in France and Poland. The 2020 EIB Credit Agreement is divided into four tranches of the following amounts: (i) Tranche A with a maximum principal amount of €21.5 million (Tranche **A**), (ii) Tranche B with a maximum principal amount of €8.5 million (**Tranche B**), (iii) Tranche C with a maximum principal amount of €10 million (**Tranche C** ") and (iv) a Tranche D with a maximum principal amount of €10 million (the " **Tranche D** " and together with Tranche A, Tranche B and Tranche C, the " **Tranches** "), each to be made available, subject to the satisfaction of the conditions precedent thereto, no later than the date of the third anniversary of the EIB 2020 Credit Agreement and maturing on the date of the fifth anniversary of the 2020 EIB Credit Agreement. their respective dates of availability.

As of December 31, 2024, Tranche A, for an amount of €21.5 million in June 2021, Tranche B for an amount of €8.5 million in October 2021 and Tranche C for an amount of €10 million in December 2023 have been drawn. However, it should be noted that Tranche B has already been repaid by the Company during the 2021 financial year. Tranche D matured in 2023.

- **Interest and fees**

The Tranches bear interest at an annual rate equal to the sum of (i) a fixed interest rate of 3% per annum and (ii) a capitalized interest rate applicable to each Tranche.

Tranche A is remunerated by a capitalised interest rate of 4% per annum, which is supplemented by a redemption premium which is economically equivalent to increasing the capitalised interest rate applicable to Tranche A to 4.5% per annum. The capitalized interest rate applicable to Tranche C is 1.5% per annum.

In addition to the interest referred to above, under a subscription agreement concluded between the EIB and the Company, the Company has agreed to issue warrants for ordinary shares to the EIB at the same time as the provision of Tranche A, Tranche B and Tranche C. A prior agreement with the EIB in October 2021 allowed for the drawdown and repayment of Tranche B during the 2021 financial year without the issuance of ordinary share subscription warrants.

- **Collateral**

Under the EIB 2020 Credit Agreement, the EIB benefits from guarantees granted by the Company to guarantee its obligations. Thus, the Company has granted a pledge of goodwill (relating to its business of acquiring shareholdings, acquisitions, and management of real estate assets and rights, consulting services, design, manufacture, marketing of batteries and all associated accessories, taken from its main establishment located in Ivry-sur-Seine, and its secondary establishments located in Chasseneuil-du-Poitou and Ecully) and has agreed to consent, at the request of the EIB and prior to the provision of Tranche A, a non-possessory pledge on its movable assets (excluding the stock), as collateral for its obligations under the EIB 2020 Credit Agreement and the related financing documents.

In addition, if the total amount of the revenue, net income or EBITDA of the Company and its guarantor subsidiaries ceases to represent 90% of the consolidated revenue, net income or EBITDA, respectively, of the group formed by the Company and its subsidiaries, the Company has undertaken to ensure that an unconditional guarantee is granted, irrevocable and on first demand in favour of the EIB as collateral for the Company's obligations under the EIB 2020 Credit Agreement, by any additional subsidiary of the Company, so that the turnover, net income and EBITDA of the Company and its underwriting subsidiaries represent, where applicable, 90% of the Group's consolidated turnover, 90% of the Group's consolidated net income or 90% of the Group's consolidated EBITDA.

For the purposes of this commitment, EBITDA (as defined in the 2020 EIB Credit Agreement) is calculated, inter alia, before taking into account certain exceptional items, the results of minority interests and before taking into account any gain from an upward revaluation of assets.

- **Covenants and restrictions**

The 2020 EIB Credit Agreement contains certain commitments to do, not to do and to inform the Company (subject to the usual exceptions and derogations), customary for this type of financing, and in particular the following commitments:

- use the sums borrowed under the EIB 2020 Credit Agreement to finance the investment programme;
- implement and ensure the implementation of the investment programme financed by the loan in accordance with the technical description annexed to the 2020 EIB Credit Agreement and to complete

the said investment programme by the completion date indicated therein (the said investment programme being in line with the strategy established by the Company described in paragraph 1.1.2 "Strategy" of this document);

- not assign, sell or otherwise transfer and ensure that none of its subsidiaries assigns, sells or otherwise transfers any tangible or intangible assets, intangible or financial assets other than to the extent permitted by the EIB 2020 Credit Agreement;
- maintain in good working order (and renew or repair, if necessary) those of its assets that are necessary for the implementation of the investment program;
- to comply with and ensure that each of its subsidiaries complies with the laws and regulations to which they are subject;
- not substantially alter the general nature of its activities and the activities of the group it forms with its subsidiaries;
- not enter into and ensure that none of its subsidiaries enters into any merger, absorption, partial contribution of assets or any transaction having equivalent effect other than to the extent permitted by the EIB 2020 Credit Agreement;
- retain a majority stake in the capital of its subsidiaries;
- not carry out external growth operations (i.e. investments or acquisitions relating to other entities, companies, goodwill or branches of activity, or company securities), it being specified that when such external growth operations relate, in particular, to (i) asset transfers between the Company and guarantors under the EIB 2020 Credit Agreement, (ii) newly created entities that have not started their commercial activity and are located in a country of the European Union or the OECD, (iii) securities of limited liability companies for which the price paid is less than 5% of the total consolidated amount of the assets of the group of the Company and its subsidiaries for the same financial year or 12.5% cumulatively during the term of the contract (subject to compliance with certain additional criteria) or (iv) operations previously authorised in writing by the EIB, the Company is free to carry them out;
- not to subscribe and ensure that none of its subsidiaries subscribes to new financial debt other than to the extent permitted by the EIB 2020 Credit Agreement;
- not to consent and not to allow to subsist and to ensure that none of its subsidiaries grants or allows to subsist any real and/or personal security other than to the extent permitted by the EIB 2020 Credit Agreement;
- not enter into and ensure that none of its subsidiaries enters into hedging agreements other than to the extent permitted by the EIB 2020 Credit Agreement;
- not to declare and not distribute and not to ensure that any of its subsidiaries declare or distribute dividends, with the exception of (i) any distributions authorised by the EIB, (ii) payments resulting from an amicable liquidation or reorganisation of a group company that is neither the Company nor a subsidiary that has become a guarantor under the EIB 2020 Credit Agreement and (iii) any dividend payments by the subsidiaries of the EIB the Society;

- not to grant and ensure that none of its subsidiaries grants credits, advances or loans, other than to the extent permitted by the EIB 2020 Credit Agreement;
- to remain duly and validly incorporated as a limited liability company in the jurisdiction in which it is incorporated and to ensure that each of its subsidiaries remains duly and validly incorporated as a limited liability company in the jurisdiction in which it is incorporated;
- not to move and cause none of its subsidiaries to move its registered office or the centre of its main interests or the place of its business outside the jurisdiction in which it was incorporated;
- not to modify the terms of existing credit agreements binding the Company, including the terms of payment and repayment under these agreements; and
- provide certain accounting, financial and factual information regarding the Company and the investment program financed by the loan) and, if necessary, arrange a visit to the sites operated by the Company.

Finally, the 2020 EIB Credit Agreement requires that a positive level of equity be maintained at all times at the Company's level. The 2020 EIB Credit Agreement requires the Company, on a consolidated basis, to maintain (i) a debt service coverage ratio (cash flows/debt service) above 2.0:1.0 and (ii) a debt-to-equity ratio of less than 1.0:1.0, tested annually at the end of each financial year and for the first time for the period ending December 31, 2024.

(i): the application of the debt service coverage ratio test was waived on December 20, 2024.

II): As of December 31, 2024, the debt-to-equity ratio is less than 1, so compliance with the covenants is validated.

- **Mandatory or voluntary payments**

The debt contracted under the EIB 2020 Credit Agreement must be subject to a mandatory early repayment (subject to certain exceptions), in whole or in part, (i) in certain specific cases: (1) if the amount of the investment program is less than the amount indicated in the EIB 2020 Credit Agreement and the loan therefore exceeds 50% of the total cost of the investment program, for the excess portion, (2) in the event of voluntary early repayment by the Company or any of its subsidiaries of all or part of a financial indebtedness other than the EIB 2020 Credit Agreement or other financing contracted with the EIB (or if such repayment is likely, thirty days after a consultation period requested by the EIB), (3) in the event of the adoption of any law or any regulatory instrument that would have the effect of restricting the Company's ability to comply with its obligations under the EIB 2020 Credit Agreement and the related financing documents or (4) in the event of non-conversion into shares, no later than 6 months before their final maturity, the 79,122 convertible bonds (OC5) issued by the Company and subscribed by the SPI Fund and Eurazeo (formerly known as Idinvest) in February and May 2020; (ii) in the case of a sale of fixed assets forming part of the investment program financed by the loan and with the exception of disposals of tangible assets of less than EUR 50 000 in respect of the same financial year (this exemption does not apply in the case of the sale of shares in subsidiaries holding fixed assets that are part of the investment programme financed by the loan), without the EIB's agreement, for the amount of the sale; and (iii) in the event of the occurrence of certain customary events, such as a change of control of the Company (the loss of ownership of 20% of the Company's voting rights by the existing shareholders on the date of conclusion of the EIB 2020 Credit Agreement (i.e. funds managed by Eurazeo, Mitsui & Co., Ltd., the SPI Fund - Industrial Project Companies, the Marcel Dassault Industrial Group and Mr. Christophe Gurtner), a change of Chairman.

The debt contracted under the EIB 2020 Credit Agreement may be voluntarily repaid early by the Company, in whole or in part, subject to notice period.

Any early repayment under the 2020 EIB Credit Agreement, whether voluntary or mandatory, shall give rise to the payment of an early repayment penalty, corresponding, for each of the Tranches, to (i) 2% of the amount redeemed early under the Tranche concerned, if the early repayment takes place before the first anniversary of the date on which the Tranche concerned is made available, (ii) 1.5% of the amount redeemed in respect of the relevant Tranche, if the early redemption occurs after the first anniversary of the date of availability of the relevant Tranche but before or on the date of the second anniversary of the date of availability of the relevant Tranche, (iii) 1% of the amount redeemed in respect of the relevant Tranche, if the early redemption occurs after the second anniversary of the date of availability of the relevant Tranche but before or on the date of the third anniversary of the date of availability of the relevant Tranche or (iv) 0.5% of the amount redeemed in respect of the relevant Tranche, if the early redemption occurs after the third anniversary of the date of availability of the Tranche (the " **Early Repayment Penalty** ").

- **Early repayment**

The EIB 2020 Credit Agreement provides for a number of cases of early repayment common for this type of financing, including payment defaults, non-compliance with financial ratios or any other obligation or declaration, cross-default, insolvency proceedings and insolvency, certain financial penalties or the occurrence of a material adverse event. The Company has already made *waiver* requests under the 2020 EIB Credit Agreement, for example in connection with the acquisition of Holiwatt on 29 June 2021, with a view to its IPO or the provision of credit through the mobilisation of promissory notes (see below) as well as under the 2017 EIB Credit Agreement. Any refund made following the occurrence of an early due event would also give rise to the payment of the Early Repayment Penalty.

The application of the test on the debt service coverage ratio was waived on December 20, 2024.

2.10 Future sources of financing needed to meet investment commitments

In order to finance its development and future investments, the Group has as of December 31, 2024:

- with a cash flow of 5.4 million euros.
- a non-recourse factoring contract that was signed on 21 December 2023 with Facto France, covering an outstanding, indefinite and uncapped amount up to the limit of the amount insured by the credit insurer (see note 3.1.3 of the consolidated financial statements).

The Management is also studying options for financing its growth strategy, in equity or debt (bank or not), which could be deployed in order to increase its financial flexibility.

2.11 Capital expenditure

2.11.1 Main investments made

The total amount of investments made by the Group amounted to €22,057 thousand in 2024 compared to €24,481 thousand in 2023.

2.11.2 Main investments in progress

Acquisitions of property, plant and equipment net of advances and interim payments amounted to €9,176 thousand for the year ended December 31, 2024, compared with €12,485 thousand for December 31, 2023.

These investments mainly concerned:

- developments within the Group's various sites;
- improvements in production lines;
- test equipment and;
- improvements in information systems.

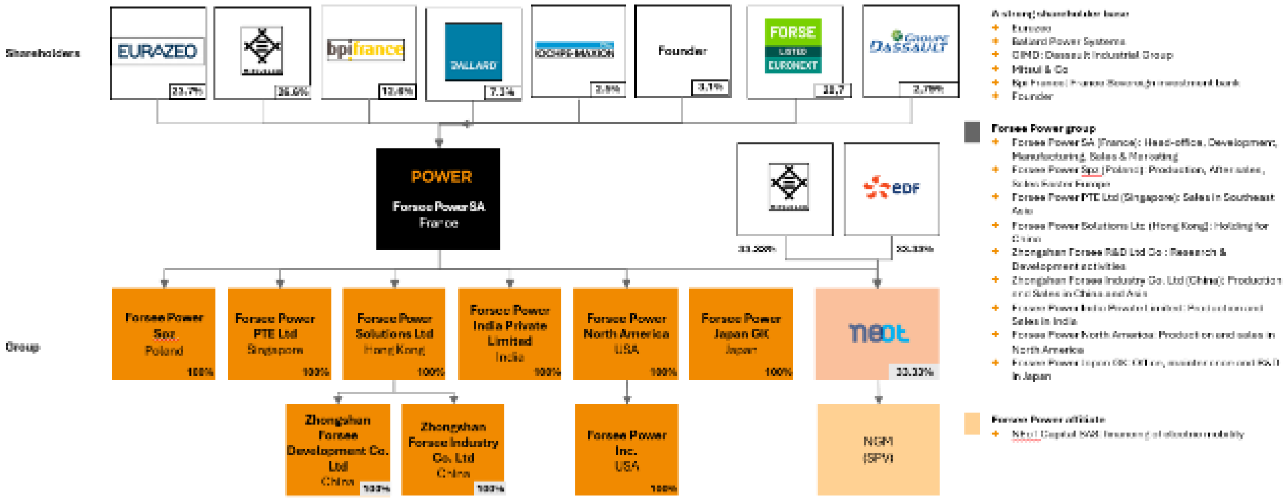
2.11.3 Main future investments

Future investments will mainly consist of setting up new flexible production lines in all of the Group's factories, which will also be accompanied by expenses related to the development of sites (infrastructure, IT, etc.) and product control equipment (laboratories, test equipment, etc.). At the same time, the Group plans to continue a sustained effort in the development of new products, as well as research, in order to deploy its continuous product improvement plan at a satisfactory pace. This effort, which also meets market expectations, will enable the Group to maintain a high-quality product offering in its various market sectors in the years to come.

2.11.4 Organizational Structure

2.11.4.1 Simplified organization chart

The simplified organizational chart below presents the legal organization of the Group and its main subsidiaries at the date of this document. The percentages reported for each entity reflect the percentages of ownership.



2.11.4.2 Significant subsidiaries

Refer to section 4.3 of this document in note 4 of the Group's consolidated financial statements "information relating to the scope of consolidation" and to section 4.1 in note 21 of the annual financial statements "table/list of subsidiaries and participations".

2.11.5 Recent acquisitions and disposals of subsidiaries

Changes in scope are detailed in notes 4, 5.1 and 5.2 of the Group's consolidated financial statements as of December 31, 2024 in section 4.3 of this document.

2.11.5.1 Acquisitions

None.

2.11.5.2 Creations

None

2.11.5.3 Transfers

None

2.11.6 Significant changes in financial or business conditions

Except as described herein, there has been no material change in the Group's financial or commercial situation since December 31, 2024, to the Company's knowledge.

2.12 Other information

2.12.1 Subsequent events

The reader is invited to refer to note 10.1 of the Group's consolidated financial statements in section 4.3 of this document.

2.12.2 Parent Company Information

2.12.2.1 Business activity

FORSEE POWER S.A. is a company operating in the design and integration of batteries specialized in the field of:

- of autonomy and mobility (bicycles, scooters, rolling stock, medical facilities, home automation, professional tools and construction material …);
- electric transport (buses, trucks, short circuit vehicles, rail transport).

2.12.2.2 Comments on the activity of the parent company

In thousands of euros	**Fiscal year 2024**	Fiscal year 2023
Turnover	**155 978**	**180 422**
Operating income	(15 412)	(24 248)
Financial result	(3 160)	(7 778)
Outstanding result	241	435
Income taxes	(1 824)	(1 223)
Result for the year	**(16 507)**	**(30 369)**
Equity	57 977	74 022
Financial liabilities	44 396	49 502
Cash	4 484	25 060

- **Revenue**

Revenue was €155,978 thousand in 2024, down €(24,444) thousand compared to 2023. It is mainly made up of the sale of battery systems for heavy vehicles and light vehicles, down (12,163) thousand and (7,623) thousand, respectively, due to the decrease in activities with one of the main customers in the heavy vehicle market and the overall decline in the light vehicle market.

- **Operating income**

Operating income is a net loss of €(15,412) thousand in 2024, compared to a net loss of €(24,248) thousand in 2023. This improvement is mainly explained by the reduction in the level of purchases and supplies and an increase in other operating income, which partly offset the decline in sales.

- **Financial result**

The financial result improved by +€4,618 thousand compared to 2023, due to a more favorable currency effect on financial operations and a lower impairment of Forsee Power India Private LTD equity securities, which amounted to €(1,908) thousand in 2024 compared to €(2,234) thousand in 2023, as well as an impairment of the Forsee Power India current account of (3,438) thousand euros in 2023.

- **Net exceptional result**

The exceptional result for the year is a product of 241 thousand euros in 2024, compared to a product of 435 thousand euros in 2023.

This aggregate is detailed in section 4.1 - note 19 "exceptional result" of this document.

- **Income tax expense**

The tax recorded constitutes income and amounts to 1,824 thousand euros in 2024 compared to 1,223 thousand euros in 2023. It mainly corresponds to the CIR for the 2024 financial year for 1,809 thousand.

This aggregate is detailed in section 4.1 - note 20 "taxes" of this document.

- **Net income**

The net result for the year is a loss of (16,507) thousand euros in 2024. This compares to a loss of (30,369) thousand euros in 2023.

- **Financial situation**

As of December 31, 2024, the Company's shareholders' equity amounted to €57,977 thousand compared to €74,022 thousand as of December 31, 2023. The decrease of €(16,046) thousand is mainly due to the net result for the 2024 financial year of €(16,507) thousand and the investment subsidies received during the year.

Forsee Power SA's financial debts amounted to €44,396 thousand in 2024, down €(5,106) thousand compared to 2023. This change is mainly due to the decrease in borrowings and debts from credit institutions. The main elements of the Group's financing are detailed in section 4.1 - note 12 "cash and debt".

The decrease in cash and cash equivalents of €-20,576 thousand compared to 2023 is mainly due to the still high level of investment and the repayment of state-guaranteed loans, partly offset by the improvement in the company's financing requirement during the year.

2.12.3 Table of results for the last 5 financial years

Amounts	December 31, 2024	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020
I. Financial position at the end of the year (in K€)					
a) Share capital	**7 174**	**7 155**	5 357	5 321	2 999
b) Number of shares making up the share capital	**71 744 727,00**	**71 550 727,00**	53 572 003,00	53 210 003,00	299 876,00(1)
Number of shares issued at a nominal value of €10				94 293,00	
Number of shares issued at €0.10 face value	**194 000**	**17 978 727**	360 000,00	13 793 103,00	
c) Number of bonds convertible into shares				-	123 957,00
II. Comprehensive result of operations (in K €)					
a) Turnover excluding tax	**155 978**	**180 422**	108 249	66 878	61 084
(b) Profits before taxes, depreciation and amortization and provisions	**(10 797)**	**(13 142)**	(13 176)	(10 723)	(13 701)
(c) Income taxes	**1 824**	**1 223**	2 078	2 237	-
(d) Profits after tax, depreciation and amortization and provisions	**(16 507)**	**(30 369)**	(29 985)	(25 627)	(24 641)
(e) Amount of distributed profits				-	-
III. Profit from operations reduced to a single share (in euros)					
(a) Profit after tax, but before depreciation and amortization and provisions	**(0,15)**	**(0,18)**	(0,25)	(0,20)	(45,69)
(b) Profit after tax, depreciation and amortization and provisions	**(0,23)**	**(0,42)**	(0,56)	(0,48)	(82,17)
c) Dividend paid on each share				-	-
IV. Staff (in K €)					
a) Number of employees	**344**	**354**	323,00	284,00	257,00
b) Amount of the wage bill	**(20 772)**	**(20 479)**	(17 277)	(14 423)	(11 923)
(c) Amount of money paid for social benefits (social security, charities, etc.)	**8 842**	**7 155**	5 357	5 321	2 999

(1) Number of shares before split as of October 15, 2021.

2.12.4 Customer and supplier payment terms

Pursuant to Article L. 441-6-1 of the French Commercial Code, the following table provides information on the payment terms of the Company's suppliers and customers:

Article D. 441 I.-1°: Invoices received not paid by the closing date of the financial year whose term has expired

SUPPLIERS

	0 days (indicative)	1 to 30 Days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)
(A) Late payment instalments						
Number of invoices affected	335	163	152	85	2 329	2 729
Total amount of the invoices concerned including VAT	11 138 418	3 436 331,2	4 236 770,1	-109 195,2	6 801 690	14 365 596
Percentage of total purchases including VAT for the year	7,7%	2,4%	2,9%	-0,1%	4,7%	9,9%
(B) Invoices excluded from (A) relating to disputed or unbooked liabilities						
Number of invoices excluded						
Total amount of excluded invoices						
(C) Reference payment terms used (contractual or legal term - Article L. 441-6 or Article L. 443-1 of the French Commercial Code)						
Payment terms used to calculate late payments	30 days					

Article D. 441 I.-2°: Invoices issued not paid by the closing date of the financial year whose term has expired

CUSTOMERS

	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more (1)	Total (1 day and more)
(A) Late payment instalments						
Number of invoices affected	79	47	43	132	835	1 057
Total amount of the invoices concerned including VAT	3 436 649,22	79 291,05	5 746 030,5	3 873 152	22 286 034	31 984 507
Percentage of the total amount of sales including VAT for the year	2,2%	0,1%	3,7%	2,5%	14,3%	20,6%
(B) Invoices excluded from (A) relating to disputed or unbooked liabilities						
Number of invoices excluded						
Total amount of excluded invoices						
(C) Reference payment terms used (contractual or legal term - Article L. 441-6 or Article L. 443-1 of the French Commercial Code)						
Payment terms used to calculate late payments		30 days invoice date				

(1) The claims of 20.8 million euros with ZFI are inter-company receivables, which could be settled in whole or in part by capitalization in the future.

2.12.5 Amount of inter-company loans granted and statutory auditors' statement

Not applicable.

2.12.6 Penalties

On 10 June 2024, Forsee Power was notified of an adjustment of €52,014, including €15,899 in customs duties and €36,115 in VAT, which had been paid as of the date of this report.

2.12.7 Other information

- Additional tax information

In accordance with the provisions of Articles 223 quarter of the General Tax Code, we would like to point out that during the past financial year, no expenses that are not deductible from the tax result have been incurred.

In addition, none of the general expenses referred to in Articles 39-5 and 223 quinquies of the General Tax Code that did not appear on the special statement were incurred.

- Injunctions or monetary penalties for anti-competitive practices

Not applicable.

2.13 Legal and arbitration proceedings

In the normal course of business, the Group may be involved in judicial, arbitral, administrative or regulatory proceedings, which may include, but are not limited to, litigation with its customers, suppliers, competitors, employees, tax authorities or other authorities.

As of the date hereof, the Group is not aware of any administrative, judicial, or arbitration proceedings (including any proceedings of which the Group is aware, pending, or threatened by the Panel) other than those set forth below.

A provision is recorded by the Group when there is a sufficient probability that such litigation will result in costs to be borne by the Company or one of its subsidiaries and the amount of such costs can be reasonably estimated. As of December 31, 2024, the total amount of the Group's provisions for risks and expenses amounted to €8,626 thousand (see note 7.11 "Provisions for liabilities and expenses" of the Group's consolidated financial statements for the year ended December 31, 2024, set out in section 4.3 of this document).

Litigation with Unu GmbH

As of July 23, 2016, Unu GmbH and the Company entered into a supply agreement based on the technical information regarding the scooters provided by Unu. In the event of battery failure, the Group has undertaken to replace the defective products delivered free of charge or to refund them. The Group had to change the supplier and the type of cells for its batteries, which led the parties to conclude an amendment to the supply contract on June 29, 2018. Since February 5, 2019, 45 fires have broken out and the origin of these fires has been attributed by the Unu company to primary defects in the battery of the Unu scooter (i.e. the lack of foam protection in some batteries, the change of cells making up the battery pack, cells damaged during manufacturing, poor welding, battery protection system failure).

In many cases, the accident occurred when the battery was neither incorporated into the scooter nor charging. Following the Group's report to the competent authorities, UNU initiated a recall procedure with the competent authorities.

Referral procedure in Paris:

On 12 March 2021, Unu GmbH summoned Forsee Power and its former insurer, Generali, to the Commercial Court of Paris for a request for a judicial expertise. Unu GmbH is taking action against the Company on the basis of product liability and contractual liability under common law, alleging that the batteries are defective and do not meet the technical specifications agreed between the parties under the terms of the supply agreement of 23 July 2016 and its amendment of 29 June 2018. The Company did not oppose this request for a forensic expert opinion but indicated that it should also cover the scooters produced by Unu GmbH, whose characteristics that do not comply with the initial contractual specifications are the cause of battery malfunctions.

By an order of 31 March 2021, the urgent applications judge ordered the appointment of a judicial expert whose mission covers both the study of batteries and scooters in order to qualify the origin of the malfunctions, the associated disorders and therefore the responsibilities. The initially appointed expert having withdrawn, the urgent applications judge ordered the appointment of a new expert by an order of 16 April 2021.

The expert heard, as of 5 May 2021, the various arguments presented by the parties but has not yet appointed a laboratory to carry out the necessary tests on the batteries and scooters. However, the latter has repeatedly noted the difficulties of cooperation with Unu GmbH, which refuses to communicate certain key documents for the expertise, in particular the test reports of its scooters.

On December 31, 2021, Unu GmbH summoned Forsee Power for summary proceedings before the Commercial Court of Paris for the purpose of replacing the legal expert appointed in April 2021. Unu GmbH considers that the expert is manifestly biased and that he does not have sufficient competence to carry out the forensic expertise. On January 26, 2022, the Company responded to these arguments by indicating that the summary judge did not have jurisdiction and that the case should be brought before the Control Judge. The Company also rejects the arguments of Unu GmbH regarding the alleged bias or incompetence of the expert.

The Supervisory Judge maintained the judicial expert and appointed a joint judicial expert.

Persistent disagreements on the content of the expert assessments to be carried out, the Company referred the matter to the expert review judge on 22 November 2023 in order to order the co-experts to start their assessments without delay and to set a reasonable timetable.

At the hearing on December 21, 2023, the judge in charge of the supervision of the experts ordered the legal experts to start their expertise on the scooters with a view to the submission of their report by the end of 2024.

In an order dated January 29, 2024, the control judge confirmed that the test protocol could be started as it stands. The Tolosa Lab was finally selected following the withdrawal of Emitech. The results of the tests are not known to date.

The trial proceedings:

On November 2, 2021, despite the ongoing expert report, Unu GmbH summoned the Company before the Paris Commercial Court, ruling on the merits on the same grounds as for the expert report and claims €15,845 thousand for the material damage suffered, as well as €50 thousand for non-material damage.

At the procedural hearing on 28 September 2022, the General Court adjourned the case to 12 April 2023. The Court, in its deliberations of 22 June 2023, stayed the proceedings until the expert report had been filed.

In accordance with its previous judgment, the Paris Commercial Court confirmed in a judgment of May 6, 2024 the stay of proceedings until the issuance of the expert report (appendix 22).

On December 27, 2024, HDI Global SE, in its capacity as liability insurer of Unu GmbH ("UNU"), acting as a substitute bidder for UNU's rights, sued the Company, Axa France IARD SA and Generali IARD SA, before the Commercial Court of Paris.

HDI Global states that it has received a total of 40 claims to date, all related to batteries supplied to UNU, with an estimated value of €2,618,978.54, of which €321,400.23 has already been settled. HDI Global is asking the court to order the Company, Axa and Generali jointly and severally to reimburse all sums already paid, as well as any additional amount that may be paid in connection with this case. HDI Global also requests that the decision be postponed until the expert report of Dejean de la Batie and Dopplet has been submitted. Finally, HDI seeks the award of €10,000 under Article 700 of the French Code of Civil Procedure.

This action on the merits was undoubtedly brought by HDI to interrupt the statute of limitations.

- **Expert assessment summary proceedings in Lyon:**

On May 25, 2022, Unu GmbH summoned the Company for summary proceedings before the Judicial Court of Lyon for a request for a judicial expertise carried out by the insurer and the family of an individual who died in the fire in his home in August 2021.

The circumstances of this fire have not been established: the fire starting, according to the insurer, at the garage door, the said garage contained a Piaggio thermal scooter and an Unu electric scooter. It was in this context that the insurer brought an action against Unu GmbH to appoint a legal expert to determine the origin of the fire.

The investigations have not begun and no cause is at this stage favoured. The Urgent Relief Judge ordered the extension of the expert mission on August 1, 2022. A first expert meeting took place on October 18, 2022. The expert is waiting to continue his investigations given the multiplicity of possible causes at the origin of the fire.

The destruction of parts in the context of the criminal investigation led the Expert Mazabraud to consider that the determination of the cause of the fire would be very uncertain to establish.

The Expert subcontracted a mission to TOLOSA LAB, which examined a charred battery and electrical wires. He does not draw any conclusions from his findings.

In the event that the damage was indeed caused by the scooter, the said accident would not be covered by the Company's new insurer since it would then be a new serial incident related to Unu batteries. The risk having been identified in 2019, it would therefore also fall under the policy concluded with the Company's former insurer.

At the same time, an investigation was carried out by the Lyon prosecutor's office but it was closed without further action. This does not prejudge the possibility of a complaint being filed with a civil party before an Investigating Judge at a later date by the victim's family.

A new expert meeting was held on May 21, 2024. At the end of this meeting, the expert indicated in a note to the parties that the condition of the battery did not reveal any trace of internal ignition, and that it was therefore unlikely that it was the cause of the fire. However, the residues of the latter have been sent for analysis and the expertise is continuing.

- **Procedure before the Paris Judicial Court:**

On September 13, 2023, the Company was summoned before the Paris Judicial Court by the company Equité Assurances (Appendix 21).

The summons is filed by the insurer of a consumer whose scooter caught fire in his garage who is acting after compensating his client. The insurer is taking action against Unu GmbH and its insurer on the basis of the warranty against latent defects, and against the Company on the basis of liability for defective products. The latter requested that the defendants be condemned in solidum for an amount of €269,676.

The proceedings have been postponed to 28 March 2025, so that the parties can inform the Judge of their intentions. Forsee Power has not yet heard back from this session.

- **Proceedings before civil courts in Germany:**

On 15, 29 September and 9 November 2022, Forsee Power received summonses for forced intervention before three civil courts in Germany (*Landgericht* Flensburg, Munich and Coburg) by Unu GmbH in proceedings initiated by the victims of the various claims.

These proceedings were supplemented by new summonses received on 19 July, 31 July, 22 August, 30 November and 29 December 2023, before four other civil courts in Germany (*Landgericht* Cologne, Hamburg, Essen and Aachen) from Unu GmbH in proceedings initiated by the victims of the various claims. The Company put forward the same arguments as those developed in the proceedings opened in France, and requested a stay of proceedings pending the results of the judicial expertise opened in France.

At the hearing on 24 January, UNU's lawyer argued his case, arguing that Forsee was aware that UNU was using a KERS (kinetic energy recovery system) Forsee is currently preparing a response, arguing that this had been mentioned in an email, but that UNU has never confirmed the implementation of KERS, nor has it asked Forsee to adapt the batteries accordingly.

On 31 January 2025, the AOK Plus (German Social Security) sent a letter to Forsee indicating its intention to join the proceedings.

On 5 February 2025, the Regional Court of Aachen (Landgericht Aachen) notified the parties that the Chamber (the collegiate court) would resume processing the case, due to the complexity of the case.

On February 7, 2025, the court sets a hearing for September 24, 2025 (hearing originally scheduled for August 13, 2025).

- **Provision retained in the financial statements:**

The provision recorded in the consolidated financial statements for the period ended December 31, 2024 in the amount of €205 thousand (€249 thousand as of December 31, 2023) therefore includes both the fees of the Company's legal counsel but also those of the legal expert and external experts requested by the Company. The provision was taken over and used in the amount of €44 thousand in the 2024 financial year in connection with the expenses recognized in the year, mainly for expert and legal fees.

The Company considers that the claims of Unu GmbH are unfounded and intends to assert its legal rights and arguments justifying at this stage of the procedure the absence of a provision for risks beyond the legal costs mentioned.

The reader is referred to Note 7.11 to the consolidated financial statements.

2.14 Environmental constraints that may affect the use of its property, plant and equipment

The environmental constraints that may affect the use of the various facilities that are fully owned and/or operated by the Group are described in Chapter 5 "Sustainability Report".

Provisions are discussed in section 4.3 - note 7.11 "Provisions for liabilities and charges" of this document.

3 RISK FACTORS

3.1 Risks and uncertainties

Within the framework of the provisions of Article 16 of Regulation (EU) 2017/1129 of the European Parliament and of the Council, this chapter presents the main risks specific to the Group that may, at the date of this document, affect its business, financial situation, reputation, results or prospects, depending on their criticality, i.e. their severity and their probability of occurrence, after taking into account the action plans put in place.

These risks are, as of the date of this document, those that the Company believes is likely to have a material adverse effect on the Group.

The risks mentioned are for illustrative purposes only and are not exhaustive. These or other risks not identified at the date of filing of this document or considered not material by the Group at the date of filing of this document, could have an adverse effect on the Group's business, financial condition, reputation, results or development prospects.

In addition, it should be remembered that some of the risks mentioned or not mentioned in this document may be triggered or arise due to external factors, such risks being beyond the Group's control.

The main risks concerning the Group can be grouped into six categories:

- Strategy
- External Environment
- Human resources
- Operations
- Environment
- Ethics and Governance

Within each of the risk categories mentioned above, the risk factors that the Company considers to be the most significant as the date of this document (indicated by an asterisk) are mentioned first.

Finally, it should be noted that the sustainability report contains a description of non-financial risks, some of which are included here if they are deemed significant.

3.1.1 Risk Management

Risk management refers to the measures implemented by the Group to identify, analyze and control the risks to which it is exposed in France and abroad. The Group attaches great importance to a risk culture and has embarked on a structured approach aimed at conducting an active risk management policy to ensure that its major and operational risks are known and controlled. The risk management system is regularly monitored by the management of the Group's operating entities.

Risk management is considered a priority for the Group, which has built a coherent approach to risk management and internal control. The Group's risk management and internal control systems are based on a set of means, policies, procedures, behaviours and actions aimed at ensuring that the necessary measures are taken to:

- verifying the effectiveness of operations and the efficient use of resources; and
- identify, analyze and control risks that may have a significant impact on the Group's assets, results, operations or the achievement of its objectives, whether they are of an operational, commercial, legal or financial nature, or related to compliance with laws and regulations.

Operational and industrial risk management and quality control are the responsibility of the Group's operational departments and subsidiaries, under the functional control of the Group's Quality Department. The Group's Quality Department is responsible for (i) monitoring the management of operational and industrial risks in collaboration with the Executive Committee and (ii) implementing a quality control system to respond to the risks identified.

The Audit and Risk Committee, set up within the Board of Directors, is responsible in particular for ensuring the relevance, reliability and implementation of the Company's internal control, identification, hedging and risk management procedures relating to its activities and financial and non-financial accounting information (see also paragraph 6.1.2.5 "Establishment of committees" of this document). Internal control is the responsibility of the Finance Department.

3.1.2 Strategy

Risks related to the Group's funding and liquidity*

Risk description

Forsee Power is facing a liquidity risk, i.e. a risk that the Group will not be able to meet its financial obligations inherent in the continuation of its activity, given the financing needs for the development of its business.

Forsee Power has reviewed its liquidity risk for the next 12 months to April 2026 with regard to the following elements:

- The level of available cash as of 31 December 2024, which amounted to €5.37 million;
- The Group's business cash flow outlook for the next 12 months
- The Group has an order book that gives it good visibility on its sales for the coming months.
- In 2025, the Group also renewed its non-recourse factoring program with Facto France with an uncapped amount of receivables in euros and dollars (within the limits per customer given by credit insurers)
- A new working capital financing line guaranteed by the French plant's inventories from a pool of five banks for €10 million validated in Apr-25
- Various hypotheses for additional financing of various kinds or the restructuring of existing financing are being studied or implemented: they will also strengthen the Group's liquidity.

Based on these forecasts and ongoing actions, the Group believes that it will have sufficient resources to justify the application of the going concern principle.

Refer to note 7.13.2 "Liquidity risk management" in the consolidated financial statements of this document

in thousands of euros	December 31, 2024	December 31, 2023
Overdraft authorization	0	0
Subtotal credit facilities (a)	**0**	**0**
Cash and cash equivalents	5 369	25 902
Bank Overdrafts - Passive Treasury	0	0
Net liquidity (b)	**5 369**	**25 902**
Total liquidity position (a) + (b)	**5 369**	**25 902**

Risk management approach

In order to control its liquidity and funding risks, the Group is committed to maintaining a strong relationship with its financial partners. He is in constant exchange with his creditors). Forsee Power also has equity capital in the event of a lack of liquidity, and the shareholding was strengthened in 2023.

The Group anticipates customer delivery or payment delays in order to manage them as well as possible, and improves its customer analysis in order to better monitor collections and reminders.

It also negotiates future payment terms and requests with its suppliers as their relationships are strengthened

Risks related to technological disruptions*

Risk description

The market in which Forsee Power operates is evolving rapidly, while the development time of a product is relatively long (2 to 3 years). This creates a risk of investing significant time and financial resources in developing a product that is likely to quickly become obsolete.

In addition, a technological breakthrough could force the Group to change technology quickly in order to be able to keep up with market developments.

Finally, the Group may be challenged by requests for innovation from its customers. While this may represent an opportunity, Forsee Power must be able to guarantee the quality and safety of its products.

Risk management approach

Currently the leader in its market, Forsee Power limits the risks associated with technological disruptions by maintaining a strong emphasis on innovation and product development, while paying particular attention to market developments and customer demands. The Group also monitors technology, market and competitor developments widely.

In addition, the factories, teams and production tools are organized in a flexible mode to be able to quickly grasp new constraints and limit the impact of a sudden change in production mode.

Sales Risks

Risk description

Forsee Power depends on a limited number of customers representing a major part of its revenue, which makes the Group vulnerable in the event of contract loss, a drop in demand or difficulty in negotiating advantageous tariff conditions with these strategic customers.

In addition, the battery industry involves long product development cycles, which can last 2 to 3 years, and warranties spread over several years, limiting commercial flexibility and committing the Group in the long term. The Group could encounter difficulty in meeting its service commitments due to a lack of components if they have become obsolete and are no longer produced. Conversely, if it stocks components in anticipation, the Group is faced with the risk of obsolescence of those that are not needed, due to a lack of orders or low service needs. These factors require rigorous management to secure sales, control inventories and maintain economic performance.

Risk management approach

Forsee Power is leading commercial efforts to diversify its customer portfolio and expand its revenue streams in different market segments such as off-road, rail and light vehicles.

At the same time, the Group is strengthening its international sales and investing in technological and industrial development in order to optimize its costs and maintain competitive prices.

In addition, the Group conducts an in-depth analysis of market segments and rigorously monitors the obsolescence of its products to remain competitive and meet the evolving needs of the market.

Supply chain risks

Risk description

Forsee Power is facing various supply chain issues that could have a significant impact on its operations and competitiveness. The strong dependence on a limited number of battery cell suppliers, mainly located in China and South Korea, exposes the Group to availability and price risks. These risks are amplified by international political tensions between China and other strategic regions such as the European Union, the United States or India. In addition, a China-Taiwan conflict or the closure of China's export borders could interrupt the supply of essential components. These risks could also impact certain Group activities involving engineers/technicians travelling to India as part of the development of a project.

Trade regulations (tariffs, restrictions) could also weigh on the supply chain, although current trade agreements limit risks with customers. In addition, transport delays or a deterioration in relations with certain suppliers could affect the quality and deadlines of deliveries. These risks are accentuated by the concentration of raw material sources in China, as 80% of raw material sources belong to Chinese conglomerates.

Although Forsee Power is perceived as a priority customer by its suppliers, factors such as partner dissatisfaction or reduced production capacity due to labor disruptions could increase exposure to this risk.

Risk management approach

To deal with potential supply disruptions, Forsee Power is implementing a strategy to diversify its sources of supply of key components. The Group is primarily seeking to diversify its geographical sources of supply. Some components can thus be sourced in regions other than Asia. Forsee Power identifies suppliers of cells and certain metal or plastic parts in Europe and North America, offering a strategic alternative when needed.

To ensure stable relationships with its suppliers, Forsee Power applies a strict on-time payment policy and adheres to pre-shipment payment terms when required and works closely with its accounting and treasury teams to reduce liquidity risks. The Group also ensures that it maintains a good relationship with its suppliers by conducting annual surveys to assess their satisfaction, identify any problems, and implement an appropriate action plan.

Reputational risks

Risk description

As a listed company, Forsee Power is faced with major challenges in controlling its financial communication. Poor communication to shareholders, misperception by investors, data leaks or concealment of information could disrupt the company's stock price and seriously damage the company's expected transparency.

In addition, dissatisfaction expressed by employees could damage Forsee Power's reputation, impacting recruitment and affecting the company's ability to achieve its objectives.

Finally, the media coverage of an accident or a battery fire could have major repercussions on the company's image.

Risk management approach

Forsee Power adopts a controlled communication plan with investors, systematically ensuring the accuracy, precision and consistency of its messages. Enhanced monitoring allows you to monitor the perception of the company and react quickly.

In order to reduce the risk of sensitive data leaks and the risk of insider trading, Forsee Power limits external communication to a few key financial indicators.

The risk of insider trading, which is also rare but has a critical potential impact, is mitigated by management's commitment to business success and strict compliance with regulations

A strong social dialogue, supported by regular exchanges with employee representatives and active monitoring of weak signals by the HR function, helps to maintain a favorable social climate and preserve the company's reputation. In addition, the appointment of harassment referents, the establishment of CSSCT commissions on the three sites, and the launch of an internal whistleblowing platform ensure appropriate and responsive communication.

Finally, the Group has set up a quality system ensuring control at different stages of the production chain. Numerous checks are carried out to reduce the possibility of a technical failure causing an accident or fire to a strict minimum. Crisis management processes are in place and regularly tested to effectively manage any high-profile incidents.

3.1.3 External environment

Risks related to the macroeconomic and geopolitical environment*

Risk description

As an international player, Forsee Power is exposed to exchange rate fluctuations, in particular due to its operations in China, India and Poland, as well as its transactions in US dollars, yuan and yen. An unfavorable evolution of interest rates could affect its consolidated financial results.

Regarding the risks related to interest rate fluctuations, Forsee Power's exposure mainly relates to its future financing needs. Although its current debts are at fixed rates, a rise in rates could make future access to credit more expensive, impacting its financing capacities.

In addition, global geopolitical instability, accentuated by factors such as armed conflicts or a health crisis, such as the war in Ukraine and the Covid-19 pandemic, is putting increased pressure on the costs of raw materials, including lithium-ion in cell batteries, as well as on battery and energy costs. In addition, macroeconomic and political uncertainties, such as government instability or reduced public support for electrification, are likely to disrupt the business model of Forsee Power and its customers.

Risk management approach

The Group actively monitors exchange rate fluctuations and subscribes to foreign exchange hedges (forward contracts) from time to time to limit risk when paying invoices to certain foreign suppliers. The arrival of a new treasurer has strengthened the exchange rate hedging systems. Transactions between the head office and the Chinese subsidiaries are now conducted in Yuan (RMB) rather than US dollars, thus limiting exposure to fluctuations. In addition, the Group favors the purchases in local currency, when possible, to balance its financial flows.

Regarding financing needs that may be impacted by interest rates, the Group regularly reviews its financing needs. It anticipates the negotiation or renegotiation of its credit lines, in partnership with its bankers in order to ensure favorable interest rates and works in particular with the European Investment Bank (EIB).

To cope with the increase in raw material costs that may result from a tense geopolitical situation, the Group includes price revision clauses in its contracts with its customers. It is also diversifying its suppliers and technologies to secure its supplies. The electric vehicle market, mainly concentrated in stable economic zones, supports the resilience of the Group's business model. More restrictive payment terms have been put in place in unstable areas.

In addition, the development of best practices, such as business continuity plans and staff protection measures since the Covid-19 pandemic, makes it possible to deal with crises of different kinds.

Increased Competition Risks*

Risk description

The fast-growing electromobility market is highly competitive, with a wide variety of products, services, technologies, quality and cost. Forsee Power faces the risk of competition from other battery producers, but also from cell suppliers, who could choose to develop their own battery systems, or even from its customers, who could decide to develop vehicle batteries themselves to verticalize production. This risk materializes very regularly, with contracts being put out to competition every 3 to 5 years.

This risk is modulated by a number of external factors. On the one hand, many competitors do not have as much history as Forsee Power and some are not yet profitable, which can put off customers. On the other hand, quality standards are significantly different from country to country, with different technologies, and not all producers can meet the same requirements. The risk of competition is therefore more marked in countries where quality standards are lower, but less severe in countries where standards are very demanding. Finally, the Group operates in relatively small markets and meets tailor-made customer needs. Its solutions benefit from long development time to guarantee this adaptation, for a limited volume. Competitors therefore have little interest in competing in certain markets, and the choice to change supplier, or to verticalize production, could prove costly and risky for a customer.

In addition, there is a risk around intellectual property related to the development of new technologies. If a patent is not filed in time for a technology developed by the Group, there is a risk that a competitor will use the technology in question. The Group would also risk financial penalties or a ban on the production of a series in the event that a competitor provides proof that the idea came to it before the Group started production.

Risk management approach

Forsee Power implements several strategies to minimize the magnitude of this risk.

Firstly, the Group maintains a strong strategy of innovation, sustained research and development with the aim of optimizing its solutions, guaranteeing impeccable quality and differentiating itself from the various players thanks to a better offer. It is also developing a range of services around its batteries (data management, help with the optimization of consumption, after-sales service, financing, etc.), helping to build customer loyalty.

Secondly, the Group develops its positioning strategically by carefully selecting its partners, ensuring the reliability of its customer base and building relationships of trust. The Group also chooses to specialize in niche expertise, and thus chooses to avoid the automotive market, which is more competitive and riskier. Thanks to its global structure, Forsee Power is able to meet the demand of international customers. The Group also chooses its suppliers and partners in a thoughtful way, in order to optimize relationships and be able to guarantee a smoother supply and services to its customers.

Finally, the Group maintains a very active competitive watch, in order to keep abreast of the latest technological developments, with a view to developing them or minimizing the risk of intellectual property lawsuits. On the other hand, the Group files very few patents.

Risks related to market conditions

Risk description

The electromobility market is currently growing rapidly and offers positive prospects. Nevertheless, it is a relatively new market that leaves room for uncertainty about its evolution. It is not impossible to have to deal with a decline in growth and a decline in the Group's activity in the medium term.

In addition, the dynamism of the Group's activities depends mainly on that of its customers. If the level of production of the Group's customers' vehicles and products were to decrease, the demand for the Group's battery systems could follow this trend.

As a result, the Group may have to deal with an increase or decrease in demand for its products. This would lead to the Group's inability to meet customer needs, or conversely, an increase in inventory and therefore costs. This situation would impact on the Group's revenues.

Risk management approach

The Group operates in vast business segments, with strong growth prospects and where demand is stronger than supply. All sectors are moving in the same direction and markets are becoming more structured, which could suggest that the risk is relatively low for the time being.

In addition, the Group is trying to establish a certain flexibility in its organization so that the teams can adapt in the event of a change in the pace of activity.

Risks related to legislative and regulatory changes

Risk description

Public policies, regulations or other laws can be favourable to the development of activities related to energy storage. Whether through advantageous rates, bonuses, subsidies or bonuses, the electric vehicle industry is strongly encouraged. There is a risk that these regulations will evolve and that the incentive to move towards electric battery energy will decrease. This change would impact the electric battery market and would have negative consequences on the Group's business and results.

The current trend towards protectionism and the rise of national preferences represents a risk for the Group, whose sales are very international.

In addition, certain local regulations may harm the Group's business or force it to adapt quickly, either directly (limitation of authorized battery technologies, strengthening standards) or more indirectly (e.g. specific cybersecurity laws and personal data protection), resulting in adaptation costs.

Risk management approach

To limit the risks associated with legislative and regulatory changes, the Group's Public Affairs Department maintains a regulatory watch enabling it to anticipate changes in laws, standards and innovations and actively contributes to the definition of European regulations via sectoral associations.

The Group's products take into account the regulations applied in Europe, which are stricter than in the rest of the world, which allows it to stay ahead of a large part of the developments in the rest of the world.

The Group's presence in strategic geographies limits its exposure to risk and constitutes a competitive advantage.

The group's ability to produce its battery systems as close as possible to its customers' assembly centers (5 production sites around the world) allows it to adapt as well as possible to any local or regional legislative and regulatory constraints

Finally, the Group participates in French and European professional groups with the aim of helping to influence policies.

3.1.4 Human resources

Loss of talent: turnover and insufficient skills development*

Risk description

The job market for profiles sought after in the battery sector, which has been booming for several years, is characterized by high turnover, especially in Europe where the sector remains less mature than in China. This dynamic makes specialized skills scarce and highly coveted, creating increased competition to attract and retain talent. The risk for Forsee Power lies in the difficulty of retaining its teams, especially key employees, as well as attracting new talent, if working conditions, salaries and development prospects are not considered sufficiently attractive.

Although the current turnover rate at Forsee Power is not alarming, an upward trend has been observed but tends to reduce sharply in the current economic context. This phenomenon represents a major strategic issue, because too high a turnover can lead to a loss of knowledge, production delays and impact the company's performance.

In addition, the development of Forsee Power's activities is based on the skills of its employees, particularly technological skills, in particular those specific to the solutions developed by Forsee Power. Their loss or lack of development could impact the quality of products and the Group's ability to sustain its growth. This risk could be amplified if the budget dedicated to training does not keep up with the increase in the number of students.

Risk management approach

Forsee Power deploys a talent attraction and retention plan, based on attractive working conditions, individualized career management, salaries in line with the market, variable remuneration schemes based on objectives, profit-sharing and profit-sharing, in order to encourage long-term commitment. This plan is reinforced for positions and people identified as particularly critical (key people, experts, high potentials). Succession programs and internal mobility opportunities are offered to key positions. The Group listens to the requests of its employees. In France, the mandatory annual negotiations are an opportunity to adjust working conditions. Wages have recently been reviewed with the collective agreement for the metallurgy sector. The Group also conducted a Great Place to Work survey. It revealed dissatisfaction in Poland and China about salaries, which have been revised accordingly.

The Group has also set up training plans, focusing on technical and technological skills but also on the concepts that guarantee the proper functioning of the Group: security, financial, HR, ethics, anti-corruption, etc. These themes are addressed in a structured integration program offered to all new arrivals.

Finally, the Group is committed to developing flexible processes and developing the versatility of its employees, in order to be able to adapt and maintain the continuity of its activities in the event of a higher turnover over a concentrated or prolonged period and to guarantee the quality of production, the safety of operations and the sound financial management of the Group.

Risks related to health, safety, as well as occupational accidents

Risk description

Due to its activities, the Forsee Power Group is confronted with high security risks. Working with live electrical equipment, employees are indeed confronted with the risk of accidents, which can lead to serious consequences: fire outbreak, electrocution. Handling equipment also exposes them to the risk of falling heavy objects and developing musculoskeletal disorders.

Maintenance and repair staff working with customers and "flying doctors" (engineers and technicians who can intervene anywhere in the world as part of the development of a project) are exposed to additional risks, insofar as the Group does not control the safety conditions implemented at customers' sites.

These risks are reinforced in certain countries with a lower risk culture, and in premises with degraded working conditions (premises lacking space and modernity).

In addition to the risks to the health and safety of employees in the short and long term, these factors present additional risks for the Group: increased controls, reduced productivity, lower quality, inability to absorb production growth.

Risk management approach

Forsee Power develops a safety culture and applies a rigorous HSE policy. This is based on formalized and mandatory processes, regular training and prevention programs, the systematic use of personal protective equipment, a risk reporting system and regular internal and external audits. All the Group's sites apply the most demanding European standards.

The Group is rolling out the ISO 45001 standard and by the end of 2024, all of its French sites, i.e. 37.5% of the Group's sites.

With regard to electrical risks, the Group is committed to ensuring that exposed employees have the appropriate training, certificates and equipment. The production sites work closely with the local fire authorities, to ensure the fastest and most efficient response possible in the event of a fire.

With regard to handling risks, the Group is equipped with lifting equipment, lighter tools and machines, and adjustable workstations to prevent musculoskeletal disorders, and regularly trains employees in safe gestures.

Finally, with regard to the increased risks during customer interventions, the Group has developed additional processes to assess the level of risk of each intervention according to the conditions of transport, handling and storage to which the equipment has been subjected.

Risks related to well-being at work and harassment situations

Risk description

At a pace of hypergrowth, in an uncertain market and an ultra-competitive environment, Forsee Power must constantly demonstrate responsiveness, adaptability and productivity. This can generate strong pressure on production deadlines, resulting from increased customer demands and/or difficulty in reaching a critical size to meet demands, generating a risk of overload for employees and significant stress. Tensions, disorganization or poorly managed conflicts could harm the Group's dynamics, impacting the quality of life at work and the company's reputation. Left unchecked, these tense conditions can escalate into the risk of harassment within teams.

Risk management approach

Forsee Power is committed to the well-being of its employees and to the creation of fulfilling working conditions. Firstly, the Group strictly complies with regulations on working conditions and working hours. A teleworking agreement has been put in place for positions that can use it, and flexibility periods have been established in the morning and evening for all employees. A time credit system is also set up in case of overtime. The Group also strives to offer modern and comfortable premises, moving when necessary as its teams develop. A social dialogue is established on all sites with the staff representatives. An internal satisfaction survey is carried out annually (outsourced for the past three years via the Great Place to Work survey), making it possible to analyse the Group's situation on a global, regional or site-by-site scale. In France, a Quality of Life at Work Commission develops an action plan based on these results. Interviews are systematically offered in the event of resignation or return from long-term leave, to capture any problematic situations and remedy them.

The Group has also established a process to combat harassment, based on whistleblowing, with the identification of dedicated internal referents, the granting of a role in reporting difficulties to occupational medicine, and the implementation of an external whistleblowing platform, Whistlebee, to confidentially report any inappropriate behaviour. The reports, to date mainly related to situations of conflict between people rather than harassment, to a lack of tools, and are dealt with quickly thanks to investigations carried out by joint committees made up of staff and management representatives. These actions, coupled with anti-harassment training for managers and raising awareness among teams, promote a corporate culture that values the creation of a healthy environment.

Risks related to the violation of fundamental labour rights in the workforce and the value chain

Risk description

Forsee Power employs employees in several countries and as such is exposed to a risk of violations of fundamental labour rights, particularly in India and China.

On the other hand, the Group is building business relationships along its value chain with international players. Some raw materials, such as cobalt, come from countries with a high risk of violations of fundamental labour rights, such as the Democratic Republic of Congo. The most critical suppliers, particularly for cells, are mainly large international companies, benchmarks in their field, regularly audited on this subject by their most important customers, large international groups. Forsee Power, a more moderate customer of these suppliers, is relatively captive to them and has little influence on their actions, but relies on the audits carried out by the largest groups. Forsee Power also has commercial relations with small local companies, which are less controlled and therefore more exposed to the risk of labour rights violations.

A scandal related to the violation of fundamental labor rights, within the Group or in its value chain, could lead to a significant reputational risk for the Group, which can lead to significant financial consequences.

Risk management approach

Forsee Power is a signatory of the United Nations (UN) Global Compact, by which the Group undertakes to comply with international labour law in its operations.

To mitigate the risks of non-compliance with fundamental rights by the Group's entities, Forsee Power applies European laws on all its sites. For example, no one under the age of 18 is hired, even though the minimum legal age is 16 in China and 14 in India. Training is conducted regularly to ensure that staff have a good knowledge of the applicable rules.

Regarding its value chain, 98.4% of Forsee Power's suppliers have signed the Group's code of conduct, with a 2025 target of reaching 100%. The Group integrates respect for fundamental rights into its supplier selection criteria. The Group also relies on existing sectoral tools: for example, rare metal mines are evaluated and validated to meet the many similar requests from industry players; the Group ensures that its suppliers come from the validated lists). Forsee Power entrusts the audit of the environmental, social and governance criteria of its key suppliers to the specialist Bureau Veritas. The most important suppliers are audited before any business relationship, and regular audits are conducted for all according to their criticality (for example, for suppliers of electronic cells and boards, audits are conducted every three years, for minerals once or twice a year). In the event of a violation, the Group imposes sanctions, ranging from the request for corrective actions to the termination of business relations. Many suppliers, accustomed to the demands of international groups, anticipate requests for traceability and carry out their own due diligence on the origin and traceability of raw materials (for cobalt in particular).

Finally, access to the Navex platform is available in order to escalate reputation alerts related to suppliers, customers and partners.

Diversity-related risks: gender inequalities and disability inclusion and the Group's lack of diversity

Risk description

Forsee Power is exposed to several risks related to diversity, which could have consequences in terms of productivity (diversity favoring innovation), reputation, and lead to financial penalties for non-compliance with legal obligations in this area.

Firstly, inequalities in treatment may exist between men and women, at recruitment and during their careers (promotions, equal pay). Structural difficulties exist in recruitment, as the sector lacks female profiles. While a balance is emerging in the operational businesses (the Group's gender equality index is 84 in 2024, improving), difficulties remain marked at the management and management levels. Some of the Group's geographic areas are subject to a more marked imbalance; This is the case in India, where marked inequalities exist in terms of staff and wages.

Secondly, the Group may also face a risk of a lack of diversity in its teams or the perception of a lack of diversity by its employees, which could harm the Group's productivity and social climate.

Finally, there is a risk of exclusion and poor support for people with disabilities, particularly in some of the Group's countries where local regulations are less advanced than in Europe, such as India.

Risk management approach

Forsee Power monitors its gender equality index and sets improvement objectives, accompanied by an action plan. HR procedures ensure that there is no discrimination in hiring and promotion. The subject is studied during the mandatory annual negotiations and a budget is dedicated to correcting the wage gap for equal skills and work. Recruitment and communication campaigns are carried out with a particular focus on management positions.

Regarding the general lack of diversity, HR procedures also govern the hiring and promotion process to ensure openness and fight against discrimination.

Finally, with regard to disability, the Group invites employees to declare their disability, and supports them in the associated procedures, in order to be able to offer them the necessary adaptations. A disability referent must be appointed to be able to carry the subject with more ambition.

3.1.5 Operations

Risks related to the Group's IT and technological tools

Risk description

In 2024, Forsee Power was operating on aging information systems, which exposed it to significant risks.

Firstly, the ERP used was based on a version which, being too old, was no longer maintained by the publisher, Microsoft. As a result, the ERP could not be updated, and Forsee Power faced an acute risk of downtime or data loss if the software was unable to function.

Secondly, the Group is facing a significant risk of cyberattack (website hacking, intrusion into the company's systems and social networks), which could lead to leaks of employees' personal data, leaks or compromises of user data, or ransomware costs, and could impact production and customer service. This risk is all the greater as the Group is highly dependent on cybersecurity-related issues, and until 2023 the IS team was very small, without strong cybersecurity expertise.

There is a specific risk of hacking batteries, which use dataloggers to monitor operation and supervise technical incidents. This generates technical and geolocation data, which can be particularly sensitive information for customers. But the main risk lies in the remote control of the batteries and that ill-considered people can trigger a thermal runaway of the batteries. Without direct control (batteries in operation at the customer's premises and externally hosted data), Forsee Power has no control over security during this phase.

Risk management approach

A new ERP was deployed in July 2024, greatly solving the risk of system downtime and data loss.

Several recruitments or the use of consultants have made it possible to strengthen the IT team and gain expertise: Information Systems Security Manager, cybersecurity expert, Infrastructure and Network Manager. The purpose of these recruitments is to structure the Group's IT security strategy and to strengthen the system that existed until then: IS security training for all employees, tests, audits and counter-audits, pain tests, phishing test campaigns to verify the implementation of the training. Access to sensitive data is limited by gradual measures for employees who do not apply best practices, especially for sensitive professions (HR, accounting), and can be acquired again after training. The goal will be to be compliant with the ISO27001 standard by the beginning of 2026.

Finally, in order to prevent battery piracy at the customer's site, cybersecurity rules are being implemented on the Group's products. There are two people in charge of product safety in the "Innovation/Products" team. Internal audits have also been organized.

Product Quality Risks

Risk description

The products manufactured by the Group are highly technologically complex, leading to significant risks in the event of low quality, which is pronounced for Forsee Power's batteries for public transport vehicles (buses in particular). An attention to their quality is therefore essential, and is based on several factors, each of which poses risks to the Group.

First of all, the products offered by the Group must comply with the standards and regulations in force. However, these are constantly evolving, whether to take into account technological developments, which are very rapid in the sector, or to reflect local and national policies in the various markets in which the Group operates. The Group is therefore faced with a high degree of uncertainty as to their evolution and must be able to react and adapt quickly to any changes. Given the frequency and speed of regulatory changes (for example, during the 2024 financial year, the implementation of battery passports or the BMS regulation), it is likely that the Group may be in a situation of product non-compliance, involuntarily and temporarily.

Secondly, customer requirements are very high in terms of battery performance and safety, which implies work to be carried out on the sourcing of components, the manufacture of products, but also the attention paid to the deployment of the product at the customer's site. In this area, the Group also has to deal with a great deal of variability in the levels and precision of customer requirements, some of which define very precise specifications, others that leave a greater vagueness on responsibilities, warranty periods, and terms of integration into the vehicle, creating a risk of disputes on poorly regulated points.

Finally, the perceived quality of Forsee Power is also based on that of the after-sales services provided by the company (servicing, preventive maintenance, handling of incidents within a satisfactory timeframe, updating of versions according to the necessary technical developments). The Group has already encountered difficulties in dealing with requests for corrections and major changes to the battery fleet, with a lack of resources, leading to dissatisfaction expressed by customers.

A particular risk for the Group concerns the SOH (State of Health) of batteries: technological difficulties still lead to great uncertainties about the lifespan of a battery, which presents contractual risks. Indeed, it is possible that the battery systems sold to customers have a shorter lifespan than expected and do not cover the thresholds provided for in the contracts, which would lead to the need to replace an entire fleet, and/or a risk of significant penalties for lack of service.

Risk management approach

In order to limit the risks of non-compliance, a legal department composed of a general lawyer and a labor law lawyer carries out a regular regulatory watch to monitor any changes in the regulations, followed by compliance work if necessary.

To offer the best product quality, the Group is organized to develop and offer the best possible product quality – research, product development, component purchasing, demanding quality controls, regular operational follow-ups, etc.

In addition, the Group is gradually structuring itself to be able to guarantee the best service conditions to its customers, in particular to have a Group-wide after-sales service department, robust enough to support the massive increase in batteries deployed in the field by our customers.

Finally, the Group is gradually refining its contractual frameworks to cover the risks associated with technological uncertainties: definition of what must be framed in the specifications, validation stages for the achievement of the level of compliance and maturity by the customer, financial and contractual coverage of SOH uncertainty levels, etc.

Risks related to the unavailability of production sites

Risk description

The Group's production sites could be made temporarily or prolonged unavailable, resulting in costs related to production disruptions, for three main reasons identified.

First of all, given the electrical nature of the Group's production activities, the risk of fire is very high, which could lead to the total or partial destruction of tools and installations, which could require weeks, months or even years for reconstruction.

Then, social crises could disrupt production. Strikes, although rare, have already occurred in the past in France as part of the NAO negotiations, leading to blockades of one to two days of production. This risk is multiplied with the Group's geographical expansion, although less marked in the other countries where it is currently present (China, India and the United States in particular, where the Group does not foresee a serious risk of industrial action).

In addition, natural disasters could disrupt production (storms, floods, extreme heat or cold waves, etc.) or damage infrastructure.

Finally, more punctual and localized events could disrupt production. In China, for example, a section of the Communist Party could be formed inside the factory, at the request of the authorities or by employees, which would take up the working time of the employees. However, the risk of such interference in a foreign company is considered to be very low.

Risk management approach

Forsee Power has a business continuity plan in place to ensure a quick recovery in the event of a major disruption. This is accompanied by a crisis management plan and a crisis communication plan, updated in 2024. The employees concerned have been trained at its disposal to be able to ensure a rapid and adequate response in the event of a crisis.

With regard to fire risks, the Group has put in place strict safety procedures, based on good employee training, preventive maintenance, reinforced surveillance and security equipment, defined response methods, regular exercises, and close cooperation with local firefighting authorities. Although the risk remains high for the Group, no major fires have been suffered in the last five years.

To prevent social crises, Forsee Power promotes open negotiations and active employee representation. In France, social dialogue is structured around the CSE, two unions (CGT and Printemps Ecologique), and the CSSCT present on all sites. Harassment referents and a social relations manager reinforce this commitment. Internationally, Forsee Power adapts to local legislation, guaranteeing open social dialogue at all its production sites.

With regard to the risks of natural disasters, the Group chooses geologically and climatically stable sites to set up its establishment. The premises are air-conditioned, and working hours can be adapted to cope with high temperatures.

Finally, the Group is organizing itself to be able to compensate for any loss of production in the event of an incident. The internationalization and increase in the number of factories, combined with the flexibility of the teams, who can work on different products, allows the implementation of replacement solutions in a few months. Mirror sites have been set up for certain activities, for example between China and France for the production of the latest versions of batteries, guaranteeing a rapid resumption of activities in the event of a major problem and also ensuring the security of the data stored in the servers (hosted on site and replicated on the mirror site). A development of mirror sites for other activities is planned. Finally, prevention is at the heart of the strategy with regular maintenance and insurance covering potential operating losses.

Risks related to security incidents in the use phase

Risk description

Forsee Power develops, produces and markets battery systems based on lithium-ion cells. This technological complexity leads to a risk of failure that can lead to safety incidents ranging from malfunction to electrical fire. In the worst-case scenario, nearby materials could in turn ignite, generating large-scale fires.

This risk is particularly pronounced for batteries intended for small vehicles, such as electric scooters, which are subject to more frequent and perhaps less careful handling by users. The consequences of a major incident in the use phase could be very serious, for example considering a truck carrying flammable products or a bus carrying many passengers. These incidents can occur during the use of a product despite attention to product quality and safety.

Forsee Power integrates the highest levels of security from the design of the products. However, technologies are evolving rapidly, and the Group is constantly learning and discovering potential problems related to their use, particularly during integration into commercialized systems and end applications. As a result, the Group may not have anticipated all defects or quality issues that the products may encounter, in particular due to the limited operating experience of its customers. Products sold in demanding environments such as public transport, medical equipment, connected objects, home automation, robotics and professional tools may require additional operational characteristics that could interfere unpredictably with the proper functioning of the products marketed by the Group.

If it were to occur through a Forsee Power battery, an incident could expose the Group to product recalls, re-engineering and failure treatment efforts, which could be time-consuming and costly, and divert its resources from other allocations. In addition, a real or perceived failure to meet the quality requirements of its customers' products and after-sales service could give rise to an alteration of the brand image that could damage the Group's reputation.

Risk management approach

Forsee Power has set up a quality system ensuring control at different stages of the production chain, built on the Group's accumulated and diversified experience, combined with active regulatory monitoring to ensure the integration of new safety standards, in order to reduce the possibility of technical failure to a minimum.

In order to limit the risk of incident during the use phase, Forsee Power provides support and training for customers on the installation, handling, repair and storage of products, and provides them with a "user guide" and a "maintenance manual". A team of experts is also involved to ensure that the batteries are properly integrated into customer products before the first deliveries to end users.

To manage incidents that do occur, safety systems embedded in the BMS (Battery Management System) make it possible to offer a longer time for resolution and/or evacuation, in order to avoid the most serious consequences.

In addition, the Group has set up an "After-Sales and Customer Satisfaction" department, with an "on-site" after-sales service team to manage complaints and product returns, thus allowing a high level of responsiveness in the event of a defect for which the Group's liability is demonstrated.

Finally, in anticipation of the most serious cases, the Group has a crisis management procedure, updated in 2024. He also has insurance coverage for these risks and regularly reviews the financial risks by provisioning them in the way he deems most appropriate

3.1.6 Environment

Risks associated with the generation of final and polluting waste

Risk description

The batteries produced by the Group, when they reach the end of their life or when they are discarded if they are not compliant, are 95% recyclable (non-cell components, sensitive materials such as rare metals), the remaining 5% constituting final and potentially highly polluting waste (lithium, cells, electrical cables, etc.). The responsibility for processing them may fall on the Group, with a high degree of uncertainty, as the regulations are still underdeveloped on this subject and the contracts with customers do not systematically specify these elements. The Group is also responsible for the processing of components (technical boards, cables, etc.) generated during maintenance at customer sites. The Group is thus exposed to a risk of pollution and inappropriate treatment of hazardous waste, which could lead to financial penalties.

The Group is also faced with the issue of packaging waste from its suppliers. This waste (plastics, but also wood, metal parts from crates, for example) becomes the responsibility of the Group. Their large volume generates costs for their sorting and represents a risk for the Group of not achieving its environmental objectives.

These risks are particularly marked in certain of the Group's geographies (India in particular), where the sorting channels are less mature and reliable. The Group's waste could thus generate pollution despite the measures and partnerships put in place.

Risk management approach

Forsee Power has defined a policy aimed at limiting the production of waste (eco-design of products, objective of reducing waste per kWh produced). The Group also ensures that they are systematically processed in the appropriate sorting channel. In particular, the Group has set up a take-back and recycling service for used batteries from end users.

In order to ensure their proper treatment, the Group has formed partnerships with specialized sorting organizations, particularly in France, such as the SCRELEC eco-organization for batteries.

Finally, the Group is closely following the regulations developed, in particular by the European Commission, which is gradually increasing the requirements for battery recycling rates and recyclability.

Risks related to low ecodesign

Risk description

A lack of environmental and societal consideration of products would represent a risk for the Group today. This can be due to several factors. Batteries lacking recyclability represent a loss of income for the Group, which cannot recover some of its components, which are sometimes expensive, by recovering them at the end of their life.

The delivery of parts also represents a major part of the Group's impact and its greenhouse gas balance. Taking it into account incorrectly, and working less on it, exposes the Group to the risk of not respecting its commitments in this area.

Environmental and societal factors that are poorly considered and managed also represent a major reputational risk for the Group. For example, a lack of traceability and management of the origin of components would expose the Group to the presence of conflict minerals in its products.

Risk management approach

Forsee Power deploys an environmental policy that includes eco-design objectives, particularly in terms of repairability and recyclability of products. The Group is also working on the development of a second-life phase for its batteries, particularly in stationary energy storage (residential, utilities, etc.), which is thus becoming a new source of revenue.

In terms of procurement, the Group has established ESG guidelines for its suppliers and ensures the traceability of the components used.

Risks related to improper storage and treatment of hazardous waste and air and water pollution

Risk description

The Group's activities represent a risk of pollution in several places.

During its production process, Forsee Power uses chemicals (in very limited quantities) whose improper storage and treatment can represent a risk of air, soil and water pollution (fumes, spills).

In the event of a risk of thermal runaway of a battery or a sub-assembly of a battery, the emergency procedure of production sites requires its immediate immersion in a water retention tank. The immersion of a cell pollutes the water used, which must then be treated in the appropriate channel; failure to comply with this procedure would result in the Group's liability for pollution.

The risk of fire inherent in batteries (flashover, explosion) represents an additional risk of air pollution (smoke releases) as well as water pollution (flow of wastewater to extinguish the fire).

Risk management approach

Forsee Power ensures that it complies with the local regulations to which it is subject in terms of the treatment and storage of hazardous products and waste as well as the management of water and air pollution risks.

A risk analysis system has been set up. Site audits are carried out, particularly at repair sites, and action plans are defined. Operational risk management, safety and fire prevention measures have also been deployed. There are retention and water treatment basins to prevent the risk of water pollution in the event of fires on site.

In addition, the Group has separate and locked retention bins and containers to store its hazardous waste. Waste is segregated in isolated areas outside buildings to prevent exposure in the event of a fire and chemical compatibility is respected. Waste is sorted in the appropriate treatment and recycling channels according to local regulations.

Finally, pollution kits are used to prevent the risk of chemicals spilling into the water.

3.1.7 Ethics and governance

Group governance risks

Risk description

Poorly adapted governance, unable to keep up with the sustained pace of activities and growth, could prevent the Group from covering all its needs, ensure the necessary efficiency and agility, and hinder its development.

Forsee Power is confronted with the classic governance issues of a hypergrowth phase: significant needs but still limited resources, pivot between the agile phase and industrialization. In addition, the market is booming and there are many positions to be filled. The Group is therefore faced with a risk of high turnover of key positions, which is likely to lead to numerous and frequent changes in the organization and management. Due to a lack of human resources, the Group may be required, temporarily or for a longer period of time, to outsource certain subjects that are sometimes critical, which generates a risk of losing control over these subjects.

Above all, an instability of governance generates a lack of clarity and reference points for employees, which could create confusion around the structure and their hierarchy. Operationally, decision-making processes can be slowed down or even stopped. The Group's credibility with its employees could be weakened. This, combined with a lack of communication on the policies and decisions taken, could impact the social climate by generating conflicts or tensions.

These governance issues could also lead to a feeling of lack of clarity and stability among external stakeholders, including clients and investors.

Risk management approach

In order to limit the risks related to governance, Forsee Power is working on its managerial organization: the Group is structuring its teams in order to offer more visibility, stability and transparency to employees. Governance remains fluid in order to adapt to the evolution of the company but is structured with the definition of levels of hierarchy, responsibility and identification of decision-making relays. In addition, processes are also being structured, and many controls, indicators and tools are being put in place.

Internal communication has been improved, in particular with human resources who play a role of support in change management.

The members of the Executive Committee have been trained in crisis management and corrective actions are put in place quickly when necessary. A Board of Directors has also been set up and has been following the best practices of listed companies since 2021.

Employees' non-adherence to the Group's culture and values

Risk description

For several years now, Forsee Power has been going through a period of transition, moving from a start-up to that of a mid-sized company. In this changing context, there is a risk that "historical" employees will no longer adhere to the Group's culture and values, becoming more impersonal, while newer employees, looking for the framework of a larger group, will not yet find the desired culture.

In addition, a lack of clear communication on medium- and long-term objectives could compromise employee engagement.

Risk management approach

Forsee Power has defined its corporate values: contribution, integrity, ambition, agility and excellence . The Group ensures that they are disseminated to employees and encourages transparent communication. Internal events organized by the executive committee and managers, such as the presentation of awards rewarding exemplary employees of each value, strengthen the involvement of the teams. Employee engagement is supported by initiatives such as local events, coffee & learn sessions, and magazines. The HR policy values the recognition of work and the development of skills through training. In addition, an annual satisfaction survey evaluates employee engagement, the results of which are analyzed to improve HR policies.

3.1.8 Insurance and risk management

As of the date of this document, the Company has implemented a policy for covering the main insurable risks with coverage amounts that it considers compatible with the nature of its activity. The Company does not foresee any particular difficulties in the future in maintaining adequate levels of insurance within the limits of availability and market conditions. In summary, the status of the main insurance contracts taken out by the Company is as follows:

Type of insurance	Insurer	Companies covered	Object
Credit insurance	Atradius	Forsee Power SA	Coverage:Loss Incurred Due to Insolvency and Deemed Insolvency of Your Customers Purpose: covers export trade receivables within the limits of the agreements issued by the insurer.
Credit insurance	Nexus	Forsee Power SA	Coverage: Loss Incurred Due to Insolvency and Deemed Insolvency of a Customer Purpose: Covers a customer's trade receivable in excess of $5 million and up to $10 million.
Civil liability	Axa	Forsee Power SA and all its subsidiaries	Coverage: Total amount of coverage for operating liability / product liability of €10 million per claim before delivery, and €10 million per year after delivery. Purpose: covers all risks arising from the operation of the activities of Forsee Power and its subsidiaries as well as those arising from the products, equipment, structures, works and/or services delivered or performed.
Cyber	Chubb	Forsee Power SA and all its subsidiaries	Guarantee: a total amount of coverage of €2 million per claim and per insurance period. Purpose: covers pecuniary losses and civil liability in the event of a Cyber Incident, an Incident Disrupting Operations, an Attempted Cyber Extortion, a Malicious Telecommunication Act or an Act of Computer Malice, etc.
Industrial multi-risk	General	Forsee Power SA	Guarantee: Total amount of coverage for rental risks of €43 million (damage to property) Purpose: covers all the sites of Forsee Power SA as well as the sites of third parties storing goods belonging to it NB: The sites of the Chinese, Polish, North American and Indian subsidiaries are insured through local insurance policies of the same type as described above
Directors' Liability (RCMS)	Chubb	Forsee Power SA and all its subsidiaries	Guarantee: Overall coverage amount of €5M per insurance period Purpose: Covers all legal directors, i.e. any natural person, director or corporate officer, regularly invested by French or foreign legislation and/or by the articles of association in one or more management, representation, control or supervisory functions within the group.
Transport (multi cargo)	Helvetia	Forsee Power SA and all its subsidiaries	Guarantee: €1.5M per means of transport and per event Purpose: covers all goods entrusted, stored or transported on its own account throughout the world

3.2 Main features of the internal control and risk management procedures put in place by the Company and the Group relating to the preparation and

processing of accounting and financial information

3.2.1 Management of the accounting and financial organization

3.2.1.1. Organization of the accounting and finance function

Limited number of reporting entities

The desire to limit the number of legal structures, and consequently the number of accounting entities, is a guarantee of operating savings and is likely to limit risks.

Centralized management of the accounting and financial function

Forsee Power's accounting and financial function is managed by the Group's Finance Department, which reports directly to the General Management.

The responsibilities of the Group Finance Department mainly cover the production of accounts, the control of the subsidiaries' financial reports, management control, taxation, financing, treasury, participation in financial communication and internal control.

Each subsidiary has either a financial team that is functionally attached to the Group's Finance Department, or an external accounting firm.

Oversight of the accounting and finance function by the Executive Management and the Board of Directors

The Finance Department reports to the Group's General Management and participates in the management system through weekly meetings focused on day-to-day operations and monthly meetings devoted to a detailed review of figures, the organization of the function and the monitoring of major projects.

The General Management is involved in the management and control processes as well as in the preparation of the closing of the accounts.

The Board of Directors exercises control over accounting and financial information. It examines and adopts the half-yearly accounts and the accounts for the financial year. It is supported by the Audit Committee described in paragraph 6.1.2.5 of Chapter 6 "Report on Corporate Governance" of this document.

3.2.1.2. Organization of the accounting information system

Accounting

All the Group's companies draw up monthly and annual financial statements, allowing in particular the consolidation and publication of the Group's quarterly and annual turnover, and half-year and annual results.

Several times a year, monthly turnover, profit and cash flow forecasts are drawn up for all companies and are consolidated at the level of the Group's Finance Department.

Accounting policies and methods

The Group's accounting policies and policies are presented in the notes to the consolidated financial statements to this document. At each half-yearly and annual end, the Audit Committee ensures that they are available to the Finance Department and the Statutory Auditors.

The application of the rules for the valuation of projects is subject to permanent control carried out jointly by the Industrial Department and the Finance Department (management control).

3.2.2 Preparation of published financial accounting information

3.2.2.1. Reconciliation of accounting data from the internal management system

All Group entities produce a monthly budget, a monthly operating account and forecasts that are revised several times a year.

The budget process takes place over a period concentrated on the fourth quarter. This is a key moment. It makes it possible to implement the strategy adopted by the Group's Executive Committee, to adapt the organization to changes in the business lines and the market, and to assign quantitative and qualitative objectives to all the Group's entities. A budget file including a detailed monthly operating forecast is produced by each unit on this occasion.

The monthly operating account closed at the beginning of the following month is drawn up by each of the Group's entities and consolidated at the level of the Group's Finance Department. Management indicators (cash flow, profitability elements, etc.) are also reviewed.

Finally, the projected operating account, which is carried out several times a year, includes the achievements of the previous months and a new forecast of the remaining months until the end of the current half-year. This forecast is compared with the budget.

Commercial activity (prospects, current deals, signatures, etc.) and customer invoicing are monitored weekly by the Group's Executive Committee.

The results of the monthly management reporting are audited and reconciled with the accounting results of the various subsidiaries by the Management Control teams attached to the Finance Department.

3.2.2.2. Procedure for preparing the consolidated financial statements

Each company closes its accounts at least quarterly.

The Statutory Auditors of the companies in the scope chosen for the audit of the consolidated financial statements shall approve the half-yearly and annual consolidation packages. They are then operated by the Group Finance Department, assisted by an external firm specializing in IFRS consolidation, and the consolidated financial statements are audited by the Group's Statutory Auditors.

3.2.2.3. Financial statements validation process

The half-year and annual consolidated financial statements are presented by the Finance Department to the General Management.

As part of their annual closure at the end of December, the financial statements of Forsee Power and the subsidiaries concerned are subject to a statutory audit by the Statutory Auditors with a view to their certification. A limited review is also provided on June 30.

In its mission to monitor the statutory audit, the Audit Committee takes note of the work and conclusions of the Statutory Auditors during the examination of the half-year and annual financial statements.

The Audit Committee examines the financial statements, in particular with a view to deciding on risk exposure, verifying that the collection and control procedures guarantee the reliability of the information and ensuring the permanence and relevance of accounting methods. It collects the comments of the Statutory Auditors.

The Group's financial statements are then presented to the Board of Directors, which approves them.

3.2.2.4. Financial communication

The Communication, CSR and Public Affairs Department, under the supervision of the Chairman of the Board of Directors, manages the Group's financial communication. The Group disseminates financial information by various means, in particular:

- press releases;
- the Universal Registration Document and the various reports and information contained therein;
- the presentation of half-year and annual results.

The Group's website has dedicated sections that bring together the above-mentioned elements as well as other regulatory or informational elements.

4

FINANCIAL STATEMENTS AND AUDITORS' REPORT

4.1 Annual accounts of Forsee Power SA as of 31 December 2024

4.1.1. Balance sheet

In euros		December 31, 2024 Gross	December 31, 2024 Amort. And deprecation.	December 31, 2024 Net	December 31, 2023 Net
FIXED ASSETS	**INTANGIBLE ASSETS**				
	Establishment costs				
	Development Costs	16 066 099	14 236 793	1 829 306	4 011 115
	Concessions, patents, similar rights	4 093 818	1 983 805	2 110 013	790 512
	Business (1)	8 621 237		8 621 237	8 621 237
	Other intangible assets	25 119 248		25 119 248	16 704 268
	Advances and Advance Payments				
	TANGIBLE CAPITAL ASSETS				
	Land				
	Constructions				
	Technical installations, equipment and industrial tools.	15 141 347	8 870 601	6 270 745	6 492 012
	Other tangible capital assets	5 895 484	2 642 608	3 252 876	533 288
	Capital assets under construction	1 491 237		1 491 237	2 387 638
	Advances and Advance Payments				1 018 129
	FINANCIAL FIXED ASSETS (2)				
	Equity-accounted investments				
	Other investments	25 608 060	4 232 213	21 375 847	4 452 747
	Receivables from equity investments	6 414 918		6 414 918	2 585 812
	Other long-term investments				
	Loans				
	Other financial fixed assets	719 468		719 468	804 658
	Total (II)	**109 170 917**	**31 966 021**	**77 204 896**	**48 401 416**
CURRENT ASSET	**STOCKS AND WORK-IN-PROGRESS**				
	Raw materials, supplies	24 189 857	4 377 549	19 812 308	16 719 953
	Work in progress of goods	4 270 246	1 461 080	2 809 166	5 314 564
	Work in progress of services				
	Semi-finished and finished products	15 446 080	4 949 773	10 496 307	10 584 776
	Goods for resale	1 724 310		1 724 310	1 769 163
	Advances and Deposits Paid on Orders	**198 618**		**198 618**	**1 922 858**
	RECEIVABLES (3)				
	Trade receivables and related accounts	37 975 378	1 409 437	36 565 941	51 625 599
	Other receivables	24 175 429	2 567 949	21 607 480	17 096 844
	Subscribed capital called, not paid				
	INVESTMENT SECURITIES				
	AVAILABILITY	**4 483 673**		**4 483 673**	**25 059 784**
ACCRUALS AND APACCRUALS	Prepaid expenses	768		768	602 101
	TOTAL (III)	**112 464 358**	**14 765 788**	**97 698 570**	**130 695 641**
	Borrowing costs to be deferred (IV)				52 317
	Bond redemption premiums (V)				
	Unrealized foreign exchange losses (VI)	109 454		109 454	692 876
	TOTAL ASSETS (I to VI)	**221 744 729**	**46 731 809**	**175 012 920**	**179 842 250**
	(1) Of which lease rights				
	(2) of which financial fixed assets with a maturity of less than one year				-
	(3) of which receivables with a maturity of more than one year			3 151 155	40 358

in euros		December 31, 2024	December 31, 2023
EQUITY	Social or individual capital	7 174 473	7 155 073
	Premiums for issuance, mergers, contributions, etc.	66 613 898	177 659 117
	Revaluation Differences		
	RESERVES		
	Legal reserve	129 057	129 057
	Reserves required by the bylaws or contractual reserves		
	Regulated reserves		
	Other reserves		
	Retained earnings		(80 657 307)
	Result for the year	**(16 506 938)**	**(30 368 512)**
	Investment Grants	566 234	104 349
	Regulated Provisions		
	Total Shareholders' Equity	**57 976 723**	**74 021 777**
Other equity			
	Proceeds from the issuance of equity securities		
	Conditional advances	262 685	
	Total other capital	**262 685**	**-**
Provisions			
	Provisions for risks	1 143 762	519 352
	Provisions for expenses	8 026 637	10 222 917
	Total Provisions	**9 170 398**	**10 742 269**
DEBTS (1)	**FINANCIAL DEBTS**		
	Convertible bonds		
	Other bonds		
	Loans and debts from credit institutions (2)	43 864 978	49 437 555
	Miscellaneous borrowings and financial debts	531 153	64 781
	OPERATING DEBTS		
	Accounts payable and related accounts	39 376 945	27 198 664
	Tax and social security debts	7 190 684	7 937 825
	Advances and advance payments received on open orders	10 505 382	6 951 746
	MISCELLANEOUS DEBTS		
	Debts on fixed assets and related accounts	67 993	
	Other liabilities	928 218	704 086
	Deferred income (1)	3 666 677	2 617 669
	Total Debts	**106 132 030**	**94 912 330**
	Unrealized foreign exchange gains		165 872
	TOTAL LIABILITIES	**175 012 920**	**179 842 250**

Net income for the year expressed in cents	(16 506 938,30)	(30 368 511,55)

4.1.2. Income statement

in euros				December 31, 2024	December 31, 2023
		France	Export	12 months	12 months
OPERATING REVENUE	Merchandise Sales	362		362	705
	Production sold (Goods)	14 933 926	137 851 982	152 785 908	176 892 075
	Production sold (Services and Works)	473 512	2 717 924	3 191 436	3 529 012
	Net sales	15 407 800	140 569 906	155 977 705	180 421 792
	Production transferred to inventory			(90 484)	1 513 135
	Capitalized production			9 428 943	8 963 531
	Operating grants			1 451 148	99 778
	Reversals of provisions, depreciation and amortization, and expense transfers			14 415 645	5 622 820
	Other income			675 732	1 553 629
	Total Operating Revenues (1)			**181 858 689**	**198 174 685**
OPERATING EXPENSES	Purchases of goods			368 031	1 573 974
	Change in inventories			108 914	3 419 959
	Purchases of materials and other supplies			122 108 160	150 970 578
	Change in inventories			(3 374 202)	(8 949 884)
	Other purchases and external expenses			23 470 104	24 423 243
	Duties, taxes, and similar payments			1 020 922	933 632
	Wages and salaries			20 772 231	20 478 870
	Employee social security contributions			9 445 026	8 870 167
	Operator's personal contributions				
	Operating charges				
	on fixed assets				
	-depreciation and amortization			5 124 694	6 857 666
	-provisions				
	On current assets: provisions			11 130 708	5 207 864
	For risks and charges: provisions			5 274 759	6 672 936
	Other expenses			1 821 277	1 963 872
	Total operating expenses (2)			**197 270 625**	**222 422 883**
	OPERATING PROFIT (LOSS)			**(15 411 936)**	**(24 248 197)**

State expressed in euros		December 31, 2024	December 31, 2023
	OPERATING PROFIT (LOSS)	**(15 411 936)**	**(24 248 197)**
Opera. Comm.	Profit allocated or loss transferred		
	Loss incurred or profit transferred		

FINANCIAL PRODUCTS	From equity interests (3)	26 243	
	From other securities and fixed asset receivables (3)		
	Other interest and similar income (3)	73 507	265 507
	Reversals of provisions, depreciation and amortization, and expense transfers	1 684 551	
	Foreign exchange gains	1 004 228	237 972
	Net income from sales of marketable securities		232 059
	Total financial income	**2 788 529**	**735 539**
FINANCIAL EXPENSES			
	Depreciation, amortization and provisions	2 017 851	5 671 768
	Interest and similar expense (4)	3 485 226	2 548 068
	Foreign exchange losses	152 331	258 866
	Net expenses on disposals of marketable securities	293 346	35 217
	Total financial expenses	**5 948 755**	**8 513 921**
	NET FINANCIAL INCOME (EXPENSE)	**(3 160 226)**	**(7 778 382)**
	CURRENT PROFIT (LOSS) BEFORE TAX	**(18 572 161)**	**(32 026 580)**
EXCEPTIONAL PRODUCTS			
	On management transactions	50 840	214 943
	On capital transactions	694 643	
	Reversals of provisions, depreciation and amortization, and expense transfers		337 056
	Total Exceptional income	**745 483**	**551 999**
EXCEPTIONAL CHARGES			
	On management transactions	504 078	117 343
	On capital transactions		
	Depreciation, amortization, and provisions		
	Total Exceptional expenses	**504 078**	**117 343**
	OUTSTANDING RESULT	**NET EXCEPTIONAL ITEMS**	**434 656**
	Employee profit sharing		
	Corporate income tax	(1 823 818)	(1 223 412)
	TOTAL INCOME	**185 392 701**	**199 462 222**
	TOTAL EXPENSES	**201 899 639**	**229 830 734**
	PROFIT (LOSS) FOR THE YEAR	**(16 506 938)**	**(30 368 512)**

(1) of which income relating to prior years		
(2) of which expenses relating to prior years		
(3) of which income relating to affiliated companies		66 868
(4) of which interest relating to affiliated companies		

4.1.3. Summary of Notes to the Annual Financial Statements

The following information forms an integral part of the financial statements.

1. Company activity and highlights of the financial year

1.1. Identity and activity of the company

Forsee Power S.A., a public limited company incorporated under French law, was incorporated on 28/02/2007 and registered with the Créteil Trade and Companies Register under number 49460548800068 Its shares began trading on compartment B of the regulated market of Euronext Paris as of November 3, 2021 under number FR0014005SB3.

Forsee Power S.A. is a company operating in the design and integration of batteries specialized in the field of:

- autonomy and mobility (bicycles, scooters, rolling stock, medical facilities, home automation, professional tooling and construction equipment…);
- Electric transport (buses, trucks, short circuit vehicles, rail transport) and electrical energy storage (residential, sectors).

1.2. Highlights of the year

The typical facts of the year ended December 31, 2024 are as follows:

1.2.1. Launch of new product lines

Forsee Power has launched a new high-energy-density and flexible battery system designed to meet the power requirements of railway powertrains. This new range is called ZEN LFP RAIL 1500 V. It complements the Group's battery offering.

1.2.2. Business Development

The Group signed several contracts during 2024, including:

- ZEN PLUS battery system supply contract with Letenda, Canadian manufacturer of zero-emission buses;
- BAE Systems, a leading provider of heavy-duty electric powertrain solutions in North America, a battery system supply contract for the truck powertrain;

The Group has also entered into the following partnerships:

- Partnership with Wrightbus, a global leader in zero-emission buses, to equip more than 1000 retrofitted buses over the next 3 years

1.2.3. New management software

Since July 1, 2024, the company has had a new integrated management software called Infor LN. Infor LN ERP is a software that integrates key business processes, such as finance, production, and supply chain management.

1.2.4. Customs control

The company sent the customs administration the elements requested in the context of a customs inspection on July 26, 2022. On 10 June 2024, Forsee Power was notified of an adjustment of €52,014, including €15,899 in customs duties and €36,115 in VAT, which had been paid as of the date of this report.

1.2.5. Litigation with Unu GmbH

On 23 November 2023, Forsee Power was informed that Unu GmbH had been placed in receivership before the Court of Berlin Charlottenburg. A judicial administrator has been appointed. This German insolvency administrator must decide both on the continuation of the activity of Unu GmbH and on the advisability of maintaining the ongoing legal proceedings.

The judicial proceedings for summary proceedings and on the merits opened in 2021 before the Paris Commercial Court did not change significantly in the 2023 financial year. The Court, in its deliberations of 22 June 2023, stayed the proceedings until the expert report had been filed. Persistent disagreements on the content of the expert reports to be carried out, Forsee Power referred the matter to the expert review judge on November 22, 2023 to order the experts to start their expert reports without delay and to set a reasonable timetable. At the hearing on 21 December 2023, the expert review judge ordered the legal experts to start their expert assessments with a view to submitting their report by the end of 2024.

New legal proceedings were initiated in July, August, November and December 2023 before civil courts in Germany by Unu GmbH following proceedings initiated by the victims of various claims. These proceedings are similar to those initiated in 2022 before other civil courts in Germany.

The summary proceedings opened in 2022 before the Judicial Court of Lyon, and the legal proceedings initiated since 2022 before civil courts in Germany, have continued their course in the 2023 financial year.

On May 2, 2024, the assets of Unu GmbH were acquired by EMCO to the exclusion of all litigation, so the work of the insolvency administrator continues on this point.

On December 27, 2024, HDI Global SE, in its capacity as liability insurer of Unu GmbH ("UNU"), acting as a substitute bidder for UNU's rights, jointly sued the Company, Axa France IARD SA and Generali IARD SA, before the Commercial Court of Paris.

At the end of March 2025, no significant changes in procedures are to be noted.

1.2.6. Recapitalization of subsidiaries

The year 2024 was marked by several recapitalisation operations:

- FORSEE POWER NORTH AMERICA – UNITED STATES: Capital increase for €11,551K ($12,000K) on December 31, 2024 by offsetting current account receivables and capital integration.
- FORSEE POWER SOLUTIONS - HONG KONG: Capital increase for €5,374K (KHKD 45,857) on April 2, 2024 by conversion of receivables related to equity interests (KHKD 22,457) and cash contribution (KHKD 23,400)
- FORSEE POWER INDIA PRIVATE - INDIA: Capital increase for €1,908K (KINR 175,969) on September 12, 2024 by conversion of loans (ECB loan) registered in current account with Forsee Power SA.

1.2.7. Clearance of the item "retained earnings "

At the Combined Shareholders' Meeting of June 21, 2024, it was decided to deduct the sum of €111,025,819 from the "Issue premiums" item and to allocate it in full to the " retained earnings item, the amount of which was reduced to €0 after the transaction.

2. Accounting policies and policies

2.1. Preparation of financial statements

The annual financial statements are prepared and presented in accordance with the accounting principles, standards and methods resulting from the 2014 General Accounting Plan in accordance with Regulation 2014-03, all the regulations that have subsequently amended it as well as the subsequent opinions and recommendations of the National Accounting Council (CNC) and the Accounting Regulation Committee.

These financial statements have been prepared using the same accounting principles and policies as of December 31, 2023.

The general accounting policies have been applied in accordance with the principle of prudence, going concern, consistency of accounting methods from one financial year to the next, and independence of financial years, in accordance with the general rules for the preparation and presentation of annual financial statements.

The basic method used for the valuation of items recorded in accounting is the embedded cost method.

2.2. Going concern

The financial statements as of December 31, 2024 have been prepared on a going concern basis with the following items:

- The cash position in 31 December 2024 amounted to €4.48 million, of which:
    - €2.92 million of available cash corresponding to funds in current accounts.
    - €1.55 million related to two deposits on two term accounts with Crédit Agricole bank, including €900 thousand corresponding to a deposit made in 2022 with a maturity of 5 years, and €650 thousand to a deposit made in 2023, with a maturity of 2 years.
- The Group's business cash flow outlook for the next 12 months
- The Group has an order book that gives it good visibility on its sales for the coming months.
- The renewal in 2025 of the non-recourse factoring program with the Facto France establishment with an uncapped amount of receivables in euros and dollars (within the limits per customer given by credit insurers).
- A new working capital financing line guaranteed by the French plant's inventories from a pool of five banks for €10 million validated in Apr-25
- Various hypotheses for additional financing of various kinds or the restructuring of existing financing are being studied or implemented: they will also strengthen the Group's liquidity.

Based on these forecasts and ongoing actions, the Group believes that it will have sufficient resources to justify the application of the going concern principle.

2.3. Significant accounting policies

2.3.1 Intangible assets

Intangible assets consist mainly of software, IT solutions, concessions, research and development expenses and goodwill.

Intangible assets have been valued at their acquisition or contribution cost. They correspond to:

- software and patents amortized over 2 to 5 years
- goodwill
- development costs amortized over 2 to 6 years for the projects considered

Depreciation is calculated on the basis of the acquisition cost minus, where applicable, of a residual value. The residual value is the amount, net of expected disposal costs, that the Company would obtain from the disposal of the asset in the market at the end of its use.

At closing, the Company assesses whether there are any indications of impairment of the fixed assets. When there is an indication of impairment, an impairment test is performed: the net book value of the fixed asset is compared to its current value. The carrying amount of an asset is depreciated when the present value is less than its net carrying value. The current value of an asset is the higher of the market value and the use value of the asset for the company.

2.3.2. Technical Mali and goodwill

In 2016, residual technical malis of merger and confusion were recognized, the details of which are presented below.

Goodwill	**December 31, 2024** **In euros**
Uniross Batteries Industry	18 560
ERSE business	70 220
Mali of confusion from Forsee Power Solutions	6 988 128
Mali merger of Forsee Power Industry	1 544 329
TOTAL	**8 621 237**

As of December 31, 2024, the Management considered that these goodwills, which mainly corresponds to know-how, are now fungible to all of Forsee Power's activities, so that it is no longer possible to separately monitor this goodwill in a separate manner.

The net book value of these businesses grouped under a single Mali Group has been verified by an impairment test consisting of ensuring that this carrying value as well as the amount of working capital attached to it are lower than the present value determined by the projection of the discounted cash flows of the Forsee Power Group.

These goodwills have a duration of use considered to be unlimited. As such, there are not depreciated on a straight-line basis.

2.3.3. Development Costs

The company has opted for the activation of these development costs, which total €41,154 thousand in gross value at the end of 2024, including €10 thousand to be commissioned in 2024. They gave rise to a depreciation expense of €2,192 thousand over the year. At the end of 2024, the net value of capitalized R&D expenses is €26,917K.

They are mainly made up of personnel costs and expenses directly allocated to development and meet the following criteria:

- the technical feasibility necessary for the completion of the intangible asset with a view to its commissioning or sale;
- the intention to complete the intangible asset and to use or sell it;
- the ability to use or sell the intangible asset;
- the ability of the intangible asset to generate likely future economic benefits;
- the availability of appropriate resources (technical, financial and other) to complete the development and use or sell the intangible asset; and
- the ability to reliably assess the expenses attributable to the intangible asset during its development.

These development costs are amortized over the foreseeable life of the product, from 2 to 6 years from the date of start of mass production.

Other research and development expenses that do not meet the criteria set out above are recorded directly as expenses in the year.

The review of sales forecasts and the progress of ongoing R&D projects has led to the early amortization of several projects that have not been finalized for a total of €1.7 million as part of the annual impairment.

2.3.4. Tangible capital assets

Tangible fixed assets have been valued at their acquisition or contribution cost.

Depreciation and amortization are calculated according to the expected service life. The most commonly practiced durations are the following:

Fixed assets	Depreciation
Industrial equipment	5-10 years
Transport equipment	5 years
General installations and fittings	8-10 years
Office and IT equipment	3 years

2.3.5. Financial assets

Equity securities and related receivables

The gross value of equity securities is recorded at acquisition cost, including directly related acquisition costs.

Receivables related to investments mainly correspond to current account contributions made by the Company in the form of loans, directly or indirectly through intermediary holding companies, to its subsidiaries. They are accounted for at their nominal value.

At the end of the financial year, an impairment charge is incurred when the subsidiary's equity is less than the carrying value of the securities and the prospects for recovery in the short term are uncertain. This write-down is first carried out on equity securities before proceeding to the impairment of attached receivables and/or current accounts. The main events in 2024 are:

- An impairment charge of €1,908 thousand was recorded in the financial statements closed at of December 31, 2024 for the shares of Forsee Power India Private Limited accompanied by a reversal of €900 thousand for the current account following the recapitalization operations of this subsidiary, in particular by offsetting the current account. As a result, as of 31.12.2024, all of the shares and current account of this subsidiary were impaired due to the subsidiary's net deterioration and uncertain outlook.
- For NeoT, the carrying value of the shares of this subsidiary, which is 33.3% owned, was validated by an impairment test based on the company's discounted cash flow forecasts determining an enterprise value to which the net cash of the latter is added, which determines the fair value of the company's equity compared to the share held by Forsee Power compared to the book value of the securities held by Forsee Power.
- For the securities of Forsee Power Inc USA and the associated loan from Forsee Power SA to its subsidiary, an impairment test was carried out to ensure that their cumulative carrying value was lower than the present value of the projected cash flows of the 2024 Business Plan of Forsee Power's US subsidiary

- A line of credit was concluded in 2024 between Forsee Power France (lender) and Forsee Power Inc. USA (borrower) for a maximum amount of $10 million, at a rate of 7%, of which $6.6 million has already been drawn by the end of 2024.

Other financial assets

As of December 31, 2024, other financial assets consisted of €452k in security deposits and €174,000 in treasury shares held under the liquidity contract and €94,000 in cash (out of an overall cash and securities ceiling of €700,000,000 following an additional payment of €200,000 in the first half of 2024).

2.3.6. Stocks

Inventories are composed of raw materials, purchased components (e.g. batteries, circuit boards, electrical harnesses, sheet metal parts), semi-finished products and finished products.

Inventories of raw materials and components purchased are valued at acquisition cost using the weighted average unit purchase cost (WUP) method. This acquisition cost includes the purchase price as well as the approach costs (logistics and customs clearance costs).

Stocks of finished products are valued at the cost of production according to the weighted average unit purchase cost (WUP) method and include approach costs (logistics and customs clearance costs) as well as direct production labour costs. Finance charges are not included in the inventory valuation.

Inventory in transit corresponds to purchases of materials and components, semi-finished or finished products for which the transfer of ownership in favor of the Company has taken place but which have not yet been received. These inventories are valued at acquisition cost.

Inventories are depreciated to reflect their net realizable value of revenues at the balance sheet date.

Inventories are depreciated to reflect their net realizable value of revenues at the balance sheet date.

- The depreciation of inventory items (raw materials, components, semi-finished and finished products) is assessed by taking into account both the sales prospects of a product according to its life cycle and the evolution of market selling prices (these sales prices are expressed in the battery industry in euros or currency per kWh).
- The depreciation relates to semi-finished products, finished products as well as components that could not be used in the production of another range of batteries. This depreciation reduces the value of the inventory to the net realizable value at which a product or component is likely to be sold. Accumulators (also known as cells), low-rotation components and certain end products can be depreciated in their entirety.

2.3.7. Operating receivables

Trade receivables are initially recorded at their nominal value and are mainly composed of the difference between the turnover recorded and invoiced and the receipts received from customers, particularly in the presence of advance payments made.

Other operating receivables are also accounted for its nominal value.

Receivables shall, where appropriate, be written down by provision to take account of the difficulties in recovery to which they were likely to give rise. Allocations and reversals of provisions are calculated on a case-by-case basis and are not subject to a statistical provision.

The company also has the following factoring contracts to finance its working capital requirements:

- A factoring program without recourse: a transfer of the risks of late payment, non-payment, foreign exchange, and a limitation of the factor's recourse in the event of non-payment of secured receivables. The amount of receivables assigned without recourse (de facto contract in France) and which are assigned and unfinanced, i.e. removed from trade receivables and reclassified as other receivables, amounted to €15,680 thousand as of December 31, 2024.
- A factoring contract included in a reverse factoring programme for a customer: a reverse factoring program for a customer (Heuliez Bus-IVECO-Case New Holland) with a banking institution (Banco Santander) has been set up with variable discount payment terms depending on the maturity of the debt on the date of the transfer to the factor. The expected amount as at December 31, 2024 is zero.

2.3.8. Availability

The cash position in 31 December 2024 amounted to €4.48 million, of which:

- €2.92 million of available cash corresponding to funds in current accounts.
- €1.55 million related to two deposits on two term accounts with Crédit Agricole, including €900 K corresponding to a deposit made in 2022 with a maturity of 5 years, and €650 K to a deposit made in 2023, with a maturity of 2 years

2.3.9. Foreign currency transactions

The 2024 accounts are drawn up in euros. Expenses and income in foreign currencies are recorded for their equivalent in euros at the date of the operation. At the balance sheet date, liabilities and receivables in foreign currencies are translated and recognized on the balance sheet on the basis of the last exchange rate, as an alternative to the "translation differences – asset/liability" items on the balance sheet.

Unrealized foreign exchange gains are not included in the formation of the accounting result. Unrealized foreign exchange losses not offset by a foreign exchange hedge are subject to a provision for risks at the same time.

2.3.10. Hedging transactions

Forsee Power subscribes to currency hedging (forward contract) on an ad hoc basis on the US dollar ($) currency. As of December 31, 2024, the Group was hedged in US dollars ($) and renminbi (RMB) currencies by means of currency forwards and currency swaps for a notional amount of €46.7 million to cover settlements in the first half of 2025.

2.3.11. Provisions for liabilities and charges

A provision for risks and charges is recognized as soon as there is a probable or certain obligation, clearly specified as to its purpose, resulting from events that have occurred or are in progress, and which makes it likely that resources will be outflowed to third parties without at least equivalent consideration expected from them, but the maturity or amount of which is not precisely fixed.

The provisioned amount is the best estimate of the expenditure necessary to extinguish the obligation at the balance sheet date, excluding any expected income. Each risk or expense is assessed on a case-by-case basis at the balance sheet date and allowances are adjusted to reflect the best estimate at that date.

As a battery producer, the Group is subject to the following legal and regulatory obligations:

- The obligation to repair or replace any defective component of the battery systems sold.

  This obligation is covered in the accounts by a provision for after-sales service (after-sales service) evaluated on the basis of a percentage of turnover excluding warranty extension sales. This percentage was determined on the basis of both a benchmark and an estimate of the probable repair costs weighted by a probability of return. The company will refine this estimate based on the actual repair costs.

- The obligation to collect and treat end-of-life batteries (European regulation on waste electrical and electronic equipment – WEEE).

This obligation is covered in the accounts by a recycling provision evaluated according to the number of batteries sold (by weight) and the projected recycling costs in the long term when these batteries reach the end of their life.

2.3.12. End-of-career allowances

In terms of end-of-career benefits, an expense was recorded at of 31 December 2024 in respect of defined contribution schemes.

In accordance with the latest update of ANC Recommendation 2013-02 of 7-11-2013 amended on 5-11-2021, the Company has decided to adopt the new method of allocating the benefit rights of its defined benefit plans under which an indemnity is only due if the employee is present on the date of retirement, the amount of which depends on seniority, and is capped at a certain number of consecutive years of service.

The basic assumptions (employee turnover rate, salary increase) of these calculations have been determined according to the Company's forward-looking and historical policy.

The assumptions taken into account for the valuations consist of:

	December 31, 2024	December 31, 2023
Financial Assumptions		
Discount rate	3,25%	3,23%
Wage growth rates	2,00%	2,20%
Social security contribution rate Executives	48,66%	48,73%
Social security contribution rates Non-Managers	39,55%	36,98%
Demographic assumptions		
Employee turnover under 35 years of age	25,30%	7,50%
Employee turnover between 36 and 45 years old	15,56%	5,00%
Employee turnover over 46 years of age	4,15%	2,50%
Retirement age at the end of the career of executives	64 years old	64 years old
Retirement age at the end of the career for non-executives	64 years old	64 years old
Mortality table	INSEE 2024	INSEE 2022

The discount rates used are obtained by reference to the rate of return on bonds issued by 1st tier companies with a maturity equivalent to the duration of the regimes evaluated of approximately 10 years. The rate was determined by considering market indices of AA-rated bonds available at the end of December 2024.

Engagement sensitivity analyses were carried out as of December 31, 2024 on the following key assumptions:

	Gross impact on commitments to the December 31, 2024	% of total commitments to the December 31, 2024
Discount rate		
Discount rate change of -0.25%	8	1,80%
Discount rate change of +0.25%	(7)	-1,60%
Turnover rate		
-1.00% change in *employee* turnover	19	4,30%
+1.00% change in *employee* turnover	(17)	-3,90%
Rate of progression of salares		
Change of -1.00%	32	7,40%
Change of +1.50%	50	11,40%
Retirement age		
Retirement at 63	17	3,90%
Retirement at 65	(45)	-10,30%

2.3.13. Operating liabilities

Trade payables and other operating liabilities are measured, at the initial recognition date, at the fair value of the consideration to be given. This value corresponds to the nominal value.

2.3.14. Turnover

Revenues are derived from the sale of goods and services and are valued based on the transfer of control (delivered duty paid or ex-works).

The Company also sells extended warranties for certain products to some of its customers. The income is initially recognized as deferred revenue (ECA) on the balance sheet and recognized over time during the period covered by the extension.

The Company does not have any commitment to return goods or a take-back commitment, apart from the legal and regulatory commitments consisting of After-Sales Service (SAV) and recycling commitments.

2.3.15. Research tax credit (CIR)

Research tax credits (CIR) are granted to companies by the French State to encourage them to carry out technical and scientific research. Companies that can prove that they have expenditure that meets the required criteria are entitled to a tax credit which can be used to pay the corporation tax due in respect of the year in which the expenditure is incurred and the following three financial years or, where applicable, be reimbursed for its excess share.

The income relating to the research tax credit is presented as a deduction from the corporate income tax (CIT) expense for its gross value.

Tax claims relating to the tax credit are presented under "Other claims".

2.3.16. Conditional advances

Conditional advances represent amounts of money paid by an organization or entity in the form of an advance, pending certain conditions being met before releasing the full amount of funds or converting them into a final grant. These advances are often used in grant-funded projects to ensure that activities run smoothly before full funding is disbursed.

- In 2023, an advance of €44,721 was granted on the BAT PROD 86 grant, with a total amount of €596,280 planned for the grant.
- For 2024, an advance of €217,964 has been awarded as part of the Pulse Hev grant, which represents a total of €2,179,643.
- At the end of 2024, Forsee Power France presents a total of €262,685 in conditional advances.

3. Property, plant and equipment and intangible assets

3.1. Statement of intangible and tangible assets in gross values

State expressed in euros		Gross values at the beginning of the year	Changes during the year				Gross values as of 31 December 2024
			Commissioning	Acquisitions and Activations	Divestitures and disposals	Adjustments	
INTANGIBLE ASSETS	Start-up and development costs (1)	16 055 789	10 311				16 066 099
	Concessions, patents and similar rights	3 072 136	1 868 678			(846 997)	4 093 818
	Goodwill	8 621 237					8 621 237
	Other intangible assets (1) (2)	16 704 269	(1 878 989)	11 730 186	(1 235 156)	(201 061)	25 119 249
	TOTAL INTANGIBLE ASSETS	**44 453 431**	**-**	**11 730 186**	**(1 235 156)**	**(1 048 058)**	**53 900 403**
PROPERTY, PLANT AND EQUIPMENT	Land						
	Buildings on own land						
	on third-party land						
	General installations, fixtures and fittings						
	Technical installations and industrial equipment and tools	14 418 826	3 246 649			(2 524 129)	15 141 346
	Other installations, fixtures and fittings	2 627 065	1 305 138			(24 963)	3 907 240
	Transport equipment	82 700					82 700
	Office equipment, furniture	1 982 237	275 466			(352 159)	1 905 545
	Recoverable and other packaging	-					-
	Property, plant and equipment in progress	2 387 638	(3 809 125)	2 912 723			1 491 237
	Advances and payments on account	1 018 129	(1 018 129)				-
	TOTAL PROPERTY, PLANT AND EQUIPMENT	**22 516 595**	**-**	**2 912 723**	**-**	**(2 901 251)**	**22 528 067**

1 The gross value of capitalized development expenses amounted to €41,154 thousand as of December 31, 2024 and corresponds to 60 projects, 49 of which are still in the development phase. As of December 31, 2023, the gross value of capitalized development expenses amounted to €31,277 thousand and corresponded to 30 projects. During the 2024 financial year, the activation of development costs for an amount of €11,112K covered 44 projects and the commissioning of €10K related to 1 project. €1,683 thousand of ongoing R&D projects were fully written down in advance of losses following a deterioration in sales forecasts.

2 Other intangible assets of €25,119K mainly relate to ongoing development costs not yet commissioned for €25,089K.

The Goodwill is composed of a single overall business of €8,621 K following the merger of all the business assets of the various activities acquired as explained in paragraph 2.2.2.The duration of use of the fusion mali is considered unlimited. As such, it is not depreciated on a straight-line basis but is subject to a value test for each financial year, like other non-depreciated intangible assets, based on their current value. When the present value of this item is lower than the carrying value, an impairment is recorded accordingly.

3.2. Statement of depreciation/amortization - intangible and tangible assets

The adjustments shown in the transactions correspond to a realignment of fixed asset positions. Indeed, the gross value and the cumulative value of depreciation have been reduced by the same amount in accounting to fit the details of the LES fixed assets. This had no impact on the company's income statement as these moves were made on fixed assets with zero CNV. This correction was passed during the migration to the new Infor LN

State expressed in euros		Depreciation and amortization, beginning of year	Changes during the year		Depreciation and amortization as of December 31, 2024
			Appropriations	Decreases	
INTANGIBLE ASSETS	Start-up and development costs	12 044 674	2 192 120		14 236 793
	Similar Patent Concessions	2 281 625	549 178	(846 997)	1 983 805
	Goodwill				
	Other intangible assets				
	TOTAL INTANGIBLE ASSETS	**14 326 299**	**2 741 297**	**(846 997)**	**16 220 599**
PROPERTY, PLANT AND EQUIPMENT	Land				
	Buildings on own land				
	on third-party land				
	General installations, fixtures and fittings				
	Technical installations and industrial equipment and tools	9 674 913	1 719 816	(2 524 129)	8 870 600
	Other installations, fixtures and fittings	878 965	396 112	(24 963)	1 250 113
	Transport equipment	23 993	13 600		37 593
	Office equipment and furniture	1 507 657	199 404	(352 159)	1 354 902
	Recoverable and other packaging				
	TOTAL PROPERTY, PLANT AND EQUIPMENT	**12 085 529**	**2 328 932**	**(2 901 251)**	**11 513 208**
TOTAL		**26 411 829**	**5 070 229**	**(3 748 248)**	**27 733 807**

4. Financial fixed assets

State expressed in euros		Gross values at the beginning of the year	Exercise Movements			
			Increases	Decreases		Gross values as at 31 December 2024
FINANCIAL ASSETS	Equity-Accounted Investments					
	Other participations (1)	6 777 554	18 830 506			25 608 060
	Receivables related to investments (2)	2 585 812	5 982 687	(2 153 581)		6 414 918
	Other fixed securities					
	Loans and other financial assets	804 658	8 156	(93 346)		719 468
	TOTAL FINANCIAL CAPITAL ASSETS	**10 168 024**	**24 821 350**	**(2 246 927)**	-	**32 742 447**

(1) The increase in other investments of €18.8 million corresponds to:

• FORSEE POWER NORTH AMERICA – UNITED STATES: Capital increase for €11,551K ($12,000K) on December 31, 2024 by offsetting current account receivables and capital integration.

• FORSEE POWER SOLUTIONS - HONG KONG: Capital increase for €5,374K (KHKD 45,857) on April 2, 2024 by conversion of receivables related to equity interests (KHKD 22,457) and cash contribution (KHKD 23,400)

• FORSEE POWER INDIA PRIVATE - INDIA: Capital increase for €1,908K (KINR 175,969) on September 12, 2024 by conversion of loans (ECB loan) registered in current account with Forsee Power SA.(2) The increase in dividend receivables is equal to

A current account conversion of €(2,586) K (see -€2,153 K in the adjustment column) of Forsee Power Solutions LTD as part of the latter's capital increase;

A conversion of €5,983K ($6,664K) of the current account by Forsee Power to its subsidiary Forsee Power Inc. into a loan of €5,983K ($6,664K).

An adjustment of €432 thousand (see -€2153 thousand in the adjustment column) related to the temporary currency impact of the receivable to the subsidiary Forsee Power Inc.

Equity securities are broken down as follows:

State expressed in euros	Country	Capital	Equity	Share of capital held (%)	Book value of securities held	
					Brute	Net
A. Detailed information						
1. Subsidiaries (More than 50%)						
MAYBEE POWER SPZ	Poland	11 696	(202 340)	100,00	90 000	-
FORSEE POWER SOLUTIONS LIMITED HONK-KONG	China	-	5 571 623	100,00	5 372 429	5 372 429
PERHAPS, POWER PTE. LTD	Singapore	7 060	13 795	100,00	6 417	6 417
FORSEE POWER INDIA PRIVATE LTD	India	31 023	(259 110)	100,00	4 142 213	-
ZHONGSHAN FORSEE POWER DEVELOPMENT CO., LTD	China	124 306	835 362	100,00	120 000	120 000
FORSEE POWER NORTH AMERICA	USA	11 551 641	11 548 284	100,00	11 550 681	11 550 681
FORSEE POWER GK	Japan	306 636	387 302	100,00	319 413	319 413
TOTAL SUBSIDIARIES					**21 601 154**	**17 368 941**
3. Equity interests (10-50%)						
NEOT CAPITAL SAS	France	3 982 758	3 874 404	33,21	4 006 906	4 006 906
TOTAL ENTRIES					**4 006 906**	**4 006 906**
TOTAL SUBSIDIARIES AND EQUITY INTERESTS					**25 608 060**	**21 375 847**

5. Stocks

State expressed in euros		December 31, 2024		
		Gross	Amortization and depreciation	Net
INVENTORIES	Raw materials, supplies	24 189 857	(4 377 549)	19 812 308
	Work in progress of goods	4 270 246	(1 461 080)	2 809 166
	Work in progress of services			-
	Semi finished and finished products	15 446 080	(4 949 773)	10 496 307
	Goods	1 724 310		1 724 310
TOTAL		**45 630 493**	**(10 788 402)**	**34 842 091**

State expressed in euros		Start of the year	Increases	Decreases	December 31, 2024
IMPAIRMENT OF INVENTORIES	Raw materials, supplies	4 070 908	4 377 549	(4 070 908)	4 377 549
	Work in progress of goods	1 204 105	1 461 080	(1 204 105)	1 461 080
	Work in progress of services	-			-
	Intermediates and finished products	2 792 221	4 949 773	(2 792 221)	4 949 773
	Wares	-			-
	IMPAIRMENT OF INVENTORIES	**8 067 234**	**10 788 402**	**(8 067 234)**	**10 788 402**

6. Trade receivables

State expressed in euros	December 31, 2024	December 31, 2023
Trade receivables and related accounts (gross value)	37 975 378	52 152 564
Impairment of trade receivables	(1 409 437)	(526 965)
Trade receivables and related accounts (net worth)	36 565 941	51 625 599

State expressed in euros	December 31, 2023	Increase	Decreases	Reclassification	December 31, 2024
Impairment of trade receivables	(526 965)	(342 306)	-	(540 166)	(1 409 437)

7. Debt schedule

State expressed in euros		December 31, 2024	1 year or less	more than 1 year
RECEIVABLES	Receivables related to equity interests	6 414 918		6 414 918
	Loans			-
	Other financial assets	719 468		719 468
	TOTAL CAPITAL RECEIVABLES	7 134 386	-	7 134 386
	Doubtful or disputed trade receivables	1 409 437	1 409 437	-
	Other trade receivables	36 565 941	36 565 941	
	TOTAL TRADE RECEIVABLES	37 975 378	37 975 378	-
	Receivables representing loaned securities			
	Personnel and related accounts	9 717	9 717	
	Social security and other social bodies	83 491	83 491	
	Corporate income tax (1)	2 536 459	189 684	2 346 775
	Value added tax	666 551	666 551	
	Other taxes, duties and similar payments		-	
	Group and associates	3 151 155		3 151 155

Other receivables	17 728 055	17 728 055	
TOTAL OTHER RECEIVABLES	24 175 429	18 677 500	5 497 929
TOTAL RECEIVABLES	**69 285 193**	**56 652 877**	**12 632 315**
(1) of which Including Research tax credit from 2021 to 2024.	2 509 188	162 413	2 346 775

The item "Sundry debtors" is composed of the following items as at December 31, 2024:

State expressed in euros	December 31, 2024
Factoring (1)	15 679 555
Factoring guarantee account	2 010 860
Discounts, rebates and refunds to be obtained; credit note to be received	7 232
Other miscellaneous receivables	30 408
Total Sundry Accounts Receivable	**17 728 055**

State expressed in euros	December 31, 2023	Increase	Decrease	Reclassification	December 31, 2024
Impairment of other miscellaneous receivables	(30 408)				(30 408)

1) The amount of receivables transferred without recourse to Factofrance that were not financed as of December 31, 2024 amounted to €15,680k. The amount of receivables ceded without recourse to HSBC and not yet financed as of December 31, 2023 amounted to €3,573k.

8. Accrued income

State expressed in euros	December 31, 2024	December 31, 2023
Other trade receivables	**763 120**	**554 437**
Customers Invoice to be issued	763 120	554 437
Other receivables	**7 232**	**78 167**
Discounts, rebates and refunds to be obtained, credit note not received	7 232	5 000
State, income to be received	-	73 167

Total Accrued income	**770 353**	**632 604**

9. Accruals - assets

The accrued income and deferred income mainly include translation differences for €109,454.

10. Equity

10.1. Share capital

The share capital at the beginning of the 2024 financial year was divided into 71,550,727 ordinary shares, with a nominal value of €0.10. 194,000 new shares were issued as part of the definitive acquisition of free shares of the 2022 AGM plan on December 22, 2024 for a nominal value of ten cents (€0.10) each.

The transactions carried out on the Company's capital during the financial year are detailed in the table below:

State expressed in euros		**Number**	**Per Share**	**Amoun**
SHARES	Share capital at the beginning of the year (31/12/2023)	71 550 727,00	0,10	7 155 0
	Issued during the financial year:			
	- Increased from 22/12/2024	*194 000,00*	*0,10*	*19 4*
	Refunded during the year			
	Share capital at year-end (31/12/2024)	71 744 727,00	0,10	7 174 4

10.2. Statement of change in equity

State expressed in euros	**Shareholders' equity at the end of December 31, 2023**	**Allocation of N-1 results**	**Retroactive contributions**	**In-year changes**	**Shareholders' equity ended December 31, 2024**
Share capital	7 155 073			19 400	7 174 473
Issue, merger and contribution premiums	177 659 117			(111 045 219)	66 613 898
Revaluation adjustments	-				-
Legal reserve	129 057				129 057
Reserves required by the bylaws or contractual reserves	-				-
Regulated reserves	-				-
Other reserves	-				-
Retained earnings	(80 657 307)	(30 368 512)		111 025 819	-
Profit (loss) for the year	(30 368 512)	30 368 512		(16 506 938)	(16 506 938)
Investment grants	104 349			461 885	566 234
Regulated provisions	-				-
TOTAL	**74 021 777**	**-**	**-**	**(16 045 054)**	**57 976 723**

The events for 2024 are:

1. At the Combined Shareholders' Meeting of June 21, 2024, it was decided to deduct the sum of €111,025,819 from the "Issue premiums" item and to allocate it in full to the "Carry-forward" item, the amount of which was reduced to €0 after the transaction.
2. In a decision by the Chairman dated December 22, 2024, it was decided to increase the capital of 194,000 shares allocated free of charge on June 7, 2022, and this increase was carried out by drawing on the issue premium of Forsee Power SA.

10.3. Treasury shares

The treasury shares are made up of Forsee Power shares held by the Group through an independent investment services company (Kepler Cheuvreux) in charge of the liquidity contract.

As of December 31, 2024, the Company directly or indirectly held 302,121 treasury shares for €174k and €94k in cash under the liquidity contract put in place following its IPO on November 3, 2021.

10.4. Free share grants (AGA)

	Award date	Number of AGA Options Awarded	Number of AGA Options Cancelled	Number of AGA options in progress	Number of shares subscribed at the time of the AGA	Vesting period	Maturity
Free Shares (AGA 2021) (1) (3)	September 14, 2021	382 000	(20 000)	362 000	362 000	1 an	September 14, 2022
Free Shares (AGA R 2021) (2)	October 15, 2021	282 616		282 616	282 616	2 years	October 15, 2023
Free Shares (AGA 2022) (4) (5)	September 14, 2022	64 000	(32 000)	32 000	32 000	1 an	September 14, 2023
Free Shares (AGA 2022) (6)	December 21, 2023	208 000	(14 000)	194 000	194 000	1 an	December 21, 2024
Free Shares (AGA 2024) (7)	30/07, 31/10, 31/12/2024	570 780		570 780	570 780	16 months	30/11/2025, 28/02/2026, 30/04/2026
Total Free Shares (AGA)		**1 507 396**	**(66 000)**	**1 441 396**	**1 441 396**		

1. The Board of Directors allocated 382,000 free shares (AGA 2021) on September 14, 2021 to the members of the Executive Committee and to employees considered to be key members of Forsee Power SA. These 2021 AGAs have a one-year vesting period with attendance requirements ending on September 14, 2022.

   On September 14, 2022, the Board of Directors noted the definitive acquisition of 362,000 free shares to beneficiaries, and authorized a capital increase on September 15, 2022 through the issuance of 362,000 new ordinary shares drawn from share premiums.

2. On October 15, 2021, the Board of Directors, on delegation from the Shareholders' Meeting of the same day, decided to grant the Chairman of the Board of Directors a maximum of 1,000,000 free shares and/or stock options to be definitively granted by June 30, 2022 at the latest. On April 6, 2022, the Board of Directors definitively allocated a number of 282,616 Free Shares (AGA R 2021) following the opinion of the Appointments and Remuneration Committee on April 1, 2022. This allocation of 282,616 AGAs in respect of the 2021 variable remuneration of the Chairman is conditional on a 2-year attendance obligation ending on October 15, 2023, followed by an obligation to hold the subscribed shares for a limited period. The expense relating to these 282,616 free shares is recognised in the financial statements for the 2021 and 2022 financial years in proportion to the beneficiary's attendance obligation.

   These 282,616 AGAs were definitively vested on October 15, 2023 and exercised on the same day through the issuance of 282,616 new ordinary shares.

3. The number of free shares has been adjusted following the division by 100 of the nominal value of the shares of Forsee Power SA decided by the Extraordinary General Meeting of October 15, 2021.
4. The Board of Directors allocated 64,000 free shares (AGM 2022) on September 14, 2022 to members of the Executive Committee of Forsee Power SA. These 2022 AGAs have a one-year vesting period with an attendance requirement ending on September 14, 2023.
5. 32,000 definitively acquired 2022 AGAs were exercised on June 20, 2023 through the issuance of 32,000 new ordinary shares.
6. The Board of Directors allocated 208,000 free shares (2022 AGA plan) on December 21, 2023 to members of the Executive Committee and employees of Forsee Power SA and its subsidiaries. These 2022 AGAs have a one-year vesting period with an attendance requirement ending on December 21, 2024. 194,000 shares were definitively acquired on December 22, 2024 through the issuance of 194,000 new ordinary shares drawn from share premiums.
7. The Board of Directors has allocated a number of 478,647 free shares on July 30, 2024, 40,516 free shares on October 31, 2024 and 51,617 free shares on December 31, 2024 to members of the Executive Committee and employees of Forsee Power SA and its subsidiaries as compensation for the 2024 financial year (2024 AGA plan). These 2024 AGMs have a vesting period with an obligation to be present of 16 months from the date of allocation. These share allocations are subject to 3 collective performance conditions (achievement of the 2024 EBITDA budget, financing finalized and validated by the Board of Directors as of 31.12.2024 and Ecovadis rating greater than 75), of which only one condition (the third) has been fulfilled as of December 31, 2024, giving rise to the acquisition of one third of the total shares provided for in the plan.

10.5. Stocks options

	Award date	Number of SO options assigned	Number of SO options cancelled	Number of current SO options	Number of shares subscribed at the time of the SO exercised	Vesting period	Maturity
Stock-Options (SO 2018) (1) (3)	April 2, 2019	600 000		600 000	600 000	4 years	December 20, 2033
Stock-Options (SO 2018) (1) (3)	January 28, 2020	180 000	(150 000)	30 000	30 000	4 years	December 20, 2033
Stock-Options (SO 2018) (1) (3)	November 13, 2020	75 000		75 000	75 000	4 years	December 20, 2033
Stock-Options (SO 2021) (2) (3)	August 12, 2021	1 500 000		1 500 000	1 500 000	2 months	August 5, 2036
Total Stock-Options (SO)		**2 355 000**	**(150 000)**	**2 205 000**	**2 205 000**		

1. Allocations of the 2018 Stock Option Plan (SO 2018) authorized by the Shareholders' Meeting of December 18, 2018. These 2018 SOs include a vesting period set at 4 years with an obligation to be present ending between April 2, 2023 and November 13, 2024. The awards were made for the benefit of the Chairman, the members of the Management and the employees considered to be key members of Forsee Power SA.
2. 1,500,000 stock options (SO 2021) giving access to 1,500,000 ordinary shares were granted on August 12, 2021 to the Chairman of the Board of Directors as compensation for services rendered. These 1,500,000 SOs include "off-market" performance conditions (conversion of OC5 and completion of the acquisition of Holiwatt's assets) which were lifted on 27 and 28 September 2021. These 1,500,000 stock options include an initial lock-up period of 2 years ending on August 12, 2023, and can be exercised over a period of between the 2nd year and the 15th year following the grant date. At the date of grant, the Management estimated an expected schedule for the exercise of these 1,500,000 options, this schedule extending between 2023 and 2025.
3. The number of options has been adjusted following the division by 100 of the nominal value of the shares of Forsee Power SA decided by the Extraordinary General Meeting of October 15, 2021.

10.6. Share subscription warrants (BSA)

The company has issued several Warrants (BSA) to the European Investment Bank (EIB):

- 857 EIB Warrant A warrants issued on 18 March 2018 in addition to the €20 million financing;
- 500 EIB Warrant C warrants issued on June 4, 2021 in addition to the €21.5 million financing.
- 1,000 BSE EIB Warrant E issued on 4 December 2023 in addition to the €10 million financing.

The conversion parities of these BSAs into ordinary shares of the company have been updated following the capital increase of May 9, 2023, the allocation on December 21, 2023 of free shares (AGA) and the issuance of 1,000 Warrant E warrants. The number of ordinary shares (AO) for the 6,857 EIB Warrant A warrants has thus increased from 859,263 AOs to 1,127,387 AOs as of December 31, 2023, and for the 3,500 B warrants has thus increased from 388,761 AOs to AO 500,090 as of December 31, 2023.

At the end of 2024, following the allocation of the 2023 AGAs and the new 2024 AGA plan, the parities have changed slightly. The BSA Warrant A represent 1,118,377 AOs, the BSA Warrant C to 496,094 AOs and the BSA Warrants E to 302,079 AOs as of 31.12.2024.

11. Provisions for risks and charges

The details of the provisions by type are as follows:

	State expressed in euros	Start of the year	Increases	Decreases	Of which used	December 31, 2024
REGULATED PROVISIONS	Reconstruction of mining and oilfields					
	Provisions for investment					
	Provisions for price increases					
	Provisions for accelerated depreciation					
	Tax provision for start-up loans					
	Other provisions					
	PROVISIONS REGLEMENTEES	-	-	-		-
ROVISION FOR RISKS AND CHARGES	Provision for after sales service 11.1	6 633 197	4 554 000	(4 522 517)		6 664 679
	Provision for recycling 11.2	2 397 479		(1 470 633)		926 845
	For disputes 11.3	519 353	720 759	(205 803)	(100 311)	1 034 309
	For guarantees given to customers					
	For losses on futures markets					
	For fines and penalties					
	For pensions and similar obligations 11.4	499 364		(64 253)		435 111
	For exchange losses 11.5	692 876	109 454	(692 876)		109 454
	For taxes					
	For social security and tax charges for paid holiday	-				-
	PROVISIONS FOR LIABILITIES AND CHARGES	**10 742 269**	**5 384 212**	**(6 956 082)**	**(100 311)**	9 170 398
PROVISIONS FOR IMPAIRMENT	On fixed assets:					
	intangible					
	property, plant and equipment					
	equity-accounted securities					
	equity securities	2 324 808	1 908 397			4 233 205
	other financial fixed assets					
	On inventories and work-in-progress	8 067 233	10 788 402	(8 067 234)		10 788 401
	On trade receivables	526 964	882 472			1 409 436
	Other 11.6	3 558 631		(991 675)		2 566 956
		-				-
	PROVISION FOR IMPAIRMENT	14 477 638	13 579 272	(9 058 909)		18 998 002
	TOTAL GENERAL	25 219 907	18 963 486	(16 014 992)		28 168 401

Of which allocations and reversals:		
operating	17 055 088	(15 023 317)
Financial	1 908 397	(991 675)
Exceptional		

11.1. Provision for After-Sales Service (SAV)

The provision for after-sales service guarantee recognized at closing at of December 31, 2024 amounted to €6,665 thousand (€6,633 thousand as of December 31, 2023).

This provision is intended to cover the risk of future after-sales costs due to Forsee Power's liability for the products sold (commitment to repair or replace any defective element of the battery systems sold). This guarantee is a legal obligation; it is not optional in the contract and is generally spread over 4 to 5 years. Given the uncertain nature of the probability of the occurrence of a default, this provision is statistically evaluated according to the products sold and is adjusted annually according to the after-sales costs actually incurred by the Group during the year.

11.2. Provision for Recycling

The recycling provision of €927k as of December 31, 2024 (€2,397k as of December 31, 2023) is set up to cover the estimated future recycling costs of battery systems sold and for which the Group has a take-back and recycling commitment in the event of the return of batteries by customers.

The adjustment observed in 2024 is the result of the introduction of new financial conditions for recycling negotiated during the year.

This provision is calculated according to the number of systems sold concerned by the take-back commitment and valued according to the external cost of recycling the different types of batteries. The Group regularly updates these external recycling costs to take into account improvements in the costs of processing this relatively new sector.

The discount rate as of December 31, 2024 is 3.12% (risk-free rate) + 1.68% (ICPE haircut) or 4.8%.

11.3. Provisions for litigation

11.3.1. Of which litigation with Unu GmbH

Expert assessment summary proceedings in Paris:

On 12 March 2021, Unu GmbH summoned Forsee Power and its former insurer, Generali, to the Commercial Court of Paris for a request for a judicial expertise. Unu GmbH is taking action against the Company on the basis of product liability and contractual liability under common law, alleging that the batteries are defective and do not meet the technical specifications agreed between the parties under the terms of the supply agreement of 23 July 2016 and its amendment of 29 June 2018. The Company did not oppose this request for a forensic expert opinion but indicated that it should also cover the scooters produced by Unu GmbH, whose characteristics that do not comply with the initial contractual specifications are the cause of battery malfunctions.

By an order of 31 March 2021, the urgent applications judge ordered the appointment of a judicial expert whose mission covers both the study of batteries and scooters in order to qualify the origin of the malfunctions, the associated disorders and therefore the responsibilities. The initially appointed expert having withdrawn, the urgent applications judge ordered the appointment of a new expert by an order of 16 April 2021.

The expert has heard, as of 5 May 2021, the various arguments presented by the Parties but has not yet designated a laboratory to carry out the necessary tests on batteries and scooters. However, the latter has repeatedly noted the difficulties of cooperation with Unu GmbH, which refuses to communicate certain key documents for the expertise, in particular the test reports of its scooters.

On December 31, 2021, Unu GmbH summoned Forsee Power for summary proceedings before the Commercial Court of Paris for the purpose of replacing the legal expert appointed in April 2021. Unu GmbH considers that the expert is manifestly biased and that he does not have sufficient competence to carry out the forensic expertise. On January 26, 2022, the Company responded to these arguments by indicating that the summary judge did not have jurisdiction and that the case should be brought before the Control Judge. The Company also rejects the arguments of Unu GmbH regarding the alleged bias or incompetence of the expert.

The Interim Relief Judge of the Commercial Court of Paris declared, in a judgment of March 18, 2022, that it had no jurisdiction in the request of Unu GmbH to replace the judicial expert appointed in April 2021.

The Supervisory Judge maintained the judicial expert and appointed a joint judicial expert.

Persistent disagreements on the content of the expert tests to be carried out, Forsee Power referred the matter to the expert review judge on November 22, 2023 to order the experts to start their expert assessments without delay and to set a reasonable timetable.

At the hearing on December 21, 2023, the expert review judge had ordered the legal experts to begin their expert assessments on the scooters with a view to submitting their report by the end of 2024.

In an order dated January 29, 2024, the control judge confirmed that the test protocol could be started as it stands. The Tolosa Lab was finally selected following the withdrawal of Emitech. The results of the tests are not known to date.

The trial proceedings:

On November 2, 2021, despite the ongoing expert report, Unu GmbH summoned Forsee Power before the Paris Commercial Court, ruling on the merits on the same grounds as for the expert report and claims €15,845 K for the material damage suffered, as well as €50 K for non-material damage.

At the procedural hearing on 28 September 2022, the General Court adjourned the case to 12 April 2023. The Court, in its deliberations of 22 June 2023, stayed the proceedings until the expert report had been filed.

Expert assessment summary proceedings in Lyon:

On May 25, 2022, Unu GmbH summoned Forsee Power for summary proceedings before the Judicial Court of Lyon for a request for a judicial expertise carried out by the insurer and the family of an individual who died in the fire in his home in August 2021.

The circumstances of this fire have not been established: the fire starting, according to the insurer, at the garage door, the said garage contained a Piaggio thermal scooter and an Unu electric scooter. It was in this context that the insurer brought an action against Unu GmbH to appoint a legal expert to determine the origin of the fire.

The investigations have not begun and no cause is at this stage favoured. The Urgent Relief Judge ordered the extension of the expert mission on August 1, 2022. A first expert meeting took place on October 18, 2022. The expert is waiting to continue his investigations given the multiple possible causes at the origin of the fire.

In the event that the damage was indeed caused by the scooter, the said accident would not be covered by the Company's new insurer since it would then be a new serial incident related to Unu batteries. The risk having been identified in 2019, it would therefore also fall under the policy concluded with the Company's former insurer.

At the same time, an investigation was carried out by the Lyon prosecutor's office but it was closed without further action. This does not prejudge the possibility of a complaint being filed with a civil party before an Investigating Judge at a later date by the victim's family.

Procedure before the Paris Judicial Court:

On September 13, 2023, the Company was summoned before the Paris Judicial Court by the company Equité Assurances (Appendix 21).

The summons is filed by the insurer of a consumer whose scooter caught fire in his garage who is acting after compensating his client. The insurer is taking action against Unu GmbH and its insurer on the basis of the warranty against latent defects, and against the Company on the basis of liability for defective products. The latter requested that the defendants be condemned in solidum for an amount of €269,676.

The proceedings have been postponed to 28 March 2025, so that the parties can inform the Judge of their intentions. Forsee Power has not heard back on this procedure at that time.

Proceedings before civil courts in Germany:

On 15, 29 September and 9 November 2022, Forsee Power received summonses for forced intervention before three civil courts in Germany (Landgericht Flensburg, Munich and Coburg) from Unu GmbH in proceedings initiated by the victims of the various claims.

These proceedings were supplemented by new summonses received on 19 July, 31 July, 22 August, 30 November and 29 December 2023, before four other civil courts in Germany (Landgericht Cologne, Hamburg, Essen, and Aachen) from Unu GmbH in proceedings initiated by the victims of the various claims

Forsee Power put forward the same arguments as those developed in the proceedings opened in France, and requested a stay of proceedings pending the results of the judicial expertise opened in France.

At the hearing on 24 January, UNU's lawyer argued his case, arguing that Forsee was aware that UNU was using a KERS (Kinetic Energy Recovery System) Forsee is currently preparing a response, arguing that this had been mentioned in an email, but that UNU has never confirmed the implementation of KERS, nor has it asked Forsee to adapt the batteries accordingly.

On 31 January 2025, the AOK Plus (German Social Security) sent a letter to Forsee indicating its intention to join the proceedings.

On 5 February 2025, the Regional Court of Aachen (Landgericht Aachen) notified the parties that the Chamber (the collegiate court) would resume processing the case, due to the complexity of the case.

On February 7, 2025, the court sets a hearing for September 24, 2025 (hearing originally scheduled for August 13, 2025).

Risk assessment and provisions:

The provision recorded in the Company's financial statements for the period ended December 31, 2024 in the amount of €205K (€248K as of December 31, 2022) therefore includes both the fees of the Company's legal counsel but also those of the legal expert and external experts requested by the Company. The provision was taken over in the amount of €43K for the 2024 financial year, corresponding to the expenses recognized for the year, mainly expert and legal fees.

The company considers that the claims of Unu GmbH are unfounded and intends to assert its legal rights and arguments both in France and abroad, legitimizing at this stage of the procedure the absence of provision for risks beyond the legal costs mentioned.

11.3.2. Of which other disputes

The provision recorded in the company's financial statements for the period ended December 31, 2024 in the amount of €829k (€271k as of December 31, 2023) for other disputes mainly includes €222k of disputes with employees and €524k for commercial disputes.

11.4. Provision for pensions and similar obligations

In terms of end-of-career indemnity, income was recognized at December 31, 2024 for defined contribution plans, leading to a decrease in the provision on the balance sheet of €64 thousand.

11.5. Provisions for foreign exchange losses

A provision for foreign exchange losses was recorded of €109 thousand on dollar-denominated receivables not received at closing.

11.6. Impairment of shareholder loans

The decrease of €990k corresponds to the reversal of provisions for depreciation of €900k in the current account of the Forsee Power India subsidiary following the capital increase by current account conversion and €90k in the current account of the Forsee Power SPZ subsidiary.

12. Cash and debt

State expressed in euros		December 31, 2024	December 31, 2023
Cash	Cash at bank	4 483 673	25 059 784
	TOTAL CASH AND CASH EQUIVALENTS	**4 483 673**	**25 059 784**
Financial debt	Bonds	-	-
	Borrowings from the EIB (1)	(34 685 072)	(33 476 723)
	Loan Atout from the BPI (2)	(625 000)	(2 187 500)
	State-guaranteed loan to the BPI (3)	(1 875 000)	(3 437 500)
	State-Guaranteed Loan from BNP (3)	(2 812 500)	(4 669 355)
	State-guaranteed loan from HSBC (3)	(2 823 400)	(4 698 388)
	Accrued interest on financial debts	(1 044 006)	(968 088)
	TOTAL BANK BORROWINGS	**(43 864 978)**	**(49 437 555)**
	Related party liabilities	(531 153)	(693 594)
	TOTAL FINANCIAL DEBT	**(531 153)**	**(693 594)**
	NET CASH (DEBT)	**(39 912 458)**	**(25 071 365)**

1 EIB financing

EIB loan of €20 million in 2017 with the first tranche 1 of €7.5 million made available in March 2018, tranche 2 of €7.5 million in October 2018 and the third and final tranche of €5 million in December 2019. This €20 million loan was fully repaid in June 2021.

This €20 million EIB bond is accompanied by 6,857 EIB Warrant A warrants issued on 15 March 2018, leading to the issuance of 8,540 ordinary shares (AOs) if exercised.

A new EIB loan was signed in December 2020, of which tranche A of €21.5 million was raised on 16 June 2021. This tranche is accompanied by 3,500 BSABEI Warrant C issued on June 4, 2021, leading to the issuance of 3,864 ordinary shares (AOs) in the event of exercise. On 28 September 2021, the Company obtained a prior approval requested by the EIB in order to be able to carry out the various capital restructuring operations prior to the IPO as well as the IPO itself. In return for obtaining this agreement, the capitalized interest rate applicable to Tranche A of the EIB bond has been increased by 0.5% from 4% to 4.5% per annum (applicable retroactively).

Tranche C of the EIB loan was drawn on 18 December 2023 for an amount of €10 million for a period of 5 years. This tranche is accompanied by 1,000 EIB Warrant E warrants issued on 4 December 2023, leading to the issuance of 300,000 ordinary shares (AOs) in the event of exercise.

The 2020 EIB Credit Agreement requires that a positive level of equity be always maintained at the Company's level. The 2020 EIB Credit Agreement requires the Company, on a consolidated basis, to maintain (i) a debt service coverage ratio (cash flows/debt service) above 2.0:1.0 and (ii) a debt-to-equity ratio of less than 1.0:1.0, tested annually at the end of each financial year and for the first time for the period ending December 31, 2024.

- (i) the application of the Debt Service Coverage Ratio test was waived on December 20, 2024.
- (ii) as of December 31, 2024, the debt-to-equity ratio is less than 1, so compliance with this covenant is validated.

2 The Atout loan granted by Bpifrance, for an amount of €5 million and at an overall effective rate of 5%. This loan benefits from a one-year grace period and is then repaid quarterly from August 31, 2021 until May 31, 2025. It is not accompanied by any financial covenant. The Company's declarations and commitments under this contract as well as the cases of early repayment are similar to the above-mentioned PGE.

3 The State-Guaranteed Loans (PGE) with BNP and HSBC were granted 0% interest, and renegotiated in March 2021 at 0.75% and 0.31% respectively. An innovation support loan (PGE) was granted by Bpifrance at an overall effective rate of 2.35%. In accordance with the legal regime applicable to State-guaranteed loans, these loans had an initial maturity of one year from the date of their availability. They are not accompanied by any financial covenant. The Company has opted for the option of repaying all its state-guaranteed loans over the longest period. Thus, the three PGEs have benefited from the additional one-year deferral of capital repayment, and the capital will thus be amortized on a straight-line basis until 2026.

State expressed in euros	Nominal	Beginning	End	Rate	Duration	Guarantee
Borrowings from the EIB	21 500 000	2021	2026	4,50%	5 years	Yes
Borrowings from the EIB	10 000 000	2023	2028	1,50%	5 years	Yes
Atouts loan from the BPI	5 000 000	2020	2025	5,00%	5 years	Not
State-guaranteed loan from the BPI	5 000 000	2020	2026	2,35%	6 years	Not
State-guaranteed loan from BNP	7 500 000	2020	2026	0,75%	6 years	Not
State-Guaranteed Loan from HSBC	7 500 000	2020	2026	0,31%	6 years	Not

13. Debt repayment schedule

	State expressed in euros	December 31, 2024	1 year or less	1 to 5 years	more than 5 years
	Convertible bonds				
	Other bonds				
	Emp. Originally 1-year credit and debit debts		-		
	Emp. Debt and credit with a maturity of more than 1 year at origin (1)	43 864 978	6 674 814	37 190 164	
	Miscellaneous borrowings and financial debts			-	
	TOTAL FINANCIAL LIABILITIES	**43 864 978**	**6 674 814**	**37 190 164**	**-**
	Suppliers and Attached Accounts	39 444 938	39 444 938		
	Staff and related accounts	2 935 104	2 935 104		
	Social security and other social organizations	3 194 407	3 194 407		
	Income taxes				
DEBTS	Value Added Taxes	728 262	728 262		
	Bonded bonds				
	Other taxes and similar	332 911	332 911		
	Debts on fixed assets and related accounts				
	Advances and advance payments received on open orders	10 505 382	10 505 382		
	Group and partners	531 153		531 153	
	Other liabilities	928 218	928 218		
	Debt representing borrowed securities				
	Deferred revenue	3 666 677	18 062	3 648 616	
	TOTAL OPERATING LIABILITIES	**62 267 052**	**58 087 284**	**4 179 768**	**-**
	TOTAL DEBTS	**106 132 030**	**64 762 098**	**41 369 932**	**-**
	(1) Of which state-guaranteed loans repaid during the year	5 253 109			

14. Accrued expenses

State expressed in euros	December 31, 2024	December 31, 2023
Miscellaneous loans and financial debts	**-**	**-**
Accrued interest on current accounts		
Bank borrowings	**1 030 475**	**968 088**
Accrued interest on EIB loan	1 030 475	968 088
Trade payables and related accounts	**13 648 408**	**4 613 616**
Trade payables - Invoices not yet received - cut off	-	981 270
Payables - Invoices not yet received	3 091 320	2 278 055
Intercompany trade payables - Invoices not yet received	10 557 088	1 354 290
Tax and social security liabilities	**5 502 673**	**5 825 162**
Liabilities - Provision for paid leave	1 651 585	1 591 955
Other accrued expenses	1 207 018	2 149 901
Social security contributions - Leave to be paid	1 371 514	757 733
Social security bodies - Accrued expenses	579 945	864 806
State - Accrued expenses	692 610	460 767
Total accrued expenses	**20 181 556**	**11 406 866**

15. Accruals - liabilities

The accruals and deferred income include: deferred income (€3,666,677 related in particular to warranty extensions that will be carried out over a period of between 1 and 4 years) as well as translation differences related to transactions in foreign currencies (€1,471,083).

16. Turnover

State expressed in euros			December 31, 2024	December 31, 2023
	France	Export	12 months	12 months
Merchandise Sales	362	-	362	705
Production sold (Goods)	14 933 926	137 851 982	152 785 908	176 892 075
Production sold (Services and Works)	473 512	2 717 924	3 191 436	3 529 012
Net sales	15 407 800	140 569 906	155 977 705	180 421 792

17. Other purchases and external expenses

State expressed in euros	December 31, 2024	December 31, 2023
Insurance	637 619	879 105
Studies and external services	5 755 334	5 682 400
Non-stocked purchases and supplies	824 312	1 485 568
Transport costs	2 507 350	2 569 692
Fees	3 960 489	5 772 141
Leases, lease expenses and maintenance	4 203 071	3 290 987
Subcontracting and external personnel	2 727 894	2 146 234
Other external expenses	2 854 033	2 597 117
Total Other purchases and external expenses	**23 470 104**	**24 423 243**

18. Personnel costs and remuneration of management and administrative bodies

18.1. Staff

	December 31, 2024 Internal	December 31, 2023 Internal
Executives & Managers	194	194
Intermediate professions	62	16
Employees	45	83
Workers	49	61
TOTAL	**351**	**354**

	December 31, 2024	December 31, 2023
Wages and salaries	20 772 231	20 478 870
Social security contributions for staff	9 445 026	8 870 167
TOTAL	**30 217 257**	**29 349 037**

18.2. Compensation of the management bodies

The management bodies include, on the one hand, the members of the Board of Directors, and on the other hand, the members of the Executive Committee of the company.

Attendance fees for the members of the Board of Directors have been recorded as an expense for the year ended December 31, 2024 for an amount of €393 thousand.

The remuneration of the members of the Executive Committee for the 2024 financial year amounted to €3,244 thousand and is broken down as follows:

State expressed in euros	December 31, 2024
Actual gross remuneration	1 849 016
Benefits in kind	20 925
Variable remuneration	329 660
Employer's contributions	1 044 567
Total	3 244 168

In addition, a free share allocation plan (AGA) was implemented in 2024 for the benefit of the company's executives (see notes 10.4)

19. Taxes

State expressed in euros	December 31, 2024	December 31, 2023
CFE - CVAE	192 982	160 568
Solidarity social contribution tax (C3S)	218 731	258 649
Professional training	253 454	186 453
Apprenticeship tax	141 104	124 946
Other taxes and duties	214 650	203 016
Total taxes	**1 020 922**	**933 632**

20. Depreciation and amortization and provisions

State expressed in euros	December 31, 2024	December 31, 2023
Operating allocations		
On fixed assets:		
- allocations to fixed assets	5 124 694	6 857 666
- allocations to provisions	-	-
On current assets: allocations to provisions	11 130 708	5 207 864
For Risks and charges: allocations to provisions	5 274 759	6 672 936
Depreciation, amortization and operating provisions	**21 530 161**	**18 738 466**

21. Other expenses

State expressed in euros	December 31, 2024	December 31, 2023
Directors' fees	392 816	372 842
Losses on bad debts	75 223	-
Foreign exchange losses on trade receivables and liabilities	914 275	1 526 657
Miscellaneous management expenses	438 963	64 374
Total Other expenses	**1 821 277**	**1 963 872**

22. Financial result

	State expressed in euros	December 31, 2024	December 31, 2023
FINANCIAL PRODUCTS	Equity interest	26 243	
	Other securities and fixed asset receivables	-	
	Other interest and similar income	73 507	265 507
	Reversals of provisions and depreciation and transfer of expenses	1 684 551	
	Positive exchange rate differences	1 004 228	237 972
	Net income from disposals of investment securities	-	232 059
	Total financial income	**2 788 529**	**735 539**
FINANCIAL EXPENSES	Depreciation, amortization and provisions (1)	2 017 851	5 671 768
	Interest and similar charges	3 485 226	2 548 068
	Negative exchange rate differences	152 331	258 866
	Net charges on disposals of investment securities	293 346	35 217
	Total finance expenses	**5 948 757**	**8 513 921**
	FINANCIAL RESULT	**(3 160 227)**	**(7 778 382)**

The financial result includes the following:

- Financial income received from financial instruments such as income from securities, loans and receivables;
- Disbursed financial expenses such as financial charges on bank overdrafts, loans, finance leases, factoring, but also fees relating to banking services;
- Impairments of financial assets.

The provision corresponds to the depreciation of the equity securities and the current account of the subsidiary Forsee Power India.

23. Exceptional result

State expressed in euros		December 31, 2024	December 31, 2023
EXCEPTIONAL PRODUCTS	On management operation	50 840	551 999
	On capital operations	694 643	
	Reversals of provisions and depreciation and transfer of expenses	-	
	Total Exceptional Income	**745 483**	**551 999**
EXCEPTIONAL CHARGES	On management operation	504 078	117 343
	On capital operations	-	
	Depreciation, amortization and provisions	-	
	Total exceptional expenses	**504 078**	**117 343**
EXCEPTIONAL RESULT		**241 405**	**434 656**

State expressed in euros	Expenses	Income	Net
Penalties and fines	247 466		(247 466)
Other Expenses and income except / Opera. Management	256 612	50 840	(205 772)
Other Expenses and income except / Opera. Capital		694 643	694 643
Allocations and reversals of exceptional provisions			-
Exceptional income/expenses in previous years			-
EXCEPTIONAL ITEMS	**504 076**	**745 483**	**241 405**

24. Taxes

24.1. Corporate income tax

The corporate tax rate for the 2024 financial year is 25%. There is no tax consolidation in France.

State expressed in euros	CHANGES IN DEFERRED OR UNREALISED TAXES					
	START OF THE YEAR		VARIATIONS		END OF YEAR	
NATURE	ASSETS	LIABILITIES	ASSETS	LIABILITIES	ASSETS	LIABILITIES
I. TAX AND ACCOUNTING TIMING DIFFERENCES						
1 Regulated Provisions						
11 Provisions to be added back at a later date						
- Provision for price increases						
-						
12 Accelerated depreciation						
2 Investment Grants						
3 Temporarily non-deductible expenses						
31 To be deducted the following year						
- paid leave (old regime)						
- employee participation						
- Organic	**266 477**			**39 918**	**226 559**	
32 To be deducted later						
- pension provisions	**327 906**			**64 253**	**263 653**	
- Other rent						
- Other TVs						
=- other interests						
- Other fines						
4 Temporarily non-taxable products						
- Net short-term capital gains (4)						
- Capital gains on mergers (3)						
- deferred long-term capital gains (3)						
5 Expenses deducted (or income taxed) for tax purposes and not yet accounted for						
TOTAL	**359 451**	**-**	**-**	**104 171**	**490 212**	**-**
II. TAX LOSS CARRYFORWARDS		**(197 953 910)**		**(19 075 098)**		**(217 029 008)**

24.2. Research Tax Credit

Since the 2nd half of 2021, the company has mandated an expert firm to support it in the evaluation and documentation of the CIR.

The work carried out by this expert firm led to an additional filing of CIR applications for the 2018 financial year, and to an evaluation for the 2019 and 2020 financial years, which were filed in the course of 2022. The income relating to the CIR for the 2020 and 2019 financial years and the additional CIR for the 2018 financial year have been recognized in the financial statements for the year ended 31 December 2021.

The company and the expert firm have also finalized by 31 December 2022 the CIR assessments of the expenses incurred for the 2021 and 2022 financial years. The income relating to the CIR for the 2021 and 2022 financial years has been recognized in the consolidated financial statements for the year ended 31 December 2022.

The 2019/2020 CIR receivables were collected during the year 2024 for an amount of €1,410 K.

The receivables from CIR 2021 to 2023 were sold and financed at 80% by the BPI for an amount of €2,800K, the balance of these receivables at the end of 2024 is €700K.

The income relating to the CIR for the 2024 financial year has been recognized in the financial statements for the year for an amount of €1809 thousand.

25. Table of subsidiaries and equity interests

State expressed in euros	Country	Capital	Equity	Share of capital held (%)	Book value of securities held	
					Gross	Net
A. Detailed information						
1. Subsidiaries (More than 50%)						
MAYBEE POWER SPZ	Poland	11 696	(202 340)	100,00	90 000	-
FORSEE POWER SOLUTIONS LIMITED HONK-KONG	China	-	5 571 623	100,00	5 372 429	5 372 429
PERHAPS, POWER PTE. LTD	Singapore	7 060	13 795	100,00	6 417	6 417
FORSEE POWER INDIA PRIVATE LTD	India	31 023	(259 110)	100,00	4 142 213	-
ZHONGSHAN FORSEE POWER DEVELOPMENT CO., LTD	China	124 306	835 362	100,00	120 000	120 000
FORSEE POWER NORTH AMERICA	USA	11 551 641	11 548 284	100,00	11 550 681	11 550 681
FORSEE POWER GK	Japan	306 636	387 302	100,00	319 413	319 413
TOTAL SUBSIDIARIES					**21 601 154**	**17 368 941**
2. Interests (10-50%)						
NEOT CAPITAL SAS	France	3 982 758	3 874 404	33,21	4 006 906	4 006 906
TOTAL ENTRIES					**4 006 906**	**4 006 906**
TOTAL SUBSIDIARIES AND EQUITY INTERESTS					**25 608 060**	**21 375 847**

1. Subsidiaries (More than 50%)	Loans and advances	Amount of deposits and	Turnover	Result of the last closed financial year	Dividends received

		endorsements given		
MAYBEE POWER SPZ	341 593		1 821 997	105 106
FORSEE POWER SOLUTIONS LIMITED HONK-KONG	(49 667)		29 272	-
PERHAPS, POWER PTE. LTD	272 021		257 073	9 220
FORSEE POWER INDIA PRIVATE LTD	2 537 541		983 300	(1 375 313)
ZHONGSHAN FORSEE POWER DEVELOPMENT CO., LTD	-		2 027 663	270 555
FORSEE POWER NORTH AMERICA	6 414 918		-	(1 343)
FORSEE POWER JAPAN GK	-		908 025	54 327
2. Equity Interests (10-50%)				
NEOT CAPITAL SAS	-		3 011 398	(103 644)

26. Other information

26.1. Information about related parties

Significant non-arm's length transactions with related parties in fiscal 2024 are:

- ***Business Contribution Agreement*** **with Mitsui & Co., Ltd*.***

On December 21, 2020, Forsee Power SA entered into a Business *Contribution Agreement* with Mitsui & Co., Ltd., amended and replaced by a new contract dated June 17, 2022. This new contract came into force retroactively on October 1, 2021, for a period of one year, renewable by tacit agreement, for successive periods of one year. It has thus been tacitly renewed for a period from October 1, 2022 to September 30, 2023.

Mitsui & Co., Ltd. is a shareholder of Forsee Power SA with voting rights of more than 10% and Mr. Kosuke Nakajima, a member of the Board of Directors of Forsee Power SA, serves as *General Manager* of the Battery Solutions Department at Mitsui & Co., Ltd.

As part of this contract, Mitsui & Co., Ltd is responsible for assisting Forsee Power in business development, sales and marketing activities on behalf of Forsee Power, as an exclusive agent in Japan. In return for the assignments performed, Mitsui & Co., Ltd receives a success fee based on the sales invoiced by Forsee Power to any customer with its registered office in Japan.

Under this contract, Mitsui & Co. Ltd invoiced €48K to Forsee Power SA during the financial year ended December 31, 2024.

- ***Collaboration Agreement*** **with Mitsui & Co., Ltd.**

On September 27, 2021, Forsee Power SA entered into a contract entitled *Collaboration Agreement* with Mitsui & Co., Ltd. Mitsui & Co., Ltd. is a shareholder of Forsee Power SA with a voting rights of more than 10% and Mr. Kosuke Nakajima, a member of the Board of Directors of Forsee Power SA, serves as *General Manager* of the Battery Solutions Department at Mitsui & Co., Ltd.

The purpose of this contract is to establish a framework for the commercial collaboration established between Forsee Power SA and Mitsui & Co., Ltd. The financial terms in return for the services rendered by Mitsui & Co., Ltd. are discussed on a case-by-case basis, for each project taking into account the financial impact on Forsee Power Group.

This contract continued into the 2024 financial year.

26.2. Statutory auditors' fees

The Statutory Auditors' fees are not mentioned in the corporate notes as they will be indicated in the consolidated notes.

27. Off-balance sheet commitments

27.1. Commitments given

The commitments as at 31 December 2024 are as follows:

SBLC letter of credit to a landlord and cash pledge

On July 25, 2022, Forsee Power obtained a stand-by letter of credit (SBLC) from a French banking institution for a maximum amount of $1 million for the benefit of the owner of the industrial building leased to Hilliard in the United States. The amount guaranteed by this SBLC letter of credit is decreasing annually by 10% until November 1, 2032.

This SBLC letter of credit with a cash pledge remunerated for an amount of €1°M was reissued to another banking partner in November 2024, thus allowing a reduction of the cash pledge to €400K, an amount decreasing annually until November 2028.

SBLC letter of credit to Indian Customs and cash pledge

On July 7, 2023, Forsee Power obtained a stand-by letter of credit (SBLC) from a French banking institution for a maximum amount of €650K for an Indian bank allowing a bank guarantee to be issued to Indian customs.

This SBLC letter of credit is accompanied by a cash pledge remunerated for an amount of €650K until January 18, 2025.

Forsee Power has also obtained a new SBLC (*stand-by letter of credit*) of 9 million Indian rupees (approximately €100 K) in September 2024 from a French banking institution for the benefit of Indian customs and accompanied by a cash pledge with a maturity date of March 31, 2025.

Parent company guarantee for a Chinese supplier

In December 2024, Forsee Power issued a parent company guarantee to a Chinese supplier in the amount of 58 million Chinese yuan, allowing for an extension of the payment terms of its Chinese subsidiary.

Collateral of goodwill for the benefit of the EIB

A pledge of the business in favour of the EIB was granted when the €21.5 million tranche was drawn down in June 2021.

Guarantees granted to Mitsui & Co

Under the terms of an agreement called the Investment Agreement entered into on December 18, 2017, Forsee Power SA granted guarantees to Mitsui & Co., Ltd. If a warranty statement is found to be inaccurate, Forsee Power SA has undertaken to compensate Mitsui & Co., Ltd. for the damage suffered by either (i) a payment or (ii) an issue of shares reserved for Mitsui, upon exercise of the warrants held by Mitsui (up to a maximum limit of 52,748 new shares). Following the cancellation of the BSAG by decisions of the General Meeting of September 28, 2021, Mitsui & Co., Ltd. could only seek compensation for the damage through the payment by the Company of compensation to it. No compensation claims have been received by Forsee Power SA as of the closing date of 23 April 2024. The maximum amount of compensation that could be owed by Forsee Power SA is capped at €4.5 million. However, this ceiling is quite theoretical because Forsee Power SA's compensation commitment expired in June 2019 for most of the subjects covered by the guarantee. Only damages resulting from violations of release relating to tax, anti-corruption or environmental matters remain covered until their limitation period plus 30 days (i.e. until 31 January 2021 for most tax matters and until the expiry of a 30-year period running from December 2017 for anti-corruption and environmental matters).

27.2. Commitments received

The company has not received any commitments.

28. Post-2024 events

There are no significant events subsequent to the closing date of 31 December 2024 identified up to the date of the closing of the accounts and the filing of the URD.

4.2 Statutory auditors' certification report on the annual financial statements of Forsee Power S.A. as of 31 December 2024

To the Shareholders' Meeting of Forsee Power SA

Opinion

In compliance with the engagement entrusted to us by your Shareholders' Meeting, we have audited the accompanying financial statements of Forsee Power SA (hereinafter the "Company") for the year ended December 31, 2024.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as of December 31, 2024 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (*code de commerce*) and the French Code of Ethics (*code de déontologie*) for statutory auditors, for the period from January 1, 2024 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5 (1) of Regulation (EU) No 537/2014.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Recognition of fixed assets relating to development expenditure

Notes 2.3.3, 3.1 and 3.2 to the 2024 financial statements

Risks identified and main judgments

As of December 31, 2024, project development expenditures, including projects in progress, corresponded to:

- A net carrying amount of €26.9 million;
- Total capitalized expenses of €11.1 million for the year;

- Amortization of -€2.2million.

Forsee Power SA capitalizes its development expenditure once the capitalization criteria defined by accounting regulations are satisfied and it is probable that the developed project will generate future economic benefits. The capitalization of development expenditure is considered to be a key audit matter due to the judgments and estimates made by Management to assess:

- Compliance with all the conditions required to capitalize the corresponding costs;
- The identification of costs likely to be capitalized during project development phases.
- The life and amortization periods adopted for these projects.
- Indications of impairment and risks of impairment for projects in the course of development.

How our audit addressed this risk

Our procedures consisted in:

- Obtaining an understanding of the controls designed and applied by Forsee Power SA to measure capitalizable development costs,
- Reviewing the procedures set up by the Company to identify projects in the course of development such as:
  - The set-up of specific cost accounting;
  - A detailed monitoring of all projects in the course of development to validate new projects that could satisfy capitalization criteria,
- Verifying the procedures set up by the Company to identify other items that could impact these projects such as expected impairment.
- Verifying, based on the analyses prepared by the Company, that the project capitalization criteria in accordance with accounting standards are met, i.e.:
  - Technical feasibility of completing the intangible asset so that it will be available for use or sale;
  - Intention to complete the intangible asset and use or sell it while ensuring that there are projected sales for the relevant project;
  - Ability to use or sell the intangible asset;
  - How the intangible asset will generate probable future economic benefits, by obtaining an analysis of projected sales relating to the various projects;
  - Availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
  - Ability to measure reliably the expenditure attributable to the intangible asset during its development, particularly by verifying that the time allocated to the projects is correctly assessed on a sampling basis for the main expenditure recognized during the period.
- Verifying estimates of development costs incurred for eligible projects and capitalized by the Company, and particularly:
  - verifying, using sample techniques the correct valuation of hourly rates applied to projects;
- Verifying the absence of impairment losses at December 31, 2024 on ongoing projects through discussions with Management and a review of sales forecasts for the project’s estimated duration;

- Examining the amortization period adopted according to the forecast life of the capitalized projects;
- Verifying the appropriateness of the disclosures in the notes to the financial statements.

UNU GmbH litigation

Notes 1.2.6 and 11.3.1 to the 2024 financial statements

Risks identified and main judgments

The Company's activities are conducted in an ever changing environment and within a complex international regulatory framework. The Company is subject to major changes in the legal environment as well as the application or interpretation of regulations and is also involved in disputes arising from its everyday business.

Litigation provisions totaled €1 million as of December 31, 2024, and correspond to the valuation of risks such as employee or customer disputes, and in particular the litigation with UNU GmbH which amounts to €0.21 million as of December 31, 2024.

Forsee Power SA supplies batteries to UNU GmbH, which manufactures scooters. UNU GmbH has initiated a number of legal proceedings against Forsee Power SA:

  - Defects and failure to meet the agreed technical specifications for the batteries: in March 2021, UNU GmbH filed an application for a court-ordered expert assessment with the Paris Commercial Court against Forsee Power SA and its former insurer. UNU GmbH is suing the Company on the basis of product liability and common law contractual liability. In November 2021, despite the ongoing judicial assessment, UNU GmbH sued Forsee Power SA on the same grounds, claiming €15.9 million for material damages.
  - House fire leading to the death of an individual: in May 2022, UNU GmbH summoned Forsee Power to appear before the Lyon Court. A judicial expert appraisal is ongoing to determine the cause of the fire.
  - Finally, several summonses for forced intervention by UNU GmbH were implemented in Germany following proceedings initiated by victims of material damage and/or bodily injury in 2022 and 2023.
  - In May 2024, following the company's judicial reorganization in November 2023, the assets of UNU GmbH were acquired by EMCO, excluding all of the company's disputes, including the dispute with Forsee Power.
  - Finally, the various procedures concerning this dispute continued in 2024 without any real progress.

- Forsee Power SA exercises its judgment in assessing the risk incurred in the UNU GmbH litigation, set aside a provision when it is probable that an expense will be generated by this litigation and the amount may be quantified or estimated within a reasonable range;
- The €0.21 million provision recognized as of December 31, 2024 covers legal expert appraisal and procedural costs. Forsee Power SA considers UNU GmbH's claims to be unfounded and intends to assert its rights and legal arguments which, at this stage of the proceeding, justifies the absence of a provision for risks in excess of the aforementioned legal costs;

We considered this litigation to be a key audit matter given the material amounts at stake and the level of judgment required to determine provisions.

How our audit addressed this risk

We analyzed all the items made available to us regarding the disputes between Forsee Power SA and UNU GmbH with respect to damages suffered as a result of battery incidents or fires and in particular we:

- Examined the various summons and rulings relating to the ongoing proceedings in this litigation;
- Analyzed the risk estimates made by Management and compared them with information shown in the response from the lawyer in charge of the case following our confirmation requests for this litigation as well as the internal memo prepared by the Company;
- Assessed Management's risk analysis of this litigation leading it to conclude that UNU GmbH's claims are unfounded;
- Verified the appropriateness of the disclosures on this litigation in the notes to the financial statements.

<u>Impairment test on goodwill</u>

Notes 2.3.2, 3.1 and 3.2 to the 2024 financial statements

Risks identified and main judgments

Goodwill mainly involving merger technical losses totaled €8.6 million as of December 31, 2024, compared with total assets of €175 million.

Each year, Management verifies that the carrying amount of this goodwill does not exceed its recoverable amount and presents no risk of impairment. The impairment testing methods used by Management include significant judgments and assumptions mainly regarding:

- Future cash forecasts;
- Long-term growth rates adopted for projected cash flows;
- Discount rates (WACC) applied to estimated cash flows.

Accordingly, any change in these assumptions is therefore likely to have a significant impact on the recoverable amount of this goodwill and require the recognition of an impairment loss.

We consider the measurement of goodwill to be a key audit matter due to its materiality and the judgments and assumptions that are needed to determine its value in use.

How our audit addressed this risk

We:

- Analyzed the compliance of the methodologies adopted by the Company with prevailing accounting standards with regard to the methods of estimating the value in use of the goodwill;
- Based on the most recent available Business Plans provided by Management as well as the impairment tests for goodwill, we:
    - Reviewed the determination of the recoverable amount of goodwill
    - Assessed the reasonableness of the key assumptions adopted for all Cash-Generating Units (CGUs) and particularly:
        - The determination of cash flows in line with available information, including market outlooks and previous actual figures, and compared with the most recent Management estimates as presented as part of the budgetary process;

- The determination of long-term growth rates adopted for these projected flows, comparing them with market analyses.

We also assessed the relevance of the discount rate used (WACC), with the help of our financial valuation specialists.

We obtained and examined the sensitivity analyses performed by Management, and compared them with our own calculations to verify that an unreasonable change in the assumptions would likely necessitate the recognition of an impairment loss for the goodwill.

We verified the appropriateness of the disclosures in the financial statements.

Impairment tests on equity investments and receivables from equity investments

Notes 2.3.5 and 4 to the 2024 financial statements

Risks identified and main judgments

- Equity investments and receivables from equity investments totaled €27.8 million as of December 31, 2024, compared with total assets of €175 million.
- They are recognized on the basis of their entry value at acquisition cost and impaired on the basis of their value in use. The latter is assessed using the DCF (Discounted Cash Flow) method for each subsidiary through discounted cash flows determined using the business plan validated by management. Other methods may be used, such as recent transaction values or the amount of equity, taking into account the future prospects of the subsidiaries concerned. The carrying amount of receivables from equity investments is determined in relation to the risk of recoverability.

We considered the measurement of equity investments to be a key audit matter due to the judgments and assumptions needed to determine the value in use, particularly regarding the profitability and future outlook of the relevant investments.

How our audit addressed this risk

To assess the reasonableness of estimates of the value in use of equity investments and based on information communicated to us, our work mainly consisted in verifying that estimated values determined by Management are based on an appropriate justification of the valuation method and the quantified data used and:

- Obtaining the cash flow and operating forecasts for the activities of the entities concerned established by the management of Forsee Power SA and assessing their consistency with the forecast data from the latest Business Plans;
- Checking the consistency of the assumptions used with the economic environment at the closing date and the date of preparation of the accounts;
- Comparing the forecasts used for previous periods with the corresponding achievements in order to assess the achievement of past objectives;
- Verifying that the valuation method described in the notes to the annual financial statements corresponds to that used by the Company, the application of which we were able to observe during our work.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law and regulations.

Information given in the management report and in the other documents addressed to the shareholders with respect to the financial position and the financial statements

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors’ management report and in the other documents addressed to shareholders with respect to the financial position and the financial statements.

We attest the fair presentation and consistency with the financial statements of the information relating to payment deadlines mentioned in Article D.441-6 of the French Commercial Code.

Report on corporate governance

We attest that the corporate governance section of the Board of Directors’ report sets out the information required by Articles L.225-37-4, L.22-10-10 and L.22-10-9 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L.22-10-9 of the French Commercial Code relating to remunerations and benefits received by or awarded to the directors and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from controlled enterprises included in the scope of consolidation. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your Company considered likely to have an impact in the event of a takeover bid or exchange offer, provided pursuant to Article L.22-10-11 of the French Commercial Code, we have agreed this information to the source documents communicated to us. Based on these procedures, we have no observations to make on this information.

Additional Information

In accordance with the law, we have ensured that the various details regarding the identity of the holders of capital or voting rights have been communicated to you in the management report.

Other Legal and Regulatory Verifications or Information

Format of presentation of the financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (*code monétaire et financier*), prepared under the responsibility of Chief Executive Officer , complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of December 17, 2018.

Based on the work we have performed, we conclude that the presentation of the financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the financial statements that will ultimately be included by your Company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Forsee Power SA by the Annual General Meeting of June 23, 2023 for Deloitte & Associés and June 21, 2024 for BDO Paris.

As of December 31, 2024, Deloitte & Associés was in its eighth year of uninterrupted engagement, and BDO Paris was in its first year of engagement, which was respectively the fourth and first year since the Company's shares were admitted to trading on a regulated market.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles, and for such internal control as management determines 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, management is 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 it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and, where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors on April 9, 2025.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Objective and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement.

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

As specified in Article L. 821-55 of the French Commercial Code, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore.

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material

uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;

- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration referred to in Article 6 of Regulation (EU) no. 537-2014, confirming our independence pursuant to the rules applicable in France as defined in particular by Articles L.822-10 to L.822-14 of the French Commercial Code and in the French Code of ethics for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris-La Défense and Paris, April 25, 2025

The Statutory Auditors

French original signed by

Deloitte & Associés	BDO Paris
Thierry Queron	Arnaud Tonnet

4.3 Consolidated statements as of 31st December 2024

4.3.1. Consolidated statement

in thousands of euros	Notes	December 31, 2024	December 31, 2023
Non-current assets		**82 115**	**68 175**
Goodwill	7.1	1 523	1 523
Intangible assets	7.2	31 732	23 024
Tangible capital assets	7.3	41 177	35 433
Non-current financial assets	7.4	2 164	2 089
Investments in equity-accounted companies	7.5	4 289	4 328
Other non-current assets	7.8	1 139	1 291
Deferred tax assets	7.19	92	488
Current assets		**87 279**	**119 265**
Inventories	7.6	43 294	44 481
Trade receivables and related accounts	7.7	11 161	27 633
Other current assets	7.8	27 456	21 248
Cash and cash equivalents	7.9	5 369	25 902
Total Assets		**169 394**	**187 440**
Equity		**47 554**	**59 238**
Equity attributable to owners of the parent company		**47 554**	**59 238**
Issued share capital	7.10	7 174	7 155
Issue premiums	7.10	66 616	177 661
Translation reserves	7.10.5	(258)	(220)
Reserves	7.10	(13 905)	(97 395)
Net income	7.10	(12 074)	(27 962)
Minority interests		**(0)**	**(0)**
Liabilities		**121 841**	**128 203**
Non-current liabilities		**67 599**	**76 069**
Provisions for risks and charges	7.11	8 626	9 550
Employee Benefits	7.12	435	499
Non-current financial liabilities	7.13	52 594	57 477
Derivatives on financial instruments	7.14	696	4 835
Other non-current liabilities	7.18	4 299	3 396
Deferred tax liabilities	7.19	948	311
Current liabilities		**54 241**	**52 133**
Provisions for risks and charges	7.11	410	0
Current financial liabilities	7.13	11 799	9 626
Trade payables	7.17	18 320	23 588
Other current liabilities	7.18	23 712	18 919
Total shareholders' equity and liabilities		**169 394**	**187 440**

4.3.2. Consolidated statement of income

in thousands of euros	Notes	December 31, 2024	December 31, 2023
Turnover	8.1	**151 766**	**171 238**
Other operating income and expenses	8.2	(1 062)	850
External services and purchases consumed	8.3	(121 797)	(147 651)
Personnel costs	8.4	(26 807)	(29 837)
Taxes	8.5	(1 190)	(1 086)
Depreciation and amortization	8.6	(9 018)	(9 988)
Net impairment	8.6	(3 479)	(4 301)
Net provisions	8.6	754	(2 380)
Current operating income		**(10 832)**	**(23 155)**
Non-recurring operating income	8.7	**(1 702)**	
Operating income (loss)		**(12 534)**	**(23 155)**
Financial income	8.8	63	232
Cost of gross financial debt	8.8	(3 605)	(2 721)
Other net financial income and expenses	8.8	5 336	(2 195)
Net financial income (expense)	8.8	**1 794**	**(4 684)**
Income in equity-accounted companies	7.5	(37)	288
Profit before tax		**(10 777)**	**(27 551)**
Income tax	8.9	(1 297)	(411)
Consolidated net income		**(12 074)**	**(27 962)**
Of which the share attributable to the owners of the parent company		*(12 074)*	*(27 962)*
Of which minority interests		*(0)*	*(0)*
Net earnings per share	7.10.6	**(0,17) €**	**(0,43) €**
Net Diluted earnings per share	7.10.6		

4.3.3. Statement of other comprehensive income

in thousands of euros	Notes	December 31, 2024	December 31, 2023
Consolidated net income (A)		**(12 074)**	**(27 962)**
Other comprehensive income			
Translation difference over the period	7.10.5	(37)	71
Change in value of foreign currency cash flow hedges	7.13	(453)	
Tax Effects		113	
Total Equity and Profit or Loss Gains and Losses		**(377)**	**71**
Change in Actuarial Gains and Losses for Defined Benefit Plans	7.12	131	(99)
Tax Effects		(33)	17
Total Equity and Non-Transferable Gains and Losses		**98**	**(82)**
Total Gains and Losses Recognized in Equity, Net of Income Tax (B)		**(279)**	**(11)**
Comprehensive result (A) + (B)		**(12 353)**	**(27 974)**
Of which the share attributable to the owners of the parent company		*(12 353)*	*(27 974)*
Of which minority interests			

4.3.4. Consolidated statement of Cash Flows

in thousands of euros	Notes	December 31, 2024	December 31, 2023
Operating income *Elimination of calculated items and other cash flow items*		**(12 534)**	**(23 155)**
Income from equity-accounted companies		(37)	288
Depreciation and amortization and provisions	9.1	8 315	12 378
(Plus)/Loss on disposals	9.4	0	
Payments in shares	7.10.3.2	555	1 092
Income tax expense (income)	8.9	1 297	411
Income from operating expenses	9.2	(1 809)	(1 223)
Cash flow from operations before cost of net financial debt and taxes		**(4 213)**	**(10 210)**
Change in grants		**0**	**0**
Change in corporate income tax receivables and payables (excluding the tax credit)	9.2	425	152
Change in non-pre-funded CIR receivables	7.8	(462)	0
Pre-financing obtained from the BPI on the CIR receivable	7.8	2 800	0
Disbursed tax expense		**2 763**	**152**
Inventories	9.2	1 506	(7 222)
Trade receivables	9.2	16 019	(11 754)
Other receivables	9.2	(6 849)	(9 453)
Supplier payables	9.2	(5 397)	3 400
Other liabilities	9.2	5 774	7 811
Change in operating working capital requirement		**11 053**	**(17 218)**
Cash from operating activities (A)		**9 603**	**(27 278)**
Acquisition of fixed assets (net of liabilities and advances paid)	9.3	(20 517)	(24 621)
Set-up of cash pledge	7.4	(100)	(650)
Repayment of cash pledge	7.4	100	0
Assets managed under liquidity contract	7.4	21	75
Realized gains (losses) on liquidity contract	7.4	3	38
Disposal of fixed assets (net of receivables)	5.1	0	370
Proceeds from financial assets	7.4	92	306
Cash from investing activities (B)		**(20 401)**	**(24 481)**
Capital issue through IPO	7.10	0	49 283
Payment of IPO issue expenses	7.10	0	(2 737)
Change in other financial liabilities	7.13	2 013	0
Debt issues	7.13	0	10 000
Loan repayments	7.13	(7 286)	(5 092)
Debt repayments on leased assets	7.13	(2 314)	(1 622)
Factoring financing	7.13	0	1
Payment of EIB loan issuance costs	7.13	218	45
Change in financial liabilities with related parties	7.13	(211)	23
Bank charges paid	8.8	(1 143)	(1 428)
Financial expenses paid	8.8	(1 080)	(1 683)
Cash from financing activities (C)		**(9 804)**	**46 789**
Impact of currency translation rates		67	(141)
Change in cash (A) + (B) + (C)		**(20 533)**	**(5 112)**
Net cash at beginning of period	7.9	25 902	31 014
Net cash at end of period	7.9	5 369	25 902
Change in net cash		**(20 533)**	**(5 112)**

4.3.5. Consolidated Statement of Changes in Shareholders' Equity

in thousands of euros	Notes	Issued share capital	Capital-related premiums	Conversion reserves	Reserve on payment in shares	Own shares	Other Reserves and Overall Results	Total attributable to owners of the parent company	Minority interests	Equity
Shareholders' equity as at December 31, 2022		**5 358**	**132 913**	**(295)**	**7 165**	**(352)**	**(105 139)**	**39 650**	**(0)**	**39 650**
Capital increase	7.10.1	1 767	47 516					**49 283**		**49 283**
Issue costs on capital increase	7.10.1		(2 737)					**(2 737)**		**(2 737)**
Payments in shares	7.10.3.2				1 092			**1 092**		**1 092**
Lapsed Share Payments	7.10.3.2				(107)		107			
Payments in shares exercised	7.10.1	31	(31)		(2 184)		2 184			
Overall result				71			(28 045)	**(27 974)**	(0)	**(27 974)**
Own shares held under the liquidity contract	7.10.4					(28)		**(28)**		**(28)**
Profit on disposal of treasury shares and change in fair value of treasury shares held	7.4					(50)		**(50)**		**(50)**
Shareholders' equity as at December 31, 2023		**7 155**	**177 661**	**(224)**	**5 966**	**(430)**	**(130 893)**	**59 238**	**(0)**	**59 238**
Capital increase	7.10.1	19	(111 045)				111 027			
Payments in shares	7.10.3.2				555			**555**		**555**
Lapsed Share Payments	7.10.3.2				(150)		150			
Payments in shares exercised	7.10.1				(520)		520			
Overall result				(37)			(12 316)	**(12 353)**		**(12 353)**
Own shares held under the liquidity contract	7.10.4					147		**147**		**147**
Profit on disposal of treasury shares and change in fair value of treasury shares held	7.4					(32)		**(32)**		**(32)**
Other				3			(3)		0	**0**
Shareholders' equity as at December 31, 2024		**7 175**	**66 616**	**(258)**	**5 851**	**(315)**	**(31 515)**	**47 554**	**0**	**47 554**

4.3.6. Summaries to the Notes to the Consolidated Financial Statements under IFRS

1. Presentation of the Forsee Power Group

Forsee Power SA, referred to as the "Forsee Power Group" or "Group", is a public limited company under French law created in February 2007 for a period 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 in IVRY-SUR-SEINE 94200.

Forsee Power S.A. is a company operating in the design and integration of batteries specialized in the field of:

Portability and mobility (bicycles, scooters, rolling stock, medical facilities, home automation, professional tools and construction equipment, etc.);

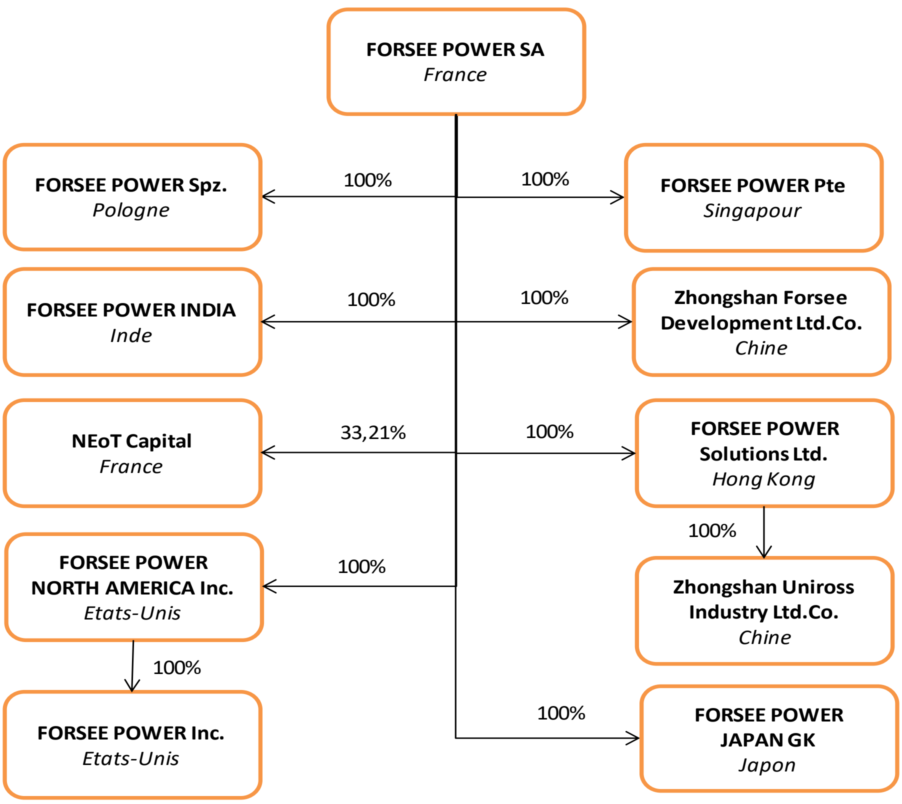
Electric transport (buses, trucks, short circuit vehicles, rail transport).

The Group was formed following several company creations and external growth operations of Uniross Batteries (formerly Alcatel Saft) in 2011, Ersé in 2012, and Dow Kokam France (formerly Société de Véhicules Electriques – SVE) in 2013.

The consolidated financial statements are prepared in accordance with IFRS, as adopted by the European Union, and were approved on April 9, 2025 by the Board of Directors of Forsee Power S.A.

Forsee Power S.A. has been listed on the regulated market Euronext Paris Compartment B since November 3, 2021 under number FR0014005SB3.

Group organizational chart as of December 31, 2024



2. Highlights

The typical facts of the year ended December 31, 2024 are as follows:

- **Launch of new product lines**

  Forsee Power has launched a new high-energy-density and flexible battery system designed to meet the power requirements of railway powertrains. This new range is called ZEN LFP RAIL 1500 V. It complements the Group's battery offering.

- **Business Development**

  The Group signed several contracts during 2024, including:

  - ZEN PLUS battery system supply contract with Letenda, Canadian manufacturer of zero-emission buses;
  - BAE Systems, a leading provider of heavy-duty electric powertrain solutions in North America, a battery system supply contract for the truck powertrain;

  The Group has also entered into the following partnerships:

  - Partnership with Wrightbus, a global leader in zero-emission buses, to equip more than 1000 retrofitted buses over the next 3 years;

- **Deployment of the Group in the United States**

  The Group continued its international development by inaugurating a new production site and its headquarters in Columbus, Ohio on September 12, 2024.

- **Implementation since July 1, 2024 of a new integrated management software (ERP) called Infor LN**

- **Customs control**

  The company Forsee Power sent the customs administration the requested elements in the context of a customs inspection on July 26, 2022.

  On June 10, 2024, Forsee Power was notified of an adjustment of €52K, including €16K in customs duties and €36K in VAT, which have been paid.

- **Litigation with Unu GmbH**

  Note 7.11 presents in detail the various disputes with Unu GmbH.

  On 23 November 2023, Forsee Power was informed that Unu GmbH had been placed in receivership before the Court of Berlin Charlottenburg. A judicial administrator has been appointed. This German insolvency administrator must decide both on the continuation of the activity of Unu GmbH and on the advisability of maintaining the ongoing legal proceedings.

  The judicial proceedings for summary proceedings and on the merits opened in 2021 before the Paris Commercial Court did not change significantly in the 2023 financial year. The Court, in its deliberations of 22 June 2023, stayed the proceedings until the expert report had been filed. Persistent disagreements on the content of the expert reports to be carried out, Forsee Power referred the matter to the expert review judge on November 22, 2023 to order the experts to start their expert reports without delay and to set a reasonable timetable. At the hearing on December 21, 2023, the judge in charge of the supervision of expert opinions ordered the legal experts to begin their expert assessments with a view to the submission of their report, which was expected by the end of 2024.

  New legal proceedings were initiated in July, August, November and December 2023 before civil courts in Germany by Unu GmbH following proceedings initiated by the victims of various claims. These proceedings are similar to those initiated in 2022 before other civil courts in Germany.

The summary proceedings opened in 2022 before the Judicial Court of Lyon, and the legal proceedings initiated since 2022 before civil courts in Germany have continued their course.

On 2 May 2024, the assets of Unu GmbH were acquired by EMCO to the exclusion of all litigation, so the work of the insolvency administrator will continue on this point.

On December 27, 2024, HDI Global SE, in its capacity as civil liability insurer of Unu GmbH, and acting as a subrogee of Unu's rights, sued Forsee Power, Axa France IARD SA and Generali IARD SA, before the Commercial Court of Paris.

No significant changes in the procedures are to be noted at the closing date of the financial statements for the year ended December 31, 2024.

- **Uncertainties related to the current economic and political context**

  The current economic and political context may create uncertainties for the Group's commercial activities (i.e. inflation, increases in the prices of certain raw materials and energy, a disruption in the supply chain or a shortage of electronic components, etc.). Nevertheless, the Group is closely monitoring and managing the potential increase in its cost structures (raw material prices, wage inflation and in the supply chain), and generally includes a price adjustment clause in customer contracts, so that it has only limited exposure to changes in raw material prices.

3. Accounting framework, consolidation methods, methods and rules of measurement

3.1. Basis for the preparation of the consolidated financial statements

3.1.1. Accounting standards

The accounting principles used for the preparation of the consolidated financial statements are in accordance with the IFRS (International Financial Reporting Standard) as published by the IASB (International Accounting Standard Board) and adopted by the European Union as of December 31, 2024. This framework incorporates international accounting standards (IAS and IFRS) and the interpretations of the International Financial Reporting Standards Interpretation Committee (SIC and IFRIC).

These standards and interpretations are applied consistently over the periods presented.

The Group has applied the standards and interpretations issued by the IASB and adopted by the European Union, the application of which is mandatory as of January 1, 2024. The application of these texts did not have a significant impact on the financial statements and information to be presented as of 31 December 2024.

The Group has not applied in advance the standards and interpretations issued by the IASB and adopted by the European Union but whose application is not mandatory as of December 31, 2024. In an initial analysis, the Group does not expect any significant effect from the application of these texts on its financial statements and on the information to be presented.

Standards and interpretations issued by the IASB but not yet adopted by the European Union will only enter into force on a mandatory basis from the date of adoption and are therefore not applied by the Group as of December 31, 2024. The standards and interpretations that may be relevant to the Group are IFRS 18 on the presentation of consolidated financial statements and disclosures, which will be applied from 2027 onwards. The impact of the application of these instruments is currently being analyzed, but the Group expects significant effects of the application of these standards and interpretations on its consolidated financial statements.

The currency in which the consolidated financial statements and notes to the financial statements are presented is the Euro.

3.1.2. Significant accounting estimates and judgments used by Management in the financial statements as of December 31, 2024

The preparation of these financial statements in accordance with international accounting standards involves the use of estimates and assumptions by management that have an impact on the application of accounting policies and on the amounts of assets and liabilities, income and expenses, and on information relating to contingent assets and liabilities.

Estimates and underlying assumptions are based on information available at the time of preparation. These estimates may be revised if the circumstances on which they were based change or as a result of new information. Actual future results may differ from these estimates. Management may revise these estimates based on the past experience and market view. When an estimate is revised, it does not constitute an error correction.

Accounting estimates that require the formulation of assumptions are used primarily on the following:

(a) Valuation of the recoverable amount of goodwill (see Notes 3.3.2 and 7.1)

The main assumptions used by Management to assess the recoverable amount of goodwill on an annual basis are future cash flows and the discount rate.

The future cash flows used to determine the value in use are those resulting from the discounted forecasts covering a 5-year horizon according to the latest strategic plan. The strategic plan covers the period 2025-2030 and has been drawn up with economic assumptions deemed realistic by the Management, both in terms of turnover levels and production costs.

The discount rates used by UGT correspond to the weighted average cost of capital calculated on the basis of comparable parameters, possibly increased by a *spread* reflecting the specific degree of risk of the asset being tested. The vast majority of the data used to determine these rates come from an independent external source.

(b) Research and development costs (see Notes 3.3.3 and 7.2)

Management has identified development projects leading to the improvement or creation of a product and/or technology that is used by one or more customers. These projects and the allocated expenses are regularly analyzed by the Management according to the information obtained over the period. Management assesses the payback periods of development projects based on internal feedback on the lifespan of the technologies developed in the current divisions and commercial prospects. These amortization periods are reviewed by the Management according to the evolution of the products and/or technologies.

Management also conducts a review of R&D projects in progress at the end of the year to verify that they still meet the eligibility criteria for IAS 38 and in particular that they generate sufficient future economic benefits to justify their carrying value as an intangible asset.

(c) *Valuation of the recoverable amount of the NEoT Capital investment (see Notes* ***Erreur ! Source du renvoi introuvable.*** *and 7.5)*

Management evaluates the recoverable amount of the NEoT Capital investment, including the goodwill recognized on this equity-accounted investment, on the basis of the fair value determined by the valuation of the company at the time of the entry of the last shareholder, or on the basis of the present value of the estimated future cash flows that are expected to be generated by the company's activity.

Management has determined the recoverable amount of the NEoT Capital investment as at December 31, 2024, based on the present value of future cash flows estimated from the business plan prepared and communicated by NEoT Capital's management.

(d) *Research Tax Credit (CIR) (see Notes 3.3.23)*

The Management evaluates the income relating to the Research Tax Credit on the basis of eligible expenses, past discussions with the tax authorities on certain types of expenses retained, and the conclusions obtained from the advisors and experts mandated for the evaluation of the CIR.

Since 2021, the Management has mandated an expert firm to support it in the evaluation of the CIR.

Management has evaluated the income relating to the 2024 Research Tax Credit on the basis of eligible expenses incurred for the year ended December 31, 2024.

(e) *Assessment of battery stocks (see Notes 3.3.8 and 7.6)*

Management assesses the net realizable value based on the price at which the batteries could be sold, either as finished products or as components and cells. This assessment of the net realizable value takes into account the technical and technological evolution of batteries, in particular for the oldest battery ranges that may be in competition with other products launched more recently by the company.

(f) *Customer credit risk*

Management has carried out a detailed review of the accounts receivable due as of December 31, 2024 and has made an impairment on a case-by-case basis.

No significant risk of early non-settlement has been identified on the outstanding amount as of December 31, 2024.

(g) Measurement of the fair value of payments in shares (stock options and free shares) (see Notes 3.3.14.2 and 7.10.3.2)

The cost of transactions with employees and settled in equity instruments by means of stock options or free shares is measured by Management at the fair value of the equity instruments on the date on which they were granted.

Estimating the fair value of these share-based payments requires the use of the Black & Scholes option pricing model, which takes into account complex assumptions and variables: the value of the company's shares, the life of the option, the strike price, the expected volatility of the share, the risk-free rate, the risk premium of the stock, the liquidity premium of the stock. These assumptions are determined based on an expected exercise schedule of the options.

Management assesses the evolution of the company's share price in the presence of payments in shares with performance conditions in order to adjust the probable number of instruments expected to be acquired at the end of the vesting period.

(h) Provisions (see Notes 3.3.16 and 7.11)

The Management analyzes with its legal advisors disputes and warranty commitments (after-sales service and recycling) and evaluates the provisions to be recorded if it is necessary to realize a cash outflow for the Group.

(i) Pension liabilities (see Notes 3.3.15 and 7.12)

Management reviews the actuarial assumptions used in the valuation of post-employment liabilities (defined benefit plan), including the discount rate, *turnover* rate and salary growth rate.

(j) Valuation of financial liabilities under lease contracts (see Notes 3.3.5 and 7.3)

Management has evaluated all facts and circumstances to determine the likelihood that an early termination or one of the renewal options included in the leases should be exercised in the future in order to measure the lease liability under IFRS 16.

Management used available data such as the company's risk premium and *spread* over the risk-free rate to assess the marginal leverage ratio used for the valuation of liabilities under IFRS 16.

(k) Fair value measurement of derivatives on financial instruments (see Notes 3.3.19 and 7.14)

The fair value of financial instruments giving access to capital (BSA) is measured using the Black & Scholes model, which takes into account complex assumptions and variables: the value of the company's share, the life of the option, the strike price, the expected volatility of the share, the risk-free rate, the risk premium of the share, The liquidity premium of the share ...

(l) Recognition of deferred tax assets against tax losses (see Notes 3.3.25 and 7.19)

Deferred tax assets relating to tax losses carried forward are recognized if the Management has, on the one hand, sufficient visibility over a 3-year horizon in the recovery of these losses with regard to the projected future tax profits, and on the other hand, the tax rules for imputation and averaging.

In the absence of applicable standards or interpretations, the Group relies on accounting principles that will provide relevant and reliable information to ensure that the financial statements present fairly the Group's financial position, financial performance and cash flows.

As of December 31, 2024, there have been no judgments, other than the estimates presented above, that required specific treatment in the accounting policies process.

3.1.3. Going concern

The consolidated financial statements as of December 31, 2024 have been prepared on a going concern basis of accounting policy, taking into account the following items:

- The level of available cash on 31 December 2024, which amounted to €5.369 million;
- The Group's business cash flow outlook for the next 12 months
- The Group has an order book that gives it good visibility on its sales for the coming months.
- The renewal in 2025 of the non-recourse factoring program with the Facto France establishment with an uncapped amount of receivables in euros and dollars (within the limits per customer given by credit insurers).
- A new working capital financing line guaranteed by the French plant's inventories from a pool of five banks for €10 million validated in Apr-25
- Various hypotheses for additional financing of various kinds or the restructuring of existing financing are being studied or implemented: they will also strengthen the Group's liquidity.

Based on these forecasts and ongoing actions, the Group believes that it will have sufficient resources to justify the application of the going concern principle.

3.1.4. Consideration of climate change risks

The Group's current exposure to the consequences of climate change is limited.

The impacts of climate change in the consolidated financial statements are immaterial as of December 31, 2024 and are presented in Part E2 of the *Sustainability Report* integrated into the Universal Registration Document (URD).

3.2. Consolidation methods

3.2.1. Closing date and annual financial statements of the consolidated companies

These consolidated financial statements have been prepared on the basis of the individual financial statements of the subsidiary companies of Forsee Power SA. All these accounts cover a period of 12 months and are closed on 31 December 2024. The only exception is Forsee Power India Private Ltd, which closes on March 31, 2025 and for which an interim situation on December 31, 2024 has been established and taken into account.

The financial statements used for comparative information are those for the period ended December 31, 2023 for the statement of financial position and for the statement of income and statement of cash flows that cover a period of 12 months.

The annual financial statements relating to the periods presented by the consolidated companies are prepared in accordance with the accounting principles and valuation methods adopted by the Group. They are restated in order to be brought into line with the accounting principles and IFRS framework used for the preparation of the consolidated financial statements.

3.2.2. Consolidation methods

3.2.2.1. Equity interests under exclusive control: full consolidation

An equity interest is a subsidiary controlled by the Group. Control exists where the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

In assessing whether control exists, potential voting rights that are exercisable or convertible at the reporting date are taken into account.

Subsidiaries' financial statements are included in the consolidated financial statements from the date on which the Group obtains control and until the date that such control ceases.

Full consolidation consists of:

- Incorporating the items from the consolidated companies' financial statements into the consolidating company's financial statements, after any restatements;
- Dividing the equity and the profit or loss between the interests of the consolidating company, called "Share attributable to owners of the parent company" or "Group share", and the interests of other shareholders or partners, called "Non-controlling interests" or "Minority interests";
- Eliminating transactions in the financial statements between the fully consolidated company and the other consolidated companies

3.2.2.2. Investment in NEoT Capital

Since 2016, the Group has had a 15% stake in NEoT Capital dedicated to the financing of projects in the renewable energy and electric mobility sectors. The partners Mitsubishi Corporation and EDF (via EDF Pulse Holding) held 85% of the company's share capital in equal shares until December 31, 2021.

With a view to strengthening the deployment of the Group's strategy to offer a full range of products and services to battery systems, the Group signed a firm commitment on March 25, 2022 to acquire all the NEoT Capital shares held by partner Mitsubishi Corporation (i.e. 42.5%) for an amount of €2,292 thousand. This acquisition was finalized on 31 May 2022 following the approval of the EIB, leading the Forsee Power Group to hold 57.5% of the shares of NEoT Capital.

This stake was reduced to 50% following the collective and unanimous decision of the two partners Forsee Power and the partner EDF taken on June 30, 2022, leading to the recapitalization of NEoT Capital for an amount of €3,210 thousand, including €710 thousand by capital increase by debt conversion and €2,500 thousand by capital increase by cash subscription.

In parallel with these operations, a new shareholders' agreement was signed, the articles of association of NEoT Capital were amended to take into account the desire of the partners Forsee Power and EDF Pulse to have the same number of shares, the same number of votes, and perfect equality between the two partners in governance and decision-making within NEot Capital.

A Share *purchase and investment agreement* was signed on July 26, 2023 between Forsee Power, EDF Pulse and the new partner Mitsui. This protocol led Forsee Power and EDF Pulse to jointly sell their 4.01% stakes each on November 2, 2023 for an amount of €370K, authorized a capital increase in cash for an amount of €3,500K fully subscribed by Mitsui, authorized the arrival of members of the Management in the capital of NEoT Capital, and authorized the implementation of a plan for the free allocation of preferred shares to employees of NEoT Capital. Following the completion of these transactions, Forsee Power, EDF Pulse and Mitsui each have a 33.21% stake in NEoT Capital.

In parallel with these operations, the shareholders' agreement has been updated, the articles of association of NEoT Capital have been amended to take into account the desire of the partners Forsee Power, EDF Pulse and Mitsui to have the same number of shares, the same number of votes, and perfect equality between the two partners in governance and decision-making within NEot Capital.

The analysis of the legal and contractual provisions leads to the qualification of this investment as an associate company under IAS 28, resulting in the consolidation of NEoT Capital under the equity method since June 30, 2022.

3.2.2.3. Transactions eliminated in the consolidated financial statements

In the consolidated financial statements, the following items are eliminated:

- Reciprocal accounts of claims and debts;

- Internal Group operations such as purchases, sales, dividends, internal margins, etc.;
- Provisions made in respect of consolidated companies;
- Any other transaction involving Group companies.

3.2.2.4. Translation of financial statements prepared in foreign currencies

The translation of financial statements prepared in foreign currencies is carried out using the "closing price" method:

- Assets and liabilities, whether monetary or non-monetary, are translated into euro at the closing exchange rate, except for components of equity which are translated at the historical exchange rate;
- The items in the income statement and the cash flows are translated into euros at the exchange rate at the transaction dates or, in practice, at a rate close to it, which corresponds, except in the event of significant price fluctuations, to the average rate for the period;
- The resulting translation difference is recorded among the other comprehensive income (OCI), and component of the "Conversion Reserve" divided between the Group's share and the share of minority interests, if applicable.

The conversion rates used for the preparation of the consolidated financial statements for the periods presented are as follows:

Motto	Currency code	Rates as at December 31, 2024	12-month average rate December 2024	Rates as at December 31, 2023	Average rate 12 months December 2023
		€1 = currency	€1 = currency	€1 = currency	€1 = currency
Dollar de Hong Kong	HKD	8,06860	8,44536	8,63140	8,46497
Chinese yuan renminbi	CNY	7,58330	7,78747	7,85090	7,66002
Zloty polonais	PLN	4,27500	4,30580	4,33950	4,54197
Indian Rupee	INR	88,93347	90,55625	91,90450	89,30011
Singapore Dollar	SGD	1,41640	1,44581	1,45910	1,45232
United States Dollar	USD	1,03890	1,08238	1,10500	1,08127
Japanese Yen	JPY	163,06005	163,85196	156,33000	151,99027

3.2.2.5. Treatment of business combinations and acquired industries

The Group considers itself to be a purchaser as soon as it has obtained substantial control of the acquired business or branches of industrial activity.

The cost of each acquisition is measured at fair value on the day of acquisition. External acquisition costs incurred are recognized as expenses in the period in which the related services are received.

The period for measuring the fair value of the purchase price (including any earn-outs), and for determining the fair value of identifiable assets and liabilities, is 12 months after the acquisition date. After this period, any change in the purchase price and the value of identifiable assets and liabilities is recognised in profit or loss.

The Group has:

- The takeover in June 2011 of the industrial activities of Uniross Batteries SAS (in France) and Zhongshan Uniross Industry Ltd (ZUI), renamed "Zhongshan Forsee Power Industry Ltd" in China.

  The takeover of the industrial activities of Uniross Batterie and Zhongshan Uniross Industry Ltd led to the recognition of negative goodwill, as the acquisition cost was lower than the fair value of the net assets acquired. On the one hand, the Management has verified the value of the assets and liabilities acquired in order to ensure that there is no impairment or provision for risks and expenses to be recognized, and on the other hand, has limited the valuation of intangible assets, in particular customer contracts and computer databases relating to the technical and commercial specificities of the products of the acquired business line, leading to the non-recognition of negative goodwill on these intangible items. After these analyses, the negative goodwill was considered as a gain on an advantageous acquisition and was recognised in profit or loss in 2011.

- The acquisition in March 2012 from Ersé of the Polish company Energy One, later renamed "Forsee Power Spz".

  This acquisition of 51% control of Energy One was dealt with by measuring the fair value of the identifiable net assets for non-controlling interests (minority interests) resulting in the recognition of full goodwill shared between the Group's share and the minority interest.

  The successive buyback between October 2013 and October 2014 of the 49% held by the minority interests was treated in the consolidated financial statements as a transaction between the partners in equity in accordance with IFRS 10, with no impact on the goodwill measured at the 2012 takeover.

- The acquisition in November 2013 of Dow Kokam France was then renamed "Forsee Power Industry".

  The Group has measured the identifiable assets and liabilities of the acquired entity at fair value, except as provided for in IFRS 3. Non-identifiable assets, such as goodwill or technical assets, were not retained in the acquired assets. Contingent liabilities, in particular contingent liabilities on a tax dispute pending at the date of acquisition relating to Research Tax Credits from the acquired activities of Dow Kokam France, have been valued and recorded as a provision since it was a current obligation at the date of acquisition without it being likely that an outflow of cash would be necessary to extinguish this obligation. The provisions relating to these contingent liabilities were included in the result as soon as a positive response was obtained from the Tax Administration. The impact of deferred taxation has been recognised in accordance with IAS 12.

- The purchase of assets in July 2021 from Holiwatt.

Forsee Power SA, acquired part of the business and assets by judgment of the Commercial Court of Lyon on July 21, 2021, and confirmed the takeover of the workforce from Holiwatt (formerly Centrum Adetel Transportation). The acquired assets and liabilities were measured at fair value, leading to the recognition of a badwill of €28 thousand presented in operating income. The most significant identifiable assets and liabilities acquired concern patents, inventories and social debts on the workforce taken over.

3.2.2.6. Minority interests

The Group does not have any non-controlling interest (minority interests) for the periods presented.

3.3. Accounting methods and Valuation Rules

3.3.1. Presentation of non-current and current items

The statement of financial position presents current and non-current assets and liabilities in accordance with IAS 1 on the presentation of financial statements.

Assets and liabilities are considered "current" when:

- The Group expects to be able to realize the assets or settle the liabilities during its normal operating cycle or within 12 months of the balance sheet date;
- The asset or liability is held for the purpose of trading or trading;
- The asset consists of cash or cash equivalent;

Any assets or liabilities that do not meet one of the criteria detailed above are classified as "non-current".

Non-current financial assets and other non-current assets measured at amortised cost are presented discounted at the original effective interest rate, generally corresponding to the 1-year Euribor rate at the balance sheet date of the consolidated financial statements.

3.3.2. Goodwill

Full goodwill from business combinations is allocated to the relevant cash-generating unit (CGU). CGUs are defined as the smallest group of related assets generating cash inflows that are largely independent of cash flows from other assets or groups of assets.

Since December 31, 2024, Management has considered that the goodwill initially recognized on the takeover of Ersé and Dow Kokam (see Note 3.2.2.5) and, corresponding mainly to know-how, are now fungible across all of Forsee Power's activities, so that it is no longer possible to track those goodwill separately. Goodwill from takeovers has therefore followed at Group level (see Note **Erreur ! Source du renvoi introuvable.**).

Goodwill is not amortized but is subject to impairment tests through the CGU to which it belongs, at least at each annual closing. An impairment charge is recognized if the recoverable amount of a CGU is less than its carrying amount. The impairment to be recognized in respect of a CGU is allocated first to the reduction of the carrying value of any goodwill allocated to the CGU and then to the reduction of the carrying value of each asset in the unit. Impairments on goodwill are irreversible and are recognized in operating income under the "Impairment of goodwill" line.

The recoverable amount of a CGU is the greater of its fair value less costs of sale and its value in use. The fair value of a CGU is determined either by reference to transactions similar to the asset to be tested, or by valuations carried out by independent experts with a view to disposal. To assess the value in use of a CGU, future cash flows are discounted at the rate, after tax, which reflects the current market appreciation of the time value of money and the risks specific to the CGU. The Group uses a discount rate per CGU for its future cash flows taking into account country risk and tax rates by geographical area, and a premium in the event of non-fulfilment of the assumptions made in the business plan. This discount rate is calculated based on the average cost of capital employed. Future cash flows are determined based on reasonable and documented assumptions. The Group uses the most recent forecasts, the plan between 2025 and 2030, and beyond this horizon, the terminal value corresponds to the infinite capitalization of the last flow of the horizon, based on a long-term growth rate determined by geographical area.

3.3.3. Development Costs

Expenses incurred in respect of development costs are recorded as intangible assets when the conditions defined by IAS 38 are met:

- Technical feasibility, and technical ability to complete development and use or sell the asset
- Intention to complete the development, ability to use or sell the asset, and availability of financial resources;
- Likelihood of future economic benefits;
- Reliable measurement of expenses incurred.

Expenses incurred for development costs relate to the improvement of products or technologies that will be used by one or more customers. The Group regularly evaluates eligible expenditure, the project start date and the estimated project end date through a Project Monitoring Committee.

The costs activated for development costs relate to personnel costs, external costs and project-specific procurement costs. The part of the Research Tax Credit relating to capitalised expenses is presented as a deduction from development costs.

The payback periods of development projects are based on internal feedback on the lifespan of the technologies developed by Forsee Power. The depreciation period is between 2 and 6 years for projects considered from the estimated project end date. These amortization periods are reviewed by the Management according to the evolution of the products and/or technologies.

Expenses incurred that do not meet the criteria for the activation of development costs, and research costs, are recorded as expenses in the period and are presented in Note 7.2.

3.3.4. Intangible and tangible assets

Property, plant and equipment and intangible assets are included in the consolidated financial statements for their purchase or production price, or their fair value when acquired as part of a business combination, less accumulated depreciation and amortization related to impairment losses recognized.

The Group has opted for the recognition of intangible assets and property, plant and equipment at amortized historical cost.

Depreciation is calculated based on the estimated useful life of the different asset classes. Where applicable, the total cost of the tangible asset is allocated among its various components, with each component accounted for separately. This is the case when the different components of an asset have different useful lives or provide benefits to the company at a different rate requiring the use of different rates and methods of depreciation.

Depreciation and amortization have been determined on the basis of the rate of consumption of the expected economic benefits per asset on the basis of acquisition cost, based on their likely use. Amortization periods are reviewed annually and are modified if expectations differ from previous estimates; These changes in estimate are accounted for prospectively.

Depreciation is calculated on a straight-line basis based on the useful life of the components of each fixed asset as follows:

Software & Licensing	Linear	2 to 5 years
Industrial Equipment	Linear	5 to 10 years
General facilities and layouts	Linear	8 to 10 years
Transportation Equipment	Linear	5 years
Office and computer equipment	Linear	3 years

3.3.5. Rental agreements

IFRS 16 on Leases replaces IAS 17 and related interpretations. It introduces a single principle of accounting for leases for lessees with the recognition of a fixed asset and a lease debt for the vast majority of contracts.

The lessee thus records:

- A non-current asset representing the right of use of the leased property in the assets of the consolidated statement of financial position;
- A financial debt representing the obligation to pay this right to the liabilities of the consolidated statement of financial position;
- Depreciation and amortization of right-of-use rights and interest expense on lease liabilities in the consolidated income statement.

The main assumptions used in the valuation of the right-of-use and lease liabilities are:

- **The duration of a rental contract**

  The term of a lease is the non-cancellable period during which the lessee has the right to use the underlying asset, plus optional renewal or termination periods that the Group has reasonable certainty of exercising (for the renewal option) or not exercising (for the termination option). The probability of exercising or not exercising an option is determined by type of contract or on a case-by-case basis on the basis of contractual and regulatory provisions and the nature of the underlying asset (in particular, its technical specificity and strategic location);

  The terms used for the lease contracts for industrial and commercial buildings correspond to the duration of the longest contractual enforceable periods in the event of a termination option for French commercial leases. This period reflects the Management's best estimate during which the Group is reasonably certain to continue the lease until its end. The tacit extension periods of the initial lease were not taken into account in the evaluation of the initial term of the lease by the Management in view of the possible evolution of the Group's future needs that could lead to an adjustment of the size of certain sites.

  Leases for industrial and commercial buildings were evaluated with the following durations:

  - Industrial site located in Chasseneuil-du-Poitou: the expiry of the BEFA lease is on 2 August 2033, i.e. an initial term of 14 years;
  - Commercial premises and head office located in Ivry-sur-Seine: the leases end on 30 April 2026, or 31 March 2032, or 30 September 2032, and have been retained for an initial period of 9 years;
  - Commercial premises located in Dardilly (Lyon): BEFA lease with effect from 1 October 2023 and ending on 30 September 2032, i.e. an initial term of 9 years;
  - Industrial site located in Zhongshan (China):
    - The lease contract for the 5,200 m2 industrial premises has been renewed from 29 February 2024 to 28 February 2026;
    - The lease agreement for the 3,500 m2 industrial premises and storage premises ends on January 31, 2025 and has been retained for a period of time

until June 30, 2025 in view of the renewals expected by the lessor of these lease agreements and the management's development projects in China.

- Industrial site located in Hilliard (Ohio): the lease expires on January 31, 2033, i.e. an initial term of 11 years;
- Industrial premises located in Poland: lease contract renewed every 3 years, the contract for which has been renewed until 31 January 2028;
- Industrial site located in Pune (India): lease agreement for industrial premises of 1,700 m2 from 1 October 2023 for a period of 5 years.

Management reviews the terms of the lease contracts at each closing date, either by renewing the initial contract or by using a tacit extension period, depending on the occurrence of events.

- **The discount rate of the lease liabilities**

The discount rate used is the policyholder's marginal borrowing rate (risk premium added to the company's spread compared to the risk-free rate).

The discount rates used as at December 31, 2024 to measure financial liabilities are as follows:

Duration of the contract	Nature of the leased asset	Number of contracts	France	China	Poland	USA
Less than 3 years	VehiclesIndustrial equipment and toolsShort-term premises	41	between 3.21% and 5.7%	NA	between 3.21% and 4.02%	NA
Between 4 and 7 years old	Industrial equipment and tools	7	3,84%	NA	NA	NA
More than 7 years	Industrial buildings and commercial premises	17	Between 3.21% and 3.721%	Between 3.721% and 4.36%	NA	4,48%

On the effective date of the lease, the lease liability is recognized in an amount equal to the present value of the minimum payments remaining over the non-terminable period of the lease, as well as the payments related to the options that the lessee has reasonable certainty of exercising. This amount is then measured at amortized cost using the effective interest method.

On the same date, the right-of-use is recorded at a value equal to the original amount of the debt to which are added, if applicable:

1. advance payments made to the lessor, net where applicable, of the benefits received from the lessor;
2. the initial direct costs incurred by the lessee in concluding the contract;
3. and estimating the costs of dismantling or refurbishing the leased property under the terms of the contract. This amount is then reduced by depreciation and impairment losses recorded.

Rights of use are amortized on a straight-line basis over the life of the contract, including early termination and renewal options that the lessee is reasonably certain to exercise. Where the contract has the effect of transferring ownership of the asset to the lessee or where it includes an option to purchase, which will be exercised with reasonable certainty, the right of use shall be amortised over the useful life of the underlying asset under the same conditions as those applied to own-owned assets.

Lease payments are broken down between finance expense and principal repayment of lease liabilities and are recognized in the flows on financing operations in the consolidated cash flow statement.

Subsequently, the debt and the right to use the underlying asset must be re-estimated to take into account the following situations:

- The revision of the rental period;
- Any changes related to the assessment of whether or not the exercise of an early termination or renewal option is reasonably certain;
- The re-evaluation of residual value guarantees;
- The revision of the rates or indices on which rents are based;
- Rent adjustments.

The main simplification measures provided for in the standard and adopted by the Group are:

(i) Exclusion of short-term contracts;

(ii) And the exclusion of contracts involving low-value assets.

Leases for contracts excluded from the scope of IFRS 16 as well as variable payments, not taken into account in the initial debt valuation, are recognised as operating expenses.

3.3.6. Impairment of fixed assets

Fixed assets with a defined life are subject to an impairment test when there is evidence of impairment losses due to events or circumstances that occur during the period, and their recoverable amount appears to be lower than their net carrying value over a long period of time.

Fixed assets with an indefinite life, such as goodwill and assets under construction, are tested for impairment at each annual closing, and when there are indications of impairment losses due to events or circumstances that occurred during the period.

Impairment tests are performed by comparing the recoverable amount and the net carrying amount of the asset. Where impairment is required, the amount recognized is equal to the difference between the net carrying amount and the recoverable amount. The recoverable amount is the greater of the fair value net of disposal costs and the value in use.

3.3.7. Financial assets

Financial assets are accounted for in accordance with IFRS 9 and presented in accordance with IAS 32 and IFRS 7.

The Group recognizes a financial asset when it becomes a party to the contractual provisions of a financial instrument. A financial asset is classified according to the Group's management model, which is based on the intention to recover contractual cash flows on the one hand, and on the other hand, compliance with the contractual characteristics of the asset in the SPPI (*solely payments of principal and interest*) test.

- **Financial assets at amortized cost comprising:**

  Held-to-maturity investments such as deposits and guarantees fixed or determinable income securities that the Group intends and has the ability to hold until maturity. These securities are initially accounted for at their purchase price and then subsequently on a cost-amortized basis at the effective interest rate. An impairment is recorded for the difference between the carrying amount and the estimated recovery amount, incorporating an expected future credit loss, i.e., the estimated future cash flows discounted at the original effective interest rate.

  Loans and receivables with or without equity: This category records non-derivative financial assets with a fixed or determinable payment. These assets are measured at amortized cost using the effective interest method. Loans and receivables with a maturity of less than 12 months after the balance sheet date are not discounted. An impairment is recorded for the difference between the carrying amount and the estimated recovery amount, incorporating an expected future credit loss, i.e., the estimated future cash flows discounted at the original effective interest rate.

- **Financial assets at fair value through profit or loss**

  Financial assets at fair value per profit or loss such as VMP investments: correspond to securities assets acquired by the Group with the aim of making a profit related to short-term price fluctuations. They are initially carried at fair value (excluding direct transaction costs recognized in profit or loss). At each financial year, changes in fair value are recognized in profit or loss.

- **Financial assets at fair value as consideration for other comprehensive income (OCI)**

  The Group has opted for equity instruments not held for trading for the counterparty presentation of other comprehensive income (OCI) and not on an income or loss basis. This category includes other financial assets such as unconsolidated and unaccounted investments using the equity method. These securities are initially accounted for at their purchase price (including transaction costs). At each decree, these assets are measured at their fair value in accordance with IFRS 13. Changes in fair value are recorded in equity in a special reserve of

"Other comprehensive income" (OCI). If there is evidence of a decrease in fair value, the unrealized loss is also recognized in equity. Changes in fair value are not recyclable in profit or loss at the time of disposal of these assets. Dividends received are recognized in the profit or loss for the financial year, except for dividends received immediately after the acquisition of the securities, which are then presented in the OCI.

3.3.8. inventories

Inventories are composed of raw materials and other supplies, purchased parts (battery cells, components, etc.), semi-finished/semi-assembled products and finished products.

Inventories of raw materials, other supplies and purchased parts are measured at acquisition cost using the weighted average unit purchase cost (UPC) method. This acquisition cost includes the purchase price, the approach costs (transport and customs clearance) and ancillary costs.

Stocks of finished products are valued at the cost of production, which includes approach costs, customs duties, transport costs on purchase, as well as production labour costs. Financial expenses are not presented in inventory valuation.

Inventories are depreciated to reflect the net realizable value of income at the balance sheet date:

- The depreciation of inventory items (raw materials, components, semi-finished and finished products) is assessed by taking into account both the sales prospects of a product according to its life cycle and the evolution of market selling prices (these sales prices are expressed in the battery industry in euros or currency per kWh).
- Depreciation covers semi-finished products, finished products and components that could not be used in the production of another range of batteries. This depreciation reduces the value of the inventory to the net realizable value at which a product or component is likely to be sold. Accumulators (otherwise known as "cells"), components with low rotations, and certain finished products, can be depreciated in totality.

The internal margins applied between the different companies of the Group on goods presented in stock at the balance sheet date are eliminated from the consolidated financial statements.

3.3.9. Trade receivables

Trade receivables are initially measured at their fair value and are mainly composed of the difference between the turnover recorded and invoiced and the receipts received from customers, particularly in the case of advance payments made.

The Group has opted for the simplified model for impairment of receivables as trade receivables do not have a significant financing component. Impairment is measured at the initial recognition date and throughout the life of the receivable and is the expected credit losses over the life.

The expected credit loss is assessed using an impairment matrix based on the history of chargebacks, adjusted for *forward-looking* information. The average historical loss rate on turnover observed over the last 5 years is less than 0.04%, and the average historical credit loss rate on outstanding customer is less than 0.2%.

Impairments on trade receivables are recognized in profit or loss for the period under the "Net impairments" line.

3.3.10. Working capital financing instruments

The Group has several instruments for financing its Working Capital Requirement (WCR):

(a) Recourse Factoring Program

The Group has non-recourse factoring contracts, i.e. with a transfer of the risks of late payment, non-payment, foreign exchange, and a limitation of the factor's recourse in the event of non-payment of secured receivables

As these factoring contracts transfer the contractual rights to the cash flows and almost all the associated risks and rewards to the factor, the receivables assigned and mobilized on a non-recourse basis are derecognised in accordance with IFRS 9 from the "Trade receivables" item of the consolidated balance sheet, with the exception of the security deposits maintained under the "Financial assets" item. Trade receivables assigned to the factor and not mobilized, i.e. for which the Group has not obtained financing, are presented under the "Financial assets" item.

A non-recourse factoring contract was signed on December 21, 2023 with the establishment Facto France. This factoring contract covers an outstanding amount of indefinite duration and not capped within the limit of the amount per customer eligible for compensation by the credit insurer. This new factoring contract replaces the factoring contract signed with HSBC Factoring France, whose outstanding amount was capped. The sales of trade receivables under this new factoring contract have been carried out since January 2024.

The outstanding receivables financed by non-recourse factoring are presented in Note 7.7.

(b) Factoring contract included in a customer's reverse factoring program

A factoring contract included in a *reverse factoring* program of a customer (Heuliez Bus-IVECO-Case NewHolland) with a banking institution (Banco Santander) has been set up with variable discount payment terms depending on the maturity of the debt on the date of the transfer to the factor.

This factoring contract is without recourse at the time of discounting, i.e. with a transfer of the risks of late payment, non-payment, foreign exchange, and a limitation of the factor's recourse in the event of non-payment of secured receivables, leading according to IFRS 9 to the derecognition of trade receivables as soon as they are presented to the factor for discounting.

This factoring is for an unlimited period and with no cap on the receivables of the customer Heuliez-Iveco (Case New Holland group).

This reverse factoring contract was not active as of December 31, 2024 and was reused from January 2025.

The outstanding receivables financed by factoring included in a *reverse factoring programme* are presented in Note 7.7.

(c) Cash pledge on Stand-by letters of credit

On July 25, 2022, Forsee Power obtained a stand-by letter of credit (SBLC) from a French banking institution for a maximum amount of $1 million for the benefit of the owner of the industrial building leased to Hilliard in the United States. The amount guaranteed by this SBLC letter of credit is decreasing annually by 10% until November 1, 2032.

This SBLC letter of credit is accompanied by a cash pledge remunerated for an amount of €1 million from July 25, 2022 to July 25, 2027.

On July 11, 2023, Forsee Power obtained a stand-by letter of credit (SBLC) from a French banking institution for the benefit of the Indian banking institution ICICI Bank on behalf of the subsidiary Forsee Power India Private Limited in order to guarantee a cash facility and a customs guarantee for an amount of 45 million Indian rupees (€490 K). This SBLC letter of credit is accompanied by an interest-bearing cash pledge in the amount of €650K covering a period from July 10, 2023 to July 10, 2025, and has been renewed until December 2025.

In September 2024, Forsee Power also obtained a new SBLC (*stand-by letter of credit*) of 9 million Indian rupees (approximately €100 K) from a French banking institution for the benefit of Indian customs and accompanied by a cash pledge with a maturity date of March 31, 2025.

The amounts of cash pledges are presented in Note 7.4.

The commissions and interest expenses relating to these financing programs are presented in the Financial Result of the income statement.

3.3.11. Cash and cash equivalents

Cash and cash equivalents include cash deposits in euros (€), US dollar ($), subsidiaries' local currency (Indian rupee, Chinese yuan, Polish zloty), and short-term euro investments that offer high liquidity and are not subject to negligible risk of changes in value.

Short-term investments are measured at fair value at the balance sheet date (financial assets at fair value through profit). Changes in value are recorded in Financial Income.

3.3.12. Share Capital and capital issuance costs

Equity instruments are recorded at the time of issuance at their transaction price after deduction of transaction costs. Equity instruments are not subject to remeasurement. If the equity instrument is cancelled or redeemed, the consideration paid is deducted directly from equity and no gain or loss is recorded in profit or loss.

Costs directly attributable to capital increase issuances are recognised as a deduction from the share premium, i.e. as a deduction from equity in accordance with IAS 32. Expenses directly attributable to capital increase issuances are recognised net of deferred taxes where there is a probability of recovery of tax savings (see Note 3.3.25.2).

3.3.13. Share liquidity contract

In November 2021, the company signed a management mandate agreement with an independent investment services provider (ISP) to operate on compartment B of the Euronext Paris market in order to promote the liquidity of transactions and the regularity of the listing of Forsee Power shares.

This contract, which is still in effect for the 2024 financial year, was concluded for a period of 12 months, renewable by tacit agreement except in the event of termination, and with an overall ceiling (cash and securities) that has been increased from €500K to €700K in the first half of 2024.

The cash funds made available to the investment services provider for the animation are recognised and presented as "Non-current financial assets" on the balance sheet. Capital gains or losses realized on the sale of securities are recognized directly in equity.

The purchases and sales of treasury shares carried out by the investment services provider on behalf of Forsee Power are accounted for directly in the Group's equity as any direct transaction in treasury shares. The change in fair value (unrealised capital gains or losses) on securities held is recognised directly in equity.

3.3.14. Share-based payments

3.3.14.1. Transactions with shareholder investors

Share-based transactions with shareholder investors are not qualified as share-based payments under IFRS 2 but are treated as equity instruments and treated in accordance with IAS 32. They are recorded in equity for their transaction price (subscription amount) and are not revalued in subsequent closing periods.

3.3.14.2. Transactions with management and employees

Distributions of stock options (SO) and free shares (AGAs) to employees are treated as share-based payments, measured and presented in the consolidated financial statements in accordance with IFRS 2.

Share-based payments are measured at the fair value of capital instruments in return for services rendered by staff members. The fair value measurement is determined on the date of grant of the stock options (SO) and free shares (AGA), using the Black & Scholes financial option valuation model. This valuation model includes several complex assumptions and variables: the value of the company's share, the life of the option, the strike price, the expected volatility of the share, the risk-free rate, the risk premium of the share, the liquidity premium of the share, etc. These parameters are determined according to the expected schedule for the exercise of options and free share warrants.

The cost of a payment made in shares is recognised as an expense for the period on the "Personnel expenses" line, in proportion to the services rendered from the date on which the free shares were granted. If the vesting period is spread over several periods, the cost of a payment in shares is spread pro rata *temporis* over the same period.

The cost is adjusted at each closing date if during the period the number of shares to be issued varies. The cost recognised as an expense is not included in the profit or loss even if the option is not exercised by the beneficiary.

The charge relating to the employer's URSSAF contribution of 30% is recorded and paid on the date of grant of the Stock Options. The charge relating to the employer's URSSAF contribution of 20% on the Free Shares is determined on the date of allocation of the free shares and recognized in accounting over the period of acquisition of the rights and paid *in fine*.

3.3.15. Employee Benefits

Employee benefits are valued and presented in accordance with IAS 19 according to:

- Short-term benefits, such as salaries, social security contributions, bonuses payable, vehicles made available to staff whether acquired by the Group or financed by means of a finance lease, training expenses, as well as all other items consumed free of charge by staff;
- Long-term benefits, such as work medals and bonuses payable beyond 12 months after the end of the financial year;
- End-of-contract indemnities;
- Post-employment benefits (defined benefit or defined contribution plans).

Short-term benefits are recognised in profit or loss under the line "Employee benefits" and presented in Note 8.4 below.

The Group pays to various defined contribution schemes:

- French employees: contributions to provident funds under the two basic pension schemes (compulsory and supplementary);

- Employees located in China: contributions to the basic pension scheme and the compulsory supplementary scheme;
- Employees located in Poland: contributions to the Public Social Insurance Institute (ZUS) for the two compulsory pension schemes (pay-as-you-go and capitalization), and have not taken out an insurance contract on a voluntary basis;
- Employees located in the United States have subscribed to a private pension system known as "401k" for which the company contributes up to 6% of the sums saved;
- Employees located in Japan: contributions to the basic pension scheme and the compulsory supplementary pension scheme.

Under these defined contribution post-employment benefit plans, the Group has no obligation other than to pay the bonuses shown in profit or loss on the "Employee benefits" line in return for a social debt running until the payment of these bonuses.

The Group has not introduced employee benefits under defined benefit plans. Its commitment is limited to the statutory end-of-career indemnity scheme for French employees, which is assessed according to the method of projected units of credits. Under this method, each period of service gives rise to an additional unit of benefit entitlements, and each of these units is valued separately to arrive at the final obligation. This obligation takes into account the provisions of IFRIC on IAS 19 published in April 2021 relating to the attribution of rights to years of service. This obligation is then updated to obtain the final obligation. These calculations incorporate financial and demographic assumptions presented in Note 7.12.2. The costs relating to the services rendered by the members of the staff during the period, the cost of past service, i.e. the gains or losses relating to a contractual or regulatory amendment to the plan and/or the reduction of the plan (significant reduction in the number of staff covered by the plan), are presented in the income statement under the line "Employee benefits". Actuarial gains and losses relating to changes in financial and demographic assumptions, and past service costs in the event of a non-material reduction in the plan (departure of staff members representing less than 10% of the workforce covered by the plan) treated as actuarial experience gains, are presented in the Statement of Other Comprehensive Income (OCI).

3.3.16. Provisions for risks and charges

A provision for risks and charges is recognised as soon as there is an obligation, clearly specified as to its purpose, resulting from events that have occurred or are in progress, and which makes it likely that resources will be outflowed but whose maturity remains uncertain. The amount provisioned in the financial position is the best estimate of the expenditure necessary to extinguish the obligation at the balance sheet date, excluding any expected income. Each risk or expense is assessed on a case-by-case basis at the balance sheet date and allowances are adjusted to reflect the best estimate at that date.

Allowances are considered current if they cover an obligation that is to be settled or unwound within 12 months of the balance sheet date. Otherwise, the provisions are qualified as non-current.

Non-current provisions are discounted if the effect of the time value is material in accordance with IAS 37.

Contingent assets and liabilities, i.e., assets or liabilities whose existence depends on uncertain future events, are not recognized in the financial position except for contingent liabilities recognized in a business combination.

As a producer, the Group is subject to the following legal and regulatory obligations:

- The obligation to repair or replace any defective element of the battery systems sold is qualified as a "service provision". This guarantee is a legal obligation, it is not optional in the contract, and is generally spread over 4 to 5 years.

  This obligation is covered by a provision known as "after-sales service" (After-Sales Service) evaluated on the basis of a percentage of turnover excluding warranty extension sales. This percentage was determined on the basis of both an industry benchmark and an estimate of the probable repair costs weighted by a probability of return. Management adjusts this estimate annually on the basis of the actual repair costs.

- The obligation to collect and treat end-of-life batteries (European Regulation on Waste Electrical and Electronic Equipment – WEEE).

  This obligation is covered by a provision called "recycling" This provision is calculated according to the number of systems sold concerned by the take-back commitment, and valued according to the external cost of recycling the different types of batteries. The Group regularly updates these external recycling costs to take into account improvements in the costs of processing this relatively new sector.

3.3.17. Financial liabilities

Financial liabilities are measured in accordance with IFRS 9 and presented in accordance with IAS 32 and IFRS 7.

They are recorded at fair value at the time of acquisition (incremental transaction costs directly attributable to debt) and are subsequently recognised at amortised cost using the effective interest method.

Financial liabilities are broken down in the consolidated financial statements between:

- Long-term borrowings and financial debts for the portion of debts greater than 12 months after the balance sheet date, which are classified as non-current liabilities;

- Short-term borrowings and financial debts for the portion less than 12 months after the balance sheet date, which are classified as current liabilities.

Non-current interest-bearing financial liabilities are not discounted at the balance sheet date.

The cash resulting from receivables ceded with recourse and mobilized with the factoring financial institution is presented as financial debt net of reserves and guarantee deposits applied by the factoring company

The Group does not have any financial liabilities measured at fair value (other than derivative instruments) in the statement of financial position at the balance sheet date.

Financial liabilities obtained under non-market conditions (zero-interest or below-market borrowing) are presented at fair value with the profit or loss gain. The profit is then taken back into the result to be integrated into the effective interest rate of the loan to bring it back to the normal market rate.

Debt issuance costs are presented as a deduction from the original fair value of the debt issued, and spread over the life of the debt using the effective interest method.

3.3.18. Trade payables

Trade payables are measured, at the initial recognition date, at the fair value of the consideration to be given. This value corresponds to the nominal value, due to the relatively short time interval between the recognition of the instrument and its passive payment.

3.3.19. Derivatives

Share Subscription Warrants (BSAs) issued by the Company that do not meet the definition of an equity instrument, i.e. when the settlement of the instrument does not result in the delivery of a fixed number of shares of the Company, are classified and valued as a derivative instrument and presented as liabilities.

This passive financial instrument is measured at fair value on the date of issuance of the instrument, and at each balance sheet date. The estimation of fair value, which corresponds to the cost of the option in the event of the exercise of these warrants, requires the use of the Black & Scholes option pricing model, which takes into account complex assumptions and variables: the value of the company's shares, the life of the option, the exercise price, the expected volatility of the share, etc. the risk-free rate, the risk premium of the stock, the liquidity premium of the stock. The change in the fair value of the derivative instrument is recognised in profit or loss and presented in financial expense.

3.3.20. Hedge accounting

The Group subscribes from time to time to exchange hedges (forward contracts) on the US dollar ($) currency and the Japanese Yen currency (¥) to limit the exchange rate risk in the payment of invoices to certain foreign suppliers. Forward contracts are individually subscribed on a notional basis for the amount of supplier debt, in the same currency and with the same maturity as supplier debt.

Management has opted for the application of hedge accounting in accordance with IFRS 9 in order to reflect in the financial statements the impact of currency risk management through the use of currency forward contracts.

In order to ensure the applicability of hedge accounting, Management has drawn up hedge documentation specifying the strategy and objective of managing the currency risk of the dollar dollar currency, the nature of the foreign exchange risk, the type of hedging relationship and the identification of the hedged items and the hedging instrument. Qualitative efficiency tests by comparison of key characteristics and quantitative tests of effectiveness (*dollar offset method*) are established to verify that the coverage ratio is appropriate, and that there is no imbalance between foreign currency supplier liabilities and foreign currency futures hedging.

The foreign currency hedging derivative is presented on the balance sheet under financial debt.

The change in the fair value of currency hedging is recognised in profit or loss for the period under "Purchases consumed". Similarly, the change in the fair value of the foreign currency accounts payable between the initial conversion rate and the conversion rate at the end of the period is recognised in profit or loss under the item "Purchases consumed". As a result, the changes in fair value recognized in the profit or loss on hedging instruments consisting of forward contracts and on the hedged item consisting of supplier liabilities offset the ineffectiveness of the hedge.

Rollover and backwardation of forward contracts are excluded from hedge accounting.

3.3.21. Translation of transactions denominated in foreign currencies

The recognition and measurement of transactions denominated in foreign currencies is defined by IAS 21 "Effects of Changes in Foreign Exchange Rates".

Under this standard, transactions denominated in foreign currencies are translated at the exchange rate prevailing on the day of the transaction.

At the end of the financial year, monetary assets and liabilities denominated in foreign currencies are translated at the closing rate of exchange. The resulting foreign exchange gains and losses are recognised in the income statement:

- In operating income for commercial transactions;
- In cash products or in the cost of financial debt for financial operations.

3.3.22. Revenue recognition

The Group's revenues are measured and presented in accordance with IFRS 15. Revenues are assessed by considering the transfer of control over the batteries.

Contract liabilities consist mainly of deferred revenue on invoices issued for batteries not yet delivered to the customer and extensions of warranties on batteries.

The Group does not have any commitments to return goods or to take back goods, apart from the legal and regulatory commitments made in respect of after-sales service and battery recycling (see Note 3.3.16).

Revenues, which are not likely to be recovered, are not recognized in the financial statements for the period in which the transaction is completed.

3.3.23. Operating grants, Research Tax Credit (CIR)

Income relating to operating grants is presented in other operating income.

Research tax credits (CIR) are granted to companies by the French government to encourage them to carry out technical and scientific research. Companies that can prove that their expenses meet the required criteria are entitled to a tax credit that can be used to pay the corporate income tax due for the year in which the expenses were incurred and for the three following years, or, where applicable, be reimbursed for the excess portion. The income relating to the Research Tax Credit is presented, net of the fees incurred for the assessment of this tax credit, i.e.:

- As a deduction from the expenses to which it is linked (personnel costs, research and services);
- As a deduction from development costs presented under intangible assets when the related expenses have been capitalized in respect of development costs (see Note 3.3.3).

Cash flows from research tax credits are presented in cash flows relating to financing transactions.

Operating subsidies that operate in the same way as the research tax credit are treated in the same way for accounting purposes.

Tax receivables relating to the tax credit are presented under "Other non-current assets" if the settlement or offset against taxes payable is more than 12 months after the reporting date and are discounted when the effect of discounting is material.

3.3.24. Public grants

State-guaranteed loans (PGE) obtained at zero interest are loans at a rate lower than market conditions.

The difference between the amount received in cash and the initial fair value of the loan granted (accounted for in accordance with IFRS 9) constitutes a government aid or subsidy received in accordance with IAS20. As a result, the borrower:

- Accounts for the corresponding debt at fair value (i.e., at a haircut corresponding to the credit spread, discounted at the market rate), so that the effective interest rate (ETR) at the date of issuance is reduced to that of normal debt. The haircut is included in the income statement using the effective interest rate method over the life of the PGE loans, as a financial expense with an actuarial part

- Accounts for the benefit received (the discount consideration) as a subsidy, i.e. deferred revenue. This aid is spread over the life of the borrowings using the effective interest rate method in accordance with IFRS 9, and is presented in the income statement under "Other financial income".

3.3.25. Taxation

3.3.25.1. Corporate tax

There is no tax consolidation in France within the Forsee Power Group as of December 31, 2024.

3.3.25.2. Deferred taxes

Deferred taxes are recognised on all temporary differences between the value in the consolidated financial statements of an asset or liability and its tax basis in accordance with IAS 12. Permanent differences such as goodwill impairments and share-based payments are not subject to tax-deferred taxation.

Deferred tax assets and liabilities are measured at the tax rate expected to apply in the year in which the asset is realized or the liability settled, based on the tax rates that have been adopted or substantially adopted at the balance sheet date

The effects of changes in tax rates (variable deferral) are recognised in the income statement of the period in which the change was decided by the local tax authority, except where the consideration was initially recognised as equity, in which case the effect of the change in the rate is also recognised in equity.

Deferred tax assets and deferred tax liabilities are presented in a net position (net deferred taxes) for each tax entity. Deferred taxes for assets and deferred taxes for liabilities are not presented in a net position based on the maturity of the reversal of temporary differences (i.e. net deferred taxes with a maturity of less than 12 months, and net deferred taxes with a maturity of more than 12 months).

In the case of net deferred tax assets generated by deferred tax losses, the deferred tax assets are recognised (recognised) in the financial position only if it is highly likely that they will be set off over a 3-year horizon against the projected future tax profits of the entity concerned, taking into account the tax rules of imputation and averaging.

Deferred taxes on non-recognized assets are disclosed in Note 7.19.

Deferred taxes are presented in the non-current portion of the financial position and are not discounted.

3.3.26. Territorial Economic Contribution (CET)

The Territorial Economic Contribution of Forsee Power SA is presented in the consolidated income statement:

- In "Taxes and Duties" for the Contribution Foncière des Entreprises (CFE), which is based on the rental value of only properties subject to property taxes, it is therefore comparable to an operational expense;
- In "Corporate tax" for the contribution on the added value of companies (CVAE), which is based on the added value produced by the company Forsee Power SA, it has the characteristics of income taxes with regard to IAS 12. Restatements affecting value added as defined by the General Tax Code for the determination of the CVAE are subject to a deferred tax at the CVAE rate in accordance with IAS 12.

  Nevertheless, the charge relating to the CVAE is zero over the periods presented.

3.3.27. Current operating income

The Group's operating performance is assessed on the basis of the "Recurring Operating Income" established in accordance with Recommendation No. 2020-01 of the ANC of March 2020.

3.3.28. Non-recurring operating income

Non-recurring operating income includes transactions relating to major events that occurred during the financial year, the amounts of which are particularly significant to distort the performance of the business if these items were presented in the other items of the income statement. These events are limited in number, unusual and infrequent.

The items presented in Non-Current Operating Income may include transactions such as: IPO-related costs not eligible for an offset against the issue premium, acquisition costs of equity securities, transactions relating to the sale of equity securities, impairments on goodwill and impairments on the value of assets of significant materiality, costs relating to restructuring, costs relating to a significant amount of litigation, costs relating to the implementation of a new integrated management software operating in SaaS mode, etc.

Non-recurring operating income is presented in the following note **Erreur ! Source du renvoi introuvable.**.

3.3.29. Net financial income (expense)

Net financial income (expense) includes the following items received:

- Financial income received from financial instruments such as income from securities, loans and receivables;
- Disbursed financial expenses such as financial charges on bank overdrafts, loans, finance leases, factoring, but also fees relating to banking services;

The Net financial income (expense) also includes the following calculated items:

- The effects of updating the elements of the financial situation;
- The change in the fair value of financial instruments with a cash flow hedging relationship;
- Impairment of financial assets measured at amortized cost;

The cost of net debt consists of cash finance costs net of cash income received and is presented in Note 8.8.

3.3.30. Earnings per share

Basic net earnings per share are determined by dividing the profit attributable to the shareholders of Forsee Power SA by the weighted average number of ordinary shares outstanding during the period. The treasury shares held over the period through the liquidity program (see Note 3.3.13) are not included in the number of ordinary shares outstanding.

The weighted average number of common shares outstanding over the periods presented is adjusted to take into account events that changed the number of common shares outstanding without a corresponding change in resources, such as the stock split or the issuance of free shares. The number of common shares outstanding is thus adjusted in proportion to the change as if the event had occurred at the beginning of the first reporting period. The weighted average number of ordinary shares outstanding presented for the comparative year ended December 31, 2020 has thus been adjusted by the reduction in the nominal value of Forsee Power SA shares decided by the Extraordinary General Meeting of October 15, 2021.

Diluted net income per share is determined by dividing earnings attributable to shareholders of Forsee Power SA by the weighted average number of potential dilutive common shares outstanding during the period.

Potential common shares are treated as dilutive if, and only if, their conversion into common shares would reduce net earnings per share.

If the inclusion of deferred capital instruments in the calculation of diluted earnings per share generates an anti-dilutive effect, these instruments are not taken into account.

Diluted earnings per share are equal to earnings per share in the presence of a loss.

3.3.31. Segmented information

An operational segment is a separate component:

- Engages in activities from which the Group may acquire revenue and incur expenses, including revenue and expenses related to transactions with other parts of the Group;
- Whose operating results are regularly reviewed by the Group's Management with a view to making decisions on the resources to be allocated to the segment and evaluating its performance; and

- For which isolated financial information is available.

The Group remains single-segment in accordance with IFRS 8 for the 2024 financial year.

The Group nevertheless has two segments of activity called:

- *"Light Vehicles and Industrial Tech"* (hereinafter "Lev & Ind Tech"): bringing together the market for light electric mobility as well as that of other electrical applications (electric scooters, light vehicles with 2 to 4 wheels, electric bicycles, medical equipment, connected objects, home automation, robotics and professional tools);
- *"Heavy Vehicles"* (hereinafter "HeV"): bringing together the market for solutions adapted to the development of electric or hybrid vehicles for the various means of transport (buses, commercial and "last mile" vehicles, trams, trains, trucks and marine) and stationary storage (residential, commercial and industrial).

The first level of segment information for the Group is the business segment, the second is the geographical segment.

The segmented data for internal reporting and those presented in Note 6 below follow the same accounting policies as those used for the consolidated financial statements.

The performance of each business segment is measured based on revenue; the allocation of certain costs by segment is not currently tracked in the management's internal reporting. There were no significant changes in the 2024 financial year in the management tools to provide more depth in segment information.

The Chairman and Chief Executive Officer (CEO) and the Executive Committee (Comex) of Forsee Power SA are the Group's main operational decision-makers.

3.3.32. Related parties

Related parties presented in the consolidated financial statements are defined as:

- Parties controlled by the Group: no other controlled stake or associate has been identified with the exception of the stake in the associated company NEoT Capital held at 33.21% as of December 31, 2024;
- Legal entities controlling or exercising significant influence over the Group, such as the companies that are shareholders of Forsee Power SA;
- Natural persons who are members of the Group's management (Executive Committee) and Directors (Board of Directors, Board Committees) of Forsee Power SA.

Financial assets and liabilities relating to related parties are presented as non-current financial assets or liabilities if they are settled or made due within 12 months of the closing date of the period presented, otherwise these items are presented as current financial assets and liabilities. The assets and liabilities relating to related parties are discounted for their non-current part if the effect of the time value is material.

Information on related parties is presented in Note **Erreur ! Source du renvoi introuvable.** in accordance with IAS 24.

4. Information on the scope of consolidation

The scope of consolidation for the periods presented is as follows:

			December 31, 2024			December 31, 2023		
Society	**Location**	**Currency**	**% Control**	**% Interest**	**Method of Consolidation**	**% Control**	**% Interest**	**Method of Consolidation**
1 - Forsee Power SA	France	Euro	100%	100%	parent company	100%	100%	IG
2 - Forsee Power Solutions Ltd.	Hong-Kong	Dollar de Hong Kong	100%	100%	IG	100%	100%	IG
3 - Zhongshan Forsee Power Industry Co Ltd.	China	Yuan renminbi	100%	100%	IG	100%	100%	IG
4 - Zhongshan Forsee Power Development Co Ltd.	China	Yuan renminbi	100%	100%	IG	100%	100%	IG
5 - Forsee Power Spz	Poland	Zloty	100%	100%	IG	100%	100%	IG
6 - Forsee Power India Private Ltd	India	Indian Rupee	100%	100%	IG	100%	100%	IG
7 - Forsee Power Pte Ltd	Singapore	Singapore Dollar	100%	100%	IG	100%	100%	IG
8 - NEoT Capital	France	Euro	33,21%	33,21%	EM	33,21%	33,21%	EM
9 - Forsee Power North America Inc	USA	United States Dollar	100%	100%	IG	100%	100%	IG
10 - Forsee Power Inc	USA	United States Dollar	100%	100%	IG	100%	100%	IG
11 - Forsee Power Japan GK	Japan	Japanese Yen	100%	100%	IG	100%	100%	IG

The scope of consolidation chosen by the Group's lead company (1) includes 9 fully consolidated companies (IG) and 1 equity-accounted company (MEE) as of December 31, 2024.

The identification of the entities is as follows:

(2) Forsee Power Solutions Ltd, a company incorporated under the laws of Hong Kong whose registered office is located at Flat/RM 2806, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong, and registered under number 58025949-000-03-18-0 in the Hong Kong Trade and Companies Register;

(3) Zhongshan Forsee Power Industry Co. Ltd, a company incorporated under the laws of China with its registered office at No.39 Gongye Da Dao Zhong, Industry District, Xiao LanTown, Zhong Shan in the People's Republic of China, and registered under number 9144200075451119XY at *Zhongshan Administration for Market Regulation*;

(4) Zhongshan Forsee Power Development Co. Ltd, a company incorporated under the laws of China, whose registered office is located at No.39 Gongye Da Dao Zhong, Industry District, Xiao LanTown, Zhong Shan in the People's Republic of China, and registered under number 91442000MA52PUYC0T at *Zhongshan Administration for Market Regulation* ;

(5) Forsee Power Spz, a company incorporated under Polish law, with its registered office at ul. Prosta 27a, 55-114 Ligota Piękna, Poland, and registered under number 0000256591 in the National Court Register;

(6) Forsee Power India Private Ltd, a company incorporated under the laws of India, whose registered office is at 4th Floor, World Mark 3, Asset 7, Aerocity, NH-8, Delhi, South West Delhi, Delhi, India, 110037, and registered under number U51909DL2020FTC365683 in the New Delhi Companies Register.

(7) Forsee Power PTE Ltd, a company incorporated under the laws of Singapore, whose registered office is at 1 Georges Street, No. 10-01, One Georges Street, Singapore (049145), and registered under number 201838879C in the Singapore Companies Register.

(8) NEoT Capital, a simplified joint-stock company incorporated under French law, whose registered office is located at 49 rue de Ponthieu, 75008 Paris, France and registered under number 821 239 670 in the Paris Trade and Companies Register.

(9) Forsee Power North America Inc., a U.S. corporation incorporated in 2022, with its registered office at 1209 Orange Street, Wilmington, Delaware (19801), New Castle County, and registered with the Delaware Register of Commerce and Companies under EIN number 88-2706910.

(10) Forsee Power Inc., a U.S. corporation established in 2022, with its registered office at 4555 Lyman Drive, Hilliard (43026), Ohio, and registered under number EIN 88-2794171 in the Columbus Companies Registry.

(11) Forsee Power Japan GK, a company incorporated under Japanese law established in 2023, whose registered office is located at 3-7-1 Minatomirai, Nishi-ku in Yokohama, Japan, and registered under number 7020003023279 in the Yokohama Trade and Companies Register.

All these subsidiaries are included in the books of Forsee Power SA, a company incorporated under French law whose registered office is located at 1 Boulevard Hippolyte Marquès in Ivry-sur-Seine, and registered under number 494 605 488 in the Créteil Trade and Companies Register.

5. Information about comparability of the financial statements

5.1. Variation in the scope of the financial year

There was no change in scope for the year ended December 31, 2024.

5.2. Scope change of the previous year

The changes in scope for the year ended December 31, 2023 are as follows:

- **A new Company in Japan**

  Forsee Power has established Forsee Power Japan GK, a company registered in Yokohama, Japan.

- **Evolution of NEoT Capital participation**

  On July 26, 2023, Forsee Power signed a *Share purchase and investment agreement* with EDF Pulse and Mitsui for the NEoT Capital stake.

  In accordance with this investment protocol, Forsee Power and EDF Pulse completed on November 2, 2023: the joint sale of their stakes for 4.01% each for a value of €370K, authorized a capital increase in cash for an amount of €3,500K fully subscribed by Mitsui, authorized the arrival of individual investors in the capital of NEoT Capital, and authorized the implementation of a plan for the free allocation of preferred shares to NEoT Capital employees.

  Following the completion of these transactions, Forsee Power, EDF Pulse and Mitsui each have a 33.21% stake in NEoT Capital.

  The completion of these transactions as of November 2, 2023 leads to a decrease in Forsee Power's shareholding from 50% to 33.21%, resulting in the recognition of a dilution income of €356 thousand presented under the "Results on associates".

  NEoT Capital will remain consolidated using the equity method for the 2023 financial year.

5.3. Changes in Accounting Presentation and Policies

There were no changes in accounting presentation and policies for the year ended December 31, 2024 compared to the published financial statements for the year ended December 31, 2023.

6. Information by business segment and geographical area

Management has defined the business segments on the basis of reporting, which it regularly reviews in order to make decisions on the allocation of resources to the segments and the evaluation of their performance.

The Chairman and Chief Executive Officer (CEO) and the Executive Committee (Comex) of Forsee Power SA are the Group's main operational decision-makers.

The Group's reporting includes two business segments:

- *"Light Vehicles and Industrial Tech"* (Lev & Ind Tech): bringing together the light electric mobility market as well as that of other electrical applications (electric scooters, light vehicles from 2 to 4 wheels, electric bicycles, medical equipment, connected objects, home automation, robotics and professional tools);
- *"Heavy Vehicles"* (HeV): bringing together the market for solutions adapted to the development of electric or hybrid vehicles for the various means of transport (buses, commercial and "last mile" vehicles, trams, trains, trucks and marine) and stationary storage (residential, commercial and industrial).

6.1. Insights by Business Segment

The information by business segment is tracked in the internal reporting of the management only at the turnover level.

The information on the result by business segment, including at the level of operating income, has not been monitored by management until now due to the limitations of its internal information system in the allocation of costs by business segment. The presentation of income information by business segment, limited only to the presentation of revenue, is in accordance with IFRS 8 given the absence of any other available and more detailed internal managerial reporting.

in thousands of euros	Light Vehicles and Industrial Tech (LeV & Ind Tech)	Heavy Vehicles (HeV)	December 31, 2024
Total Turnover	**16 243**	**135 523**	**151 766**
Percentage distribution	*10,7%*	*89,3%*	100%

in thousands of euros	Light Vehicles and Industrial Tech (LeV & Ind Tech)	Heavy Vehicles (HeV)	December 31, 2023
Total Turnover	**25 831**	**145 405**	**171 238**
Percentage distribution	*15,1%*	*84,9%*	100%

The amount of revenue achieved with customers individually representing more than 10% of revenues was €108 million in the *HeV (Heavy Vehicles) segment* as of December 31, 2024 (compared to €129 million as of December 31, 2023).

Revenue from customers in the *LeV & Ind Tech (Light Vehicles and industrial tech)* segment individually represents less than 10% of revenue as of December 31, 2024 and December 31, 2023.

Customers individually representing more than 10% of the Group's revenues are as follows:

in thousands of euros	Affected business segment	December 31, 2024	*% of revenue*	December 31, 2023	*% of revenue*
Client 1	HeV	31 114	*20,5%*	60 360	*35,2%*
Client 2	HeV	76 877	*50,7%*	68 647	*40,1%*
Selection		**107 991**	***71,2%***	**129 007**	***75,3%***
Total Turnover	**HeV**	**135 523**	***89,3%***	**145 405**	***84,9%***

in thousands of euros	Light Vehicles and Industrial Tech (LeV & Ind Tech)	Heavy Vehicles (HeV)	Inter-sector and Others	December 31, 2024
Non-current segment assets	2 483	60 238	19 394	82 115
Current segment assets	10 563	75 669	1 047	87 280
Non-current segment liabilities	(1 727)	(7 047)	(58 826)	(67 600)
Current segment liabilities	(7 269)	(43 015)	(3 957)	(54 242)
Total	**4 051**	**85 845**	**(42 343)**	**101 795**
Capitalization of R&D costs		10 355		10 355
Acquisition of fixed assets	311	8 897	1 022	10 230
Other non-current capital expenditure	0	0	0	0,00
Total	**311**	**19 252**	**1 022**	**20 585**

in thousands of euros	Light Vehicles and Industrial Tech (LeV & Ind Tech)	Heavy Vehicles (HeV)	Inter-sector and Others	December 31, 2023
Non-current segment assets	13 128	41 532	13 516	68 175
Current segment assets	74 526	183 595	(138 857)	119 265
Non-current segment liabilities	(13 082)	(15 202)	(47 784)	(76 069)
Non-current segment assets	(47 501)	(182 915)	178 281	(52 133)
Total	**27 071**	**27 010**	**5 156**	**59 238**
Capitalization of R&D costs		10 854		10 854
Acquisition of fixed assets	3 209		10 558	13 767
Other non-current capital expenditure				-
Total	**3 209**	**10 854**	**10 558**	**24 621**

6.2. Information by geographical area

in thousands of euros	Light Vehicles and Industrial Tech (LeV & Ind Tech)	Heavy Vehicles (HeV)	December 31, 2024	*Distribution %*
France	10 807	4 883	**15 690**	*10,3%*
Europe	1 774	117 072	**118 846**	*78,3%*
Asia	3 330	10 492	**13 822**	*9,1%*
USA	332	274	**606**	*0,4%*
Rest of the world		2 804	**2 804**	*1,8%*
Total Turnover	**16 243**	**135 525**	**151 766**	***100%***

in thousands of euros	Light Vehicles and Industrial Tech (LeV & Ind Tech)	Heavy Vehicles (HeV)	December 31, 2023	*Distribution %*
France	8 534	2 026	**10 560**	*6,2%*
Europe	6 075	137 703	**143 779**	*84,0%*
Asia	9 170	4 367	**13 537**	*7,9%*
USA	1 977	199	**2 176**	*1,3%*
Rest of the world	76	1 110	**1 185**	*0,7%*
Total Turnover	**25 831**	**145 405**	**171 238**	***100%***

in thousands of euros	December 31, 2024	December 31, 2023
France	62 306	52 777
Europe	464	161
Asia	7 966	2 592
USA	11 379	12 442
Rest of the world		0
Total Non-current assets	**82 115**	**67 972**

in thousands of euros	December 31, 2024	December 31, 2023
France	11 609	14 257
Europe	104	28
Asia	3 629	3 181
USA	5 243	7 154
Rest of the world		0
Total Investments	**20 585**	**24 620**

7. Information on items in the consolidated statement of financial position

7.1. Goodwill

Goodwill was distributed as of December 31, 2023 over the following CGUs:

in thousands of euros	December 31, 2023
Goodwill from the Ersé activities in Poland in 2012 (1)	
Goodwill UGT *Light Vehicles and Industrial Tech*	**219**
Goodwill from the Dow Kokam activities in France in 2013 (2)	
Goodwill UGT *Heavy Vehicles*	**1 304**
Total	**1 523**

(1) Acquisition in March 2012 from Ersé of the Polish company Energy One (renamed Forsee Power Spz).

The acquisition of a 51% stake in Energy One in March 2012 was dealt with by measuring the fair value of the net identifiable assets for non-controlling interests (minority interests) resulting in the recognition of full goodwill shared between the Group's share and the minority interest.

The successive repurchase between October 2013 and October 2014 of the 49% held by the minority interests was treated in the consolidated financial statements as a transaction between the partners in equity in accordance with IFRS 10, and without impact on the goodwill measured at the 2012 takeover.

(2) The acquisition in 2013 of the activities of Dow Kokam France generated goodwill of €1,304 thousand after the recognition of a contingent liability of €6.5 million relating to litigation pending at the date of acquisition with the French tax authorities on the Research Tax Credit (CIR) for the financial years 2010 to 2012 (see Note 3.2.2.5). This provision on contingent liabilities was fully included in profit or loss as at 30 June 2017 following the abandonment of the grounds for dispute by the Tax Administration on 3 July 2017.

As of December 31, 2024, the Management considered that the goodwill initially recognized on the acquisition of control of Ersé (2012) for €219 thousand and Dow Kokam (2013) for €1,304 thousand, corresponding mainly to know-how, is now fungible across all of Forsee Power's activities, so that it is no longer possible to separately track these goodwills separately.

in thousands of euros	December 31, 2024
Goodwill from the Ersé business in Poland and Dow Kokam in France	1 523
UGT goodwill *at Group level*	**1 523**
Total	**1 523**

Impairment tests are carried out according to an evaluation model, the terms of which are described in Note 3.3.2. The key assumptions used in the model are the growth rate of activity, the long-term growth rate, and the discount rate (see Note 3.3.2 (a)). The discount rate is determined taking into account the specificities of the business in terms of country risk and tax rates, and a premium in the event of non-fulfilment of the assumptions made in the business plan. The long-term growth rate is determined on the basis of infinite rates used by companies comparable to Forsee Power and also operating in an immature market with high potential.

in %	Forsee Power December 31, 2024	Light Vehicles and Industrial Tech (LeV & Ind Tech) December 31, 2023	Heavy Vehicles (HeV) December 31, 2023
Discount rate (WACC)	12,88%	16,11%	15,50%
Average revenue growth rate over the period 2025-2030	21,00%	49,51%	37,45%
Long-term growth rate	3,00%	3,81%	2,17%

No indication of impairment loss has been identified as of December 31, 2024. In addition, the value test did not lead to an impairment recording as at 31 December 2024 since the recoverable values obtained by the model are higher than the net carrying value of capital employed.

The Group has not recorded any impairment loss on these goodwills since their acquisition.

No reasonably possible change in key assumptions would result in an impairment charge to be recognized. Indeed, an impairment would be recognized in the event of a variation in the following key assumptions:

	Depreciation to be recognised from a level of:
Discount rate (WACC)	16,80%
Average revenue growth rate over the period 2025-2030 with maintenance of the margin rates of the business plan	(2,70)%

The variations for the 2024 and 2023 financial years respectively are as follows:

in thousands of euros	December 31, 2023	Increase due to changes in scope	Impairment	Conversion effects	December 31, 2024
Goodwill	1 523				1 523
Total	**1 523**				**1 523**

in thousands of euros	December 31, 2022	Increase due to changes in scope	Impairment	Conversion effects	December 31, 2023
Goodwill	1 523				1 523
Total	**1 523**				**1 523**

7.2. Intangible assets

in thousands of euros	December 31, 2023	First-time consolidations	Increase in allocations	Decrease reversals	Reclassification	Currency translation effects	Grant for R&D funding	December 31, 2024
Gross intangible assets								
Development Costs	15 407		1 957			138		17 503
Ongoing development costs	17 561		8 398					25 959
Software and patents	3 072		855	(847)	(594)		(0)	2 485
Other intangible assets	531		54			20		604
Intangible assets under construction	1 034		8		594			1 637
Total	**37 604**		**11 273**	**(847)**	**0**	**158**	**(0)**	**48 188**
Depreciation and amortization								
Development Costs	(12 017)		(2 687)	496		(5)		(14 212)
Software	(2 282)		107	351				(1 823)
Other intangible assets	(281)		(127)			(13)	(0)	(421)
Total	**(14 580)**		**(2 706)**	**847**		**(17)**	**(0)**	**(16 456)**
Net intangible assets	**23 024**		**8 567**	**(0)**	**0**	**140**	**(0)**	**31 732**

There was no indication of impairment loss on intangible assets as of December 31, 2024.

Uncapitalized research and development expenses amounted to €9,532,000 for the 2024 financial year, compared to €9,695,000 for the 2023 financial year.

The variations from the previous period in 2023 are as follows:

in thousands of euros	December 31, 2022	First-time consolidations	Increase in allocations	Decrease reversals	Reclass.	Currency translation effects	Grant for R&D funding	December 31, 2023
Gross intangible assets								
Development Costs	15 364		596		(503)	(50)		15 407
Ongoing development costs	6 707		10 854					17 561
Software and patents	2 810		262					3 072
Other intangible assets	440		204	(87)		(27)		531
Intangible assets under construction	461		69		503			1 034
Total	**25 781**		**11 986**	**(87)**		**(76)**		**37 604**
Depreciation and amortization								
Development Costs	(8 768)		(3 250)			2		(12 017)
Software	(1 867)		(414)					(2 282)
Other intangible assets	(191)		(190)	87		12		(281)
Total	**(10 826)**		**(3 854)**	**87**		**14**		**(14 580)**
Net intangible assets	**14 955**		**8 132**	**(0)**		**(63)**		**23 024**

7.3. Tangible capital assets

in thousands of euros	December 31, 2023	Expired leases	Increase in Allocations	Decrease Trade-ins	Reclassification	Conversion effects	New Leases (1)	December 31, 2024
Gross tangible capital assets								
Constructions	162		72		(146)	3	0	91
Right to Use Real Property (2)	21 812	(36)				476	892	23 144
Technical installations, equipment and tools	17 947		4 933	(2 903)	(387)	174		19 764
Other tangible capital assets	5 672		4 009		9 624	509		19 814
Rights of use on other tangible capital assets	662	(195)				1	686	1 154
Tangible capital assets under construction	8 843		163		(7 691)	147		1 462
Advances and payments on account of tangible fixed assets	1 018		0		(1 018)			
Total	**56 116**	**(230)**	**9 176**	**(2 903)**	**382**	**1 310**	**1 578**	**65 429**
Depreciation and amortization								
Constructions	(69)		(5)	52		(1)		(23)
Right to use real estate	(6 026)	36	(2 191)			(120)	(24)	(8 325)
Technical installations, equipment and tools	(11 502)		(2 498)	3 461	(40)	(62)		(10 641)
Other tangible capital assets	(2 797)		(1 988)		40	(64)		(4 809)
Rights of use on other tangible capital assets	(288)	195	(360)			(0)		(453)
Total	**(20 683)**	**230**	**(7 040)**	**3 513**		**(247)**	**(24)**	**(24 251)**
Net tangible capital assets	**35 433**		**2 136**	**609**	**382**	**1 062**	**1 554**	**41 177**

1) The new lease contracts for 2024 mainly concern:
   a. The renewal of the contract for office space in Pune (India) as of October 1, 2024 for a period of 24 months,
   b. The renewal of the contract for a 108 m2 technical room located in Kawasaki City (Japan) as of June 19, 2024 and offices as of June 1, 2024 located in Yokohama (Japan) for the subsidiary Forsee Power Japan Limited Liability Co for a period of 1 year;
   c. Vehicles leased on a long-term basis by Forsee Power SA for staff and production equipment.
2) Right-of-use rights to real property include:

a. The terms of the leases in Zhongshan (China) for the 5,200 m2 industrial premises for which the lease has been renewed from 29 February 2024 to 28 February 2026, the 3,500 m2 industrial premises whose lease ends on 31 January 2025, and the storage premises for which the lease ends on 31 January 2025, have been set until June 30, 2025 in view of the renewals expected by the lessor of these lease agreements and the Management's development projects in China.

b. The rights of use on real estate include the lease agreement signed on July 25, 2022 for a 12,820 m2 industrial building located in Hilliard, on the outskirts of the city of Columbus, Ohio. This lease contract is for an initial period of eleven years from November 1, 2022 to January 31, 2033 and can be renewed twice for a period of 5 years. The period used to assess the right to use this property corresponds to the minimum duration of the rental contract, i.e. until 31 January 2033.

   The development work on this site is underway and will be completed in the second quarter of 2024. This work will essentially be borne by Forsee Power in return for a lease with favourable long-term financial conditions, the owner will pay for part of the work as agreed in the lease and the Ohio region will also reimburse certain expenses for the restoration and adaptation of the building to Forsee Power's activity.

   Forsee Power is also studying the possibility of funding/subsidies for the work by the US Federal Government under the *Inflaction Reduction Act*, the terms of which were published in 2023.

   This lease agreement is secured by a *stand-by letter of credit* signed on July 25, 2022 by French banking institution for a maximum amount of $1 million and covering the period until November 1, 2032. This guarantee is accompanied by the implementation of a €1 million interest-bearing cash pledge from 25 July 2022 until 25 July 2025

c. The rights to use the 1,700 m2 industrial premises in Pune (India) from 1 October 2023 for a period of 5 years.

d. The rights of use of office premises on the Ivry sur Seine site.

e. The use of new premises of 1,992 m2 located in Dardilly (Lyon) with the lease taking effect from October 1, 2023.

There was no indication of impairment loss on tangible capital assets as at December 31, 2024.

The variations from the previous period in 2023 are as follows:

in thousands of euros	December 31, 2022	Expired leases	Increase in Allocations	Decrease Trade-ins	Reclassification	Conversion effects	New leases (2)	December 31, 2023
Gross tangible capital assets								
Constructions	167					(5)		162
Right to use real estate	18 702					(308)	3 417	21 812
Technical installations, equipment and tools	13 777		4 018		319	(166)		17 947
Other tangible capital assets	5 363		669	(70)	(245)	(46)		5 672
Rights of use on other tangible capital assets	593	(268)			11	3	323	662
Tangible capital assets under construction	1 921		7 529		(457)	(150)		8 843
Advances and payments on account of tangible fixed assets	748		270					1 018
Total	**41 272**	**(268)**	**12 485**	**(70)**	**(373)**	**(671)**	**3 740**	**56 116**
Depreciation and amortization								
Constructions	(47)		(23)			1		(69)
Depreciation right to use real estate	(4 300)		(2 126)			79	322	(6 026)
Technical installations, equipment and tools	(8 415)		(3 169)			82		(11 502)
Other tangible capital assets	(2 210)		(674)	70		16		(2 797)
Rights of use on other tangible capital assets	(321)	266	(220)		(9)	(2)	(1)	(288)
Total	**(15 293)**	**266**	**(6 212)**	**70**	**(9)**	**175**	**320**	**(20 683)**
Net tangible capital assets	**25 978**	**(2)**	**6 274**	**(0)**	**(381)**	**(496)**	**4 060**	**35 433**

7.4. Financial assets

in thousands of euros	December 31, 2023	Increase in allocations	Decrease reversals	Reclassification	Translation and discounting effects	December 31, 2024
Financial assets						
Financial instruments not held for trading	0	(0)				0
Other fixed assets						
Assets and securities held under liquidity agreements (1)	72	22				94
Deposits and guarantees paid	407	136	(92)		6	457
Pledge on cash (2)	1 610	100	(100)		3	1 613
Total	**2 089**	**257**	**(192)**		**10**	**2 164**
Whose						
Current	0	0	0	0	0	0
Non-current	2 089	257	(192)	0	10	2 164

1) On November 26, 2021, the company signed a liquidity and animation contract with an independent investment services company (PSI) to intervene on the Euronext Paris market in order to promote the liquidity of transactions and the regularity of the listing of Forsee Power shares.

The breakdown and variation in the liquidity contract are as follows:

in thousands of euros	*Number of shares*	December 31, 2024	December 31, 2023
Total liquidity portion presented in financial assets at beginning of year	***105 284***	**72**	**147**
Forsee Power share purchases	*893 358*	(930)	(700)
Cessions d'actions Forsee Power	*(696 521)*	751	626
Top-up payment		200	
Total liquidity portion presented as financial assets at the end of the reporting period		**94**	**72**
Forsee Power shares held under the liquidity contract	*302 121*	174	289
Change in fair value		(47)	(15)
Total shares held, deducted from shareholders' equity		**127**	**274**
Total Liquidity Contract		**221**	**346**

A payment of €200K was made in the first half of 2024 increasing the overall ceiling (cash and securities) from €500K to €700K.

2) Cash pledge remunerated of €1 million from July 25, 2022 to July 25, 2027 under the SBLC (*stand-by letter of credit*) for a maximum amount of $1 million for the benefit of the owner of the industrial building leased to Hilliard in the United States. This letter of credit was reissued in November 2024 to another banking institution allowing a reduction of €400K in the cash pledge, this reduction being applied annually on a degressive basis

for €100K from November 2024 to November 2028. The cash pledge under this SBLC amounts to €900K (before discounting) as of December 31, 2024.

Cash pledge remunerated for an amount of €650K from July 10, 2023 to July 10, 2025 under the SBLC (*stand-by letter of credit*) to an Indian banking institution ICICI Bank on behalf of the subsidiary Forsee Power India Private Limited in order to guarantee a cash facility and a customs guarantee for an amount of 45 million Indian rupees (€490 K).

In September 2024, Forsee Power also obtained a new SBLC (*stand-by letter of credit*) of 9 million Indian rupees (approximately €100 K) from a French banking institution for the benefit of Indian customs and accompanied by a cash pledge with a maturity date of March 31, 2025.

Non-current non-interest-bearing financial assets have been discounted for €48 thousand as of December 31, 2024 according to the maturity of the asset (1 year or 5 years).

The variations from the previous period in 2023 are as follows:

in thousands of euros	December 31, 2022	Increase in allocations	Decrease reversals	Reclassification	Translation and discounting effects	December 31, 2023
Financial assets						
Financial instruments not held for trading	0				0	0
Other fixed assets	0			(0)		
Assets and securities held under liquidity agreements (1)	142		(75)	(0)	5	72
Deposits and guarantees paid	632	149	(306)		(69)	407
Pledge on cash (2)	977	650			(17)	1 610
Total	**1 751**	**799**	**(381)**	**(0)**	**(81)**	**2 089**
Whose						
Current	0	0	0	0	0	0
Non-common	1 751	799	(381)	(0)	(81)	2 089

7.5. Investments in equity-accounted companies

The "Equity investments" item includes only NEoT Capital, in which Forsee Power held 33.21% of the share capital as of December 31, 2024 in partnership with the EDF Group and Mitsui (see Note 3.2.2.2).

The NEoT Capital stake was recapitalized on November 2, 2023 following the €3.5 million cash capital increase fully subscribed by Mitsui. At the same time, Forsee Power and EDF Pulse jointly sold their 4.01% stakes for a value of €370K and authorised the arrival of individual investors in the capital of NEoT Capital. Following the completion of these transactions, Forsee Power, EDF Pulse and Mitsui each have a 33.21% stake in NEoT Capital.

The evolution of NEoT Capital's participation in the 2024 financial year is as follows:

in thousands of euros	**NEoT CAPITAL**
Participation on 1 January 2022	842
Acquisition on May 31, 2022 of the interest held by Mitsubishi Corporation (1)	2 292
Capital increase in cash by Collective decision of the shareholders of June 30, 2022 (1)	1 058
Capital increase by debt conversion by Collective decision of the shareholders of June 30, 2022 (1)	185
Share of net income for 2022	(331)
Share of comprehensive income (OCI)	(3)
Participation as of December 31, 2022	**4 043**
Dilution result on operations as of November 2, 2023 (2)	359
Share of net income for 2023	(72)
Share of comprehensive income (OCI)	(3)
Total equity accounted for as of December 31, 2023	**4 328**
Share of net income for 2024	(37)
Share of comprehensive income (OCI)	(1)
Total equity accounted for as of December 31, 2024	**4 289**

1) In the first half of 2022, Forsee Power increased its stake in NEoT Capital in order to accelerate the deployment of the Group's strategy to offer a full range of products and services related to battery systems.

2) The €3.5 million capital increase fully subscribed by the partner Mitsui, and the sale by Forsee Power and EDF Pulse of their 4.01% stake each, led to a decrease in Forsee Power's ownership ratio from 50% to 33.21%, resulting in the recognition of dilution income of €356 thousand presented under the "Results on associates".

NEoT Capital's summary financial statements as of December 31, 2024 and December 31, 2023 are as follows:

in thousands of euros	December 31, 2024	December 31, 2023
Fixed assets	1 001	1 096
Trade receivables	1 422	1 506
Other receivables	49	85
Cash	3 671	3 679
Total Assets (A)	**6 143**	**6 366**
Financial liabilities	1 069	1 320
Provision for risks and charges	53	38
Supplier payables	419	413
Other liabilities	781	658
Total Debts (B)	**2 322**	**2 429**
Shareholders' equity (A) - (B) = (C) (1)	**3 821**	**3 938**
Share of equity (C) x Ownership rate = (D)	**1 269**	**1 308**
Goodwill (E) (2)	**3 020**	**3 020**
Total equity accounted interest (D) + (E)	**4 289**	**4 328**

1) The Partners of NEoT Capital have authorized by Collective Decisions of November 2, 2023 a free share allocation plan (AGM) within a limit of 1,000 preferred shares (ADP A) to be created. This allocation plan provides for the acquisition of rights spread over 3 tranches divided into thirds (1/3) with a vesting period with an obligation to be present set at one year for the first tranche, two years for the second tranche, and three years for the third tranche. A free allocation of 400 shares was made on November 2, 2023 to employees who are members of the management of NEoT Capital. A payment charge in shares (IFRS 2) relating to this allocation of free shares was recognized as of December 31, 2024 for €2K in the value of the NEoT Capital stake. There were no new share allocations in the 2024 financial year.

2) The 16.79 point decrease in NEoT Capital's ownership ratio led to a sale of a fraction of the Goodwill to the tune of €609K in 2023.

3) The rights of use and the rental debts include the commercial lease on the rental of offices located in Paris for the period from July 1, 2023 to June 30, 2032;

The share of profit of the equity-accounted investment NEoT Capital is a charge of €(36) thousand as of December 31, 2024.

There is no impairment to be recorded as of December 31, 2024 on NEoT Capital's stake following the completion of an impairment test consisting of comparing the carrying value of NEoT Capital's securities at 100% ownership and compared to the current value of the company calculated from the latest *business plan* provided by NEoT Capital's management.

7.6. Inventories

in thousands of euros	December 31, 2024	December 31, 2023
Inventories of raw materials (1)	33 940	29 577
Inventories of products in production (2)	5 050	7 106
Inventories of finished products (3)	16 961	17 524
Impairment of inventories (4)	(12 657)	(9 727)
Stocks nets	**43 294**	**44 481**

1) Including €24,190K in France, €2098K in India and €7,159K in China as of December 31, 2024, compared to €20,791K in France and €7,401K in China as of December 31, 2023;

2) Including €4,270K in France and €780K in China as of December 31, 2024, compared to €5,311K in France and €1,796K in China as of December 31, 2023;

3) Including €16,690K in France and €262K in China as of December 31, 2024, €15,885K in France and €1,639K in China as of December 31, 2023;

4) Including €2,721 thousand in impairment provisions recorded in 2024 in France, €145 thousand in impairment provisions in 2024 in China.

The gross value of the stock at 31 December 2024 amounted to €55.9 million, for an impairment of €12.7 million.

The distribution of stocks by geographical area is as follows:

in thousands of euros	December 31, 2024	December 31, 2023
France	34 362	33 919
Poland	0	1
China	6 333	9 176
India	2 098	1 385
USA	493	0
Japan	8	0
Total stocks	**43 294**	**44 481**

7.7. Trade receivables

in thousands of euros	December 31, 2024	December 31, 2023
Trade receivables	12 737	27 606
Impairment of trade receivables	(1 684)	(527)
Assets on customer contracts (invoices to be issued)	107	554
Trade receivables and related accounts	**11 161**	**27 633**

The Group has set up programs for the sale of operating receivables to banking institutions (see Note **Erreur ! Source du renvoi introuvable.**) :

- The sales of trade receivables under the factoring contract without recourse with the Facto France establishment were carried out from January 2024. The amount of receivables assigned without recourse to Facto France and which are no longer financed amounted to €15,680 thousand as of December 31, 2024.
- The factoring contract with Banco Santander included in a customer's *reverse factoring* program is no longer active as of December 31, 2024, however this contract was reused at the beginning of 2025. As of December 31, 2024, the Group does not have a discount on the receivables of the customer concerned; The contract was reused again from January 2025. The expected receivables were €2,036,036K as of December 31, 2023 and with a maturity date of the receivables after December 31, 2023.
- The assignment of trade receivables under the factoring contract without recourse with HSBC stopped at the beginning of January 2024. It no longer has any receivables assigned without recourse to HSBC as of December 31, 2024. The amount of receivables assigned without recourse to HSBC, and which are no longer presented on the balance sheet, amounted to €3,175 thousand as of December 31, 2023 (€2,998 thousand received in cash and €177 thousand presented as reserves/retention of collateral on sales receivables at the end of December 2023).

The amount of expected credit losses is not material and is not recognized as at December 31, 2024.

The schedule of accounts receivable due is as follows:

in thousands of euros	December 31, 2024	December 31, 2023
Trade receivables due	**12 737**	**27 606**
Accounts receivable due not past due	3 483	23 389
Accounts receivable due past due	9 254	4 217

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

7.8. Other assets

in thousands of euros	December 31, 2024	December 31, 2023
Trade payables - Advances and deposits paid	1 231	6 760
Social security receivables	176	119
Tax receivables	4 550	5 419
Factoring accounts and reserves on assignments of trade receivables (1)	17 358	4 107
Shareholder loans	18	6
Other receivables (2)	1 399	1 305
Prepaid expenses (3)	1 292	1 631
Impairment of other current assets	(30)	(530)
Other receivables presented in WCR	**25 993**	**18 816**
Borrowing costs in the process of being issued at the reporting date	(0)	(0)
Trade payables - Advances paid on fixed assets	0	0
Corporate income tax receivables (4)	2 602	3 723
Other assets	**28 595**	**22 539**
Of which		
Current	*27 456*	*21 248*
Non-current	*1 139*	*1 291*

1) The first commercial receivables assignments under the new factoring contract with Facto France have been carried out since January 2024.

The sales of trade receivables to the factor Facto France were sold but not financed as of December 31, 2024 for €4,657 thousand for the euro currency market and €10,690 thousand for the dollar currency market. Retention of collateral with the factor Facto France amounted to €2,011 thousand as of December 31, 2024.

2) Including €184K in credit notes and discounts receivable as of December 31, 2024 from suppliers compared to €221K as of December 31, 2023;

3) Including €1,039K on rental leases as of December 31, 2024 compared to €904K as of December 31, 2023;

4) As of December 31, 2024, CIR receivables amounted to €5,007,007 thousand before the effect of discounting and pre-financing with BPI. The CIR was pre-financed by the BPI for an amount of €2,800 K during the 2024 financial year.

CIR receivables have been discounted for a total amount of €(123) thousand at the Euribor rate according to the maturity of the repayment of the receivable CIR receivables amounted to €4,916 thousand as of December 31, 2023 before the effect of the discounting for an amount of €(1,199) thousand.

As of December 31, 2024, CIR receivables net of pre-financing by the BPI consisted of: €171 thousand for the 2021 financial year, €268 thousand for the 2022 financial year (€262 thousand after discounting), €269 thousand for the 2023 financial year (€257 thousand after discounting), €1,498 thousand for the 2024 financial year (€1,393 thousand after discounting).

CIR receivables as of December 31, 2023 consist of: €841 thousand for the 2019 financial year, €569 thousand for the 2020 financial year (€438 thousand after discounting), €812 thousand for the 2021 financial year (€568 thousand after discounting), €1,348 thousand for the 2022 financial year (€936 thousand after discounting) and €1,346 thousand for the 2023 financial year (€935 thousand after discounting).

7.9. Cash

in thousands of euros	December 31, 2024	December 31, 2023
Cash equivalents	0	435
Cash	5 369	25 466
Cash and cash equivalents	**5 369**	**25 902**

in thousands of euros	December 31, 2024	December 31, 2023
Cash and cash equivalents	5 369	25 902
Bank overdrafts (passive cash)	(0)	
Net cash presented in the Consolidated Statement of Cash Flows	**5 369**	**25 902**

The cash consists of sight deposits in euros (€), US dollars ($), and in the local currency of the subsidiaries (Chinese yuan, Indian rupee, Polish zloty, Japanese yen), and a term deposit of €1,550K with Forsee Power as of December 31, 2024.

The cash flow is broken down into foreign currencies as follows:

in thousands of euros	December 31, 2024	December 31, 2023
Cash in euros (€)	2 334	17 572
U.S. dollar-denominated cash ($)	499	5 689
Treasury denominated in other currencies (Chinese yuan, Indian rupee, Polish zloty, Japanese yen, etc.)	2 536	2 641
Cash and cash equivalents	**5 369**	**25 902**

The balances for the previous period are as follows:

in thousands of euros	December 31, 2023	December 31, 2022
Cash equivalents	435	0
Cash	25 466	31 014
Cash and cash equivalents	**25 902**	**31 014**

in thousands of euros	December 31, 2023	December 31, 2022
Cash in euros (€)	17 572	15 078
U.S. dollar-denominated cash ($)	5 689	13 095
Treasury denominated in other currencies (Chinese yuan, Indian rupee, Polish zloty, Japanese yen, etc.)	2 641	2 841
	25 902	**31 014**

7.10. Equity

7.10.1. Share capital and issue premium

The change in share capital and issue premium over the year is as follows:

in thousands of euros	*Number of shares*	*Face value*	Amount of share capital	Issue premium amount net of fees
As of December 31, 2022	***53 572 003***	***0,10 €***	**5 357**	**132 913**
Capital increase of 9 May 2023	*17 664 108*	*0,10 €*	1 766	44 780
Capital increase of 20 June 2023	*32 000*	*0,10 €*	3	(3)
Capital increase of 15 October 2023	*282 616*	*0,10 €*	28	(28)
As of December 31, 2023	***71 550 727***	***€0.10***	**7 155**	**177 661**
Allocation of the issue premium to reserves at the end of the AGM of 21 June 2024				(111 026)
Capital increase of 22 December 2024	*194 000*	*€0.10*	19	(19)
As at December 31, 2024	***71 744 727***	***0,10 €***	**7 174**	**66 616**

The number of shares of Forsee Power SA outstanding as of December 31, 2024 is 71,744,727 with a nominal value of €0.10, i.e. a total share capital of €7,174,472.70.

The share capital of Forsee Power varied over the 2024 financial year as a result of the following transactions:

- A capital increase of €19,000 was carried out on December 22, 2024 following the exercise of 194,000 free shares (AGM 2024) and the creation of 194,000 new ordinary shares.

7.10.2. Dividends

Forsee Power SA did not make any dividend distributions in 2024 for the financial year ended December 31, 2023, or for the last two previous years.

The company does not intend to distribute a dividend for the year ended December 31, 2024.

7.10.3. Share-based payments

7.10.3.1. Share subscription warrants

Forsee Power issued Share Subscription Warrants (BSAs) to the European Investment Bank (EIB) (see Notes 7.13 and 7.14).

In view of the terms and conditions of the $_{\text{EIB Warrant A}}$ warrants and the $_{\text{EIB Warrant C}}$ warrants, the number of ordinary shares to be issued has been adjusted to take into account the capital increase of May 9, 2023, the definitive acquisition on October 15, 2023 of 282,616 free shares (AGA R 2021) approved by the Ordinary General Meeting at its meeting of June 24, 2022, through the issuance of 1,000 $_{\text{EIB Warrant E}}$ warrants on 4 December 2023, and the allocation of 208,000 free shares on 21 December 2023 following the meeting of the Board of Directors on 14 September 2023:

- 6,857 $_{\text{EIB Warrant A warrants}}$ giving access to 1,127,387 ordinary shares (AO) issued on March 18, 2018 in addition to the financing of the €20 million subscribed in 2017 and repaid in 2021;
- 3,500 $_{\text{EIB Warrant C warrants}}$ giving access to 500,090 ordinary shares (AO), issued on June 4, 2021 in addition to the €21.5 million financing (Tranche A) subscribed in June 2021.

In its decision of 23 June 2023, the Extraordinary General Meeting authorized the Board of Directors to carry out a capital increase through the issuance of 1,000 $_{\text{EIB Warrant E}}$ warrants to the European Investment Bank (EIB), the terms and conditions of which were set out in the financing agreement of 14 October 2021 and amended on 27 July 2022. These 1,000 $_{\text{EIB Warrant E}}$ warrants were subscribed by the EIB on 4 December 2023 in addition to the €10 million financing (Tranche C) and give access to 300,000 ordinary shares (AOs).

7.10.3.2. Stock Options and Free Shares

The table below shows the Stock Options (SOs) granted for previous years as of December 31, 2024:

	Award date	Number of SO options assigned	Number of SO options cancelled	Number of current SO options	Number of shares subscribed upon exercise of the SOs	Vesting period	Deadline for the exercise of SO
Stock-Options (SO 2018) (1) (3)	April 2, 2019	600 000	0	600 000	600 000	4 years	December 20, 2033
Stock-Options (SO 2018) (1) (3)	January 28, 2020	180 000	(150 000)	30 000	30 000	4 years	December 20, 2033
Stock-Options (SO 2018) (1) (3)	November 13, 2020	75 000	0	75 000	75 000	4 years	December 20, 2033
Stock-Options (SO 2021) (2) (3)	August 12, 2021	1 500 000	0	1 500 000	1 500 000	2 months	August 5, 2036
Total Stock-Options (SO)		**2 355 000**	**(150 000)**	**2 205 000**	**2 205 000**		

(1) Allocations of the 2018 Stock Option Plan (SO 2018) authorized by the Shareholders' Meeting of December 21, 2018. These 2018 SOs include a vesting period set at 4 years with an obligation to be present ending between April 2, 2023 and November 13, 2024. The awards were made for the benefit of the Chairman, the members of the Management and the employees considered to be key members of Forsee Power SA.

(2) Following the authorization by the Shareholders' Meeting of August 5, 2021, 1,500,000 stock options (SO 2021) giving access to 1,500,000 ordinary shares were granted on August 12, 2021 to the Chairman of the Board of Directors as compensation for services rendered. These 1,500,000 SOs include "off-market" performance conditions (conversion of OC5 and completion of the acquisition of Holiwatt's assets) which were lifted on 27 and 28 September 2021. These 1,500,000 stock options include an initial lock-up period of 2 years ending on August 12, 2023, and can be exercised over a period of between the 2nd year and the 15th year following the grant date. At the date of grant, the Management estimated an expected schedule for the exercise of these 1,500,000 options, this schedule extending between 2023 and 2025.

(3) The number of options has been adjusted following the division by 100 of the nominal value of the shares of Forsee Power SA decided by the Extraordinary General Meeting of October 15, 2021.

The table below shows the Free Shares (AGAs) granted as of December 31, 2024 and prior years:

	Award date	Number of AGA Options Awarded	Number of AGA Options Cancelled	Number of AGA options in progress	Number of shares subscribed at the time of the AGA	Vesting period	AGA Acquisition Date
Free Shares (AGA 2021) (1) (3)	September 14, 2021	382 000	(20 000)	362 000	362 000	1 an	September 14, 2022
Free Shares (AGA R 2021) (2)	October 15, 2021	282 616	0	282 616	282 616	2 years	October 15, 2023
Free Shares (AGA 2022) (4) (5)	September 14, 2022	64 000	(32 000)	32 000	32 000	1 year	September 14, 2023
Free Shares (AGA 2022) (6)	December 21, 2023	208 000	(14 000)	194 000	194 000	1 year	December 21, 2024
Free Shares (AGA 2024) (7)	July 30, 2024, October 31, 2024 and December 31, 2024	570 780	0	570 780	570 780	16 months	November 30, 2025, February 28, 2026 and April 30, 2026
Total Free Shares (AGM)		**1 507 396**	**(66 000)**	**1 441 396**	**1 441 396**		

(1) The Board of Directors allocated 382,000 free shares (AGA 2021) on September 14, 2021 to the members of the Executive Committee and to employees considered to be key members of Forsee Power SA. These 2021 AGMs have a one-year vesting period with attendance requirements ending on September 14, 2022.

On September 14, 2022, the Board of Directors noted the definitive acquisition of 362,000 free shares to beneficiaries, and authorized a capital increase on September 15, 2022 through the issuance of 362,000 new ordinary shares drawn from share premiums.

(2) On October 15, 2021, the Board of Directors, on delegation from the Shareholders' Meeting of the same day, decided to grant the Chairman of the Board of Directors a maximum of 1,000,000 free shares and/or stock options to be definitively granted by June 30, 2022 at the latest. On April 6, 2022, the Board of Directors definitively granted a number of 282,616 Free Shares (AGA R 2021) following the opinion of the Appointments and Remuneration Committee on April 1, 2022. This allocation of 282,616 AGAs in respect of the 2021 variable remuneration of the Chairman is conditional on a 2-year attendance obligation ending on October 15, 2023, followed by an obligation to hold the subscribed shares for a limited period. The expense relating to these 282,616 free shares is recognised in the financial statements for the 2021 and 2022 financial years in proportion to the beneficiary's attendance obligation.

These 282,616 AGAs were definitively vested on October 15, 2023 and were exercised on the same day through the issuance of 282,616 new ordinary shares.

(3) The number of free shares has been adjusted following the division by 100 of the nominal value of the shares of Forsee Power SA decided by the Extraordinary General Meeting of October 15, 2021.

(4) The Board of Directors allocated 64,000 free shares (AGM 2022) on September 14, 2022 to members of the Executive Committee of Forsee Power SA. These 2022 AGAs have a one-year vesting period with an attendance requirement ending on September 14, 2023.

(5) 32,000 definitively acquired 2022 AGAs were exercised on June 20, 2023 through the issuance of 32,000 new ordinary shares.

(6) The Board of Directors allocated 208,000 free shares (2022 AGA plan) on December 21, 2023 to members of the Executive Committee and employees of Forsee Power SA and its subsidiaries. These 2022 AGMs have a one-year vesting period with an attendance requirement ending on December 21, 2024. On December 21, 2024, the Board of Directors noted the definitive acquisition of 194,000 free shares to the beneficiaries, and authorized a capital increase on December 22, 2024 through the issuance of 194,000 new ordinary shares drawn from share premiums.

(7) The Board of Directors has allocated a number of 478,647 free shares on July 30, 2024, 40,516 free shares on October 31, 2024 and 51,617 free shares on December 31, 2024 to members of the Executive Committee and employees of Forsee Power SA and its subsidiaries as compensation for the 2024 financial year (2024 AGA plan). These 2024 AGAs have a vesting period with an obligation to be present of 16 months from the date of allocation. These share allocations are subject to 3 collective performance conditions, of which only one condition has been fulfilled as of December 31, 2024.

The expense recognized in the periods presented for share-based transactions is as follows:

in thousands of euros	December 31, 2024	December 31, 2023
Costs recognized in specific reserve at the beginning of the period	**5 966**	**7 165**
Expenses recognized in profit or loss for the period (services rendered)	555	1 092
Cancellation of past costs of options that have lapsed over the period: *forfeiture* linked to the presence condition	(150)	(107)
Costs of options exercised over the period: *vested* related to the exercise of options	(520)	(2 184)
Specific Reserve Costs at Period-End	**5 851**	**5 966**
Expense to be recognized on future years	119	589
Estimated total cost of awards at the closing date	**5 970**	**6 555**

The IFRS 2 expense recognised in profit or loss for the 2023 and 2024 financial years is broken down as follows:

in thousands of euros	December 31, 2024	December 31, 2023
Stock-Options (SO 2018)	5	201
Free Shares (AGA R 2021)	0	808
Free Shares (AGA 2022) - Award 2022	0	67
Free Shares (AGA 2022) - Allocation 2023	505	15
Free Shares (AGA 2024) - Compensation 2024	45	0
Total	**555**	**1 092**

The IFRS 2 expense to be recognized in future years is broken down as follows:

in thousands of euros	December 31, 2024	December 31, 2023
2024	0	589
2025	119	0
2026	0	0
Total	**119**	**589**

The expense to be recognized on future years by SO and AGM plan is broken down as follows:

in thousands of euros	December 31, 2024	December 31, 2023
Stock-Options (SO 2018)	0	47
Free Shares (AGA 2022) - Allocation 2023	0	542
Free Shares (AGA 2024) - Compensation 2024	119	0
Total	**119**	**589**

The table below summarizes the data used in the stock option pricing model.

		Assumptions used to determine the P/E fair value under IFRS 2 (Black & Scholes)				Unit valuation under IFRS 2 (1)	Probable IFRS 2 cost at grant date	Probamount cost remaining as at December 31, 2024
	Award Date	Strike price in € (1)	Risk-free rates	Risk premium	Expected volatility		in thousands of euros	in thousands of euros
Stock-Options (SO 2018)	April 2, 2019	3,40 €	-0,44%	10,0%	69,6%	2,39 €	**1 432**	**1 432**
Stock-Options (SO 2018)	January 28, 2020	3,40 €	-0,59%	10,0%	70,8%	2,40 €	**252**	**252**
Stock-Options (SO 2018)	November 13, 2020	3,40 €	-0,74%	10,0%	80,4%	2,56 €	**192**	**0**
Stock-Options (SO 2021) (2)	August 12, 2021	6,50 €	-0,72%	0,0%	71,7%	2,94 €	**4 122**	**4 122**
		6,50 €	-0,71%	0,0%	68,5%	2,87 €		
		6,50 €	-0,60%	0,0%	65,7%	3,14 €		
Free Shares (AGA 2021) (4)	September 14, 2021	- €	-0,68%	0,0%	65,9%	6,50 €	**2 353**	**0**
Free shares (AGA R 2021) (3)	October 15, 2021	- €	-0,67%	0,0%	71,5%	7,25 €	**2 049**	**0**
		- €	-0,58%	0,0%	69,0%	7,25 €		
		- €	-0,38%	0,0%	65,6%	7,25 €		
Free Shares (AGA 2022) (5)	September 14, 2022	- €	1,31%	0,0%	52,9%	4,21 €	**270**	**0**
Free Shares (AGA 2022) (6)	December 21, 2023	- €	3,24%	0,0%	36,1%	2,68 €	**557**	**0**
Free Shares (AGA 2024) (7)	December 21, 2024	- €	3,22%	0,0%	43,0%	0,86 €	**164**	**164**
Total							**11 391**	**5 970**

(1) Division by 100 of the nominal value of the share decided by the Extraordinary General Meeting of October 15, 2021.

(2) The probable cost of the 1,500,000 Stock Options granted on August 12, 2021 has been evaluated on the basis of an expected schedule for the exercise of the options between 2023 and 2025.

(3) The probable cost of the 282,616 Free Shares granted on October 15, 2021 has been evaluated on the basis of an expected schedule for the exercise of the options between 2023 and 2025. The valuation of the option takes into account a value of the Forsee Power share of €7.25 as used for the capital increase decided by the Combined General Meeting of October 15, 2021.

These 282,616 AGMs were definitively vested on October 15, 2023 and were exercised on the same day through the issuance of 282,616 new ordinary shares.

(4) The 2021 AGMs were definitively vested on September 14, 2022 and were exercised on September 15, 2022 through the issuance of 362,000 new ordinary shares.

(5) 32,000 definitively acquired 2022 AGMs were exercised on June 20, 2023 through the issuance of 32,000 new ordinary shares.

(6) Allocation of 208,000 AGMs on December 21, 2023 with a one-year vesting period.

These 194,000 AGMs were definitively acquired on December 21, 2024 and were exercised on December 22, 2024 through the issuance of 194,000 new ordinary shares

(7) The Board of Directors has allocated a number of 478,647 free shares on July 30, 2024, 40,516 free shares on October 31, 2024 and 51,617 free shares on December 31, 2024 as compensation for the 2024 financial year (2024 AGM plan) to members of the Executive Committee and employees of Forsee Power SA and its subsidiaries

The employer's contribution is paid during the year of allocation for Stock Options and during the year of definitive acquisition of the rights for the Free Shares.

7.10.4. Treasury shares

The treasury shares consist of Forsee Power SA shares held by the Group through an independent investment services company (Kepler Cheuvreux) in charge of the liquidity contract (see Notes 3.3.13 and 7.4)

Under this liquidity agreement, the Group held 302,121 Forsee Power SA shares as of December 31, 2024, representing a value of €174,000, less a fair value measurement of €(47),000, i.e. €127,000, as well as €94,000 in cash classified as other current assets.

The treasury shares held under the liquidity contract are recognised as a deduction from consolidated equity.

7.10.5. Conversion reserves

The currency conversion reserve is as follows:

in thousands of euros		December 31, 2024	December 31, 2023
Dollar de Hong Kong	HKD	321	17
Chinese yuan renminbi	CNY	(144)	(168)
Zloty polonais	PLN	(26)	(22)
Indian Rupee	INR	(79)	(102)
Singapore Dollar	SGD	0	(1)
United States Dollar	USD	(300)	62
Japanese Yen	JPY	(30)	(10)
Conversion reserve - Group share		**(258)**	**(224)**

7.10.6. Net earnings per share

	December 31, 2024	December 31, 2023
Consolidated net income	(12 074)	(27 962)
Weighted average number of shares outstanding	71 395 506	64 989 546
Net earnings per share	**(0,17) €**	**(0,43) €**

Diluted earnings per share are equal to earnings per share in the presence of a loss.

7.11. Provisions for risks and charges

The variations for the 2024 and 2023 financial years are as follows:

in thousands of euros	December 31, 2023	Additions	Reversals	*Of which used*	Reclassification	Conversion effects	December 31, 2024
Provisions for after-sales service guarantee	6 634	4 554	(4 523)	*(4 523)*			6 665
Recycling Provisions	2 397		(1 471)				927
Litigation provisions	270	721	(163)				828
Provision for litigation with Unu GmbH	249		(43)				206
Other provisions for charges	0	170			233	7	410
Provisions	**9 550**	**5 444**	**(6 199)**	**(4 523)**	**233**	**7**	**9 036**
Of which							
Current		*170*			*233*	*7*	*410*
Non-current	*9 550*	*5 275*	*(6 199)*	*(4 523)*			*8 626*

in thousands of euros	December 31, 2021	Additions	Reversals	*Of which used*	Reclassification	Conversion effects	December 31, 2023
Provisions for after-sales service guarantee	6 481	5 360	(2 810)	*(2 810)*		(0)	9 031
Recycling Provisions							
Litigation provisions	690		(170)				519
Provision for litigation with Unu GmbH							
Provisions	**7 170**	**5 361**	**(2 980)**	**(2 810)**		**(0)**	**9 550**
Whose							
Current							
Non-current	7 170	5 361	(2 980)	*(2 810)*		(0)	9 550

The main provisions for risks and charges are detailed below:

- **The provision for after-sales service (after-sales service)** guarantee recognized at closing as of December 31, 2024 at €6,665 thousand compared to €6,633 thousand at December 31, 2023.

  This provision is intended to cover the risk of future after-sales costs due to Forsee Power's liability for the products sold (commitment to repair or replace any defective element of the battery systems sold). This guarantee is a legal obligation, it is not optional in the contract and is generally spread over 4 to 5 years. Given the uncertain nature of the probability of the occurrence of a default, this provision is statistically measured in accordance with IAS 37 on the basis of the revenues sold and is adjusted according to the after-sales costs actually incurred by the Group during the year.

- **The recycling provision** of €927k as of December 31, 2024 (€2,397k as of December 31, 2023) was set aside to cover the estimated future recycling costs of battery systems sold and for which the Group has a commitment to take back and recycle in the event of the return of batteries by customers.

  This provision is calculated according to the number of systems sold concerned by the take-back commitment and valued according to the external cost of recycling the different types of batteries. The Group regularly updates these external recycling costs to take into account improvements in the costs of processing this relatively new sector.

- **Litigation provisions** represent a total amount of €261 thousand as of December 31, 2024 (€270 thousand as of December 31, 2023), and correspond to the valuation of other risks, such as the risk of customer penalties, litigation, excluding the dispute with Unu GmbH presented separately below for €299 thousand.

Litigation with Unu GmbH:

Unu GmbH has been placed in receivership before the Court of Berlin Charlottenburg according to information brought to Forsee Power's attention on 23 November 2023.

Following the opening of this receivership procedure in Germany, a German receiver has been appointed. This German insolvency administrator must decide both on the continuation of the activity of Unu GmbH and on the advisability of maintaining the legal proceedings underway in France and Germany.

On 2 May 2024, the assets of Unu GmbH were acquired by EMCO to the exclusion of all litigation, so the work of the insolvency administrator will continue on this point.

On 27 December 2024, HDI Global SE, in its capacity as civil liability insurer of Unu GmbH, and acting as a subrogee of Unu's rights, sued Forsee Power, Axa France IARD SA and Generali IARD SA, before the Commercial Court of Paris

Forsee Power does not have information on the closing date of the financial statements for the year ended December 31, 2024 to assess whether or not the legal proceedings initiated in France and Germany will continue.

The referral procedure in Paris:

On 12 March 2021, Unu GmbH summoned Forsee Power and its former insurer, Generali, to the Commercial Court of Paris for a request for a judicial expertise. Unu GmbH is taking action against the Company on the basis of product liability and contractual liability under common law, alleging that the batteries are defective and do not meet the technical specifications agreed between the parties under the terms of the supply agreement of 23 July 2016 and its amendment of 29 June 2018. The Company did not oppose this request for a forensic expert opinion but indicated that it should also cover the scooters produced by Unu GmbH, whose characteristics that do not comply with the initial contractual specifications are the cause of battery malfunctions.

By an order of 31 March 2021, the urgent applications judge ordered the appointment of a judicial expert whose mission covers both the study of batteries and scooters in order to qualify the origin of the malfunctions, the associated disorders and therefore the responsibilities. The initially appointed expert having withdrawn, the urgent applications judge ordered the appointment of a new expert by an order of 16 April 2021.

The expert has heard, as of 5 May 2021, the various arguments presented by the Parties but has not yet designated a laboratory to carry out the necessary tests on batteries and scooters. However, the latter has repeatedly noted the difficulties of cooperation with Unu GmbH, which refuses to communicate certain key documents for the expertise, in particular the test reports of its scooters.

On December 31, 2021, Unu GmbH summoned Forsee Power for summary proceedings before the Commercial Court of Paris for the purpose of replacing the legal expert appointed in April 2021. Unu GmbH considers that the expert is manifestly biased and that he does not have sufficient competence to carry out the forensic expertise. On January 26, 2022, the Company responded to these arguments by indicating that the summary judge did not have jurisdiction and that the case should be brought before the Control Judge. The Company also rejects the arguments of Unu GmbH regarding the alleged bias or incompetence of the expert.

The Interim Relief Judge of the Commercial Court of Paris declared, in a judgment of March 18, 2022, that it had no jurisdiction in the request of Unu GmbH to replace the judicial expert appointed in April 2021.

The Supervisory Judge maintained the judicial expert and appointed a joint judicial expert.

Persistent disagreements on the content of the expert tests to be carried out, Forsee Power referred the matter to the expert review judge on November 22, 2023 to order the experts to start their expert assessments without delay and to set a reasonable timetable.

During the hearing on December 21, 2023, the judge in charge of the supervision of expert opinions had ordered the legal experts to begin their expert assessments on the scooters with a view to the submission of their report, which was expected by the end of 2024.

In an order dated January 29, 2024, the control judge confirmed that the test protocol could be started as it stands. The Tolosa Lab was finally selected following the withdrawal of Emitech. The results of the tests are not known to date.

The trial proceedings:

On November 2, 2021, despite the ongoing expert report, Unu GmbH summoned Forsee Power before the Paris Commercial Court, ruling on the merits on the same grounds as for the expert report and claims €15,845 K for the material damage suffered, as well as €50 K for non-material damage.

At the procedural hearing on 28 September 2022, the General Court adjourned the case to 12 April 2023. The Court, in its deliberations of 22 June 2023, stayed the proceedings until the expert report had been filed.

Expert assessment summary proceedings in Lyon:

On May 25, 2022, Unu GmbH summoned Forsee Power for summary proceedings before the Judicial Court of Lyon for a request for a judicial expertise carried out by the insurer and the family of an individual who died in the fire in his home in August 2021.

The circumstances of this fire have not been established: the fire starting, according to the insurer, at the garage door, the said garage contained a Piaggio thermal scooter and an Unu electric scooter. It was in this context that the insurer brought an action against Unu GmbH to appoint a legal expert to determine the origin of the fire.

The investigations have not begun and no cause is at this stage favoured. The Urgent Relief Judge ordered the extension of the expert mission on August 1, 2022. A first expert meeting took place on October 18, 2022. The expert is waiting to continue his investigations given the multiple possible causes at the origin of the fire.

In the event that the damage was indeed caused by the scooter, the said accident would not be covered by the Company's new insurer since it would then be a new serial incident related to Unu batteries. As the risk was identified in 2019, it would therefore also fall under the policy concluded with the former insurer of Forsee Power.

At the same time, an investigation was carried out by the Lyon prosecutor's office but it was closed without further action. This does not prejudge the possibility of a complaint being filed with a civil party before an Investigating Judge at a later date by the victim's family.

Proceedings before the Paris Judicial Court:

On September 13, 2023, Forsee Power was summoned before the Paris Judicial Court by the company Equité Assurances (Appendix 21).

The summons is filed by the insurer of a consumer whose scooter caught fire in his garage who is acting after compensating his client. The insurer is taking action against Unu GmbH and its insurer on the basis of the warranty against latent defects, and against Forsee Power on the basis of product liability. The latter requested that the defendants be condemned *in solidum* for an amount of €269,676.

The proceedings have been postponed to 28 March 2025, so that the parties can inform the Judge of their intentions. Forsee Power has not yet heard back from this session.

Proceedings before civil courts in Germany:

On 15, 29 September and 9 November 2022, Forsee Power received summonses for forced intervention before three civil courts in Germany (*Landgericht* Flensburg, Munich and Coburg) from Unu GmbH in proceedings initiated by the victims of the various claims.

These proceedings were supplemented by new summonses received on 19 July, 31 July, 22 August, 30 November and 29 December 2023, before four other civil courts in Germany (*Landgericht* Cologne, Hamburg, Essen, and Aachen) from Unu GmbH in proceedings initiated by the victims of the various claims

Forsee Power put forward the same arguments as those developed in the proceedings opened in France, and requested a stay of proceedings pending the results of the judicial expertise opened in France.

Risk assessment and provision:

The provision recorded in the consolidated financial statements as of December 31, 2024 in the amount of €205 thousand (€249 thousand as of December 31, 2023) therefore includes both the fees of the Company's legal counsel but also those of the legal expert and external experts requested by the Company. The provision was taken over and used in the amount of €43 thousand in the 2024 financial year in connection with the expenses recognized in the year, mainly for expert and legal fees.

The company considers that the claims of Unu GmbH are unfounded and intends to assert its legal rights and arguments in France and abroad, justifying at this stage of the procedure the absence of a provision for risks beyond the legal costs mentioned.

7.12. Post-employment benefits and Long-service awards

7.12.1. Defined contribution scheme

An expense of €1,796 thousand was recorded as of December 31, 2024 (€1,624 thousand as of December 31, 2023) for defined contribution plans in France.

7.12.2. Defined Benefit Plan

The Group does not have any defined benefit schemes other than end-of-career allowances for French employees , the details of which are as follows:

in thousands of euros	December 31, 2024	December 31, 2023
End-of-career allowances	435	499
Labor Medals	0	0
Total	**435**	**499**

in thousands of euros	December 31, 2024	December 31, 2023
Beginning-of-period commitments	**499**	**379**
Costs of services rendered	50	10
Interest on Debt	16	15
Actuarial Differences on Changes in Financial and Demographic Assumptions (Experience Gains)	(130)	95
Actuarial Gains and Losses on Departures of Plan Beneficiaries	0	0
Retirement benefits	0	0
Period-end commitments	**435**	**499**

Actuarial assumptions

For the end-of-career compensation scheme, the basic assumptions (staff turnover rate, salary increase) of these calculations have been determined according to the Group's forward-looking and historical policy.

The assumptions taken into account for the valuations consist of:

	December 31, 2024	**December 31, 2023**
Financial Assumptions		
Discount rate	3,25%	3,23%
Wage growth rates	2,00%	2,20%
Social security contribution rate Executives	48,66%	48,73%
Non-executive payroll tax rates	39,55%	36,98%
Demographic assumptions		
Employee turnover under 35 years of age	25,30%	7,50%
Employee turnover between 36 and 45 years old	15,56%	5,00%
Employee turnover over 46 years of age	4,15%	2,50%
Retirement age at the end of the career used for executives	64 years old	64 years old
Retirement age at the end of the career for non-executives	64 years old	64 years old
Mortality table	INSEE 2024	INSEE 2022

The discount rates used are obtained by reference to the rate of return on bonds issued by 1st tier companies with a maturity equivalent to the duration of the regimes evaluated of approximately 10 years. The rate was determined by considering market indices of AA-rated bonds available at the end of December 2024.

Commitment sensitivity analyses were carried out as of 31 December 2024 on the following key assumptions:

	Gross impact on liabilities as of December 31, 2024	% of total commitments as at 31 December 2024
Discount rate		
Discount rate change of -0.25%	8	1,8%
Discount rate change of +0.25%	(7)	(1,6)%
Turnover rate		
-1.00% change in *employee* turnover	19	4,3%
+1.00% change in *employee* turnover	(17)	(3,9)%
Wage growth rates		
Variation de +1.00%	32	7,4%
Variation de +1.50%	50	11,4%
Retirement age		
Retirement at 63	17	3,9%
Retirement at 65	(45)	(10,3)%

7.13. Borrowing and financial liabilities

in thousands of euros	December 31, 2023	Issuance	Refunds	Debt issuance fees	Interest on interest-free loans	Reclassification	Conversion effects	Effective interest method	Net change	Capitalized interest	Fair value	IFRS 16 borrowings	December 31, 2024
Borrowings from the EIB (1)	32 324							819		1 206			34 349
Asset loan from the BPI (3)	938					(938)							
State-guaranteed loan from the BPI (2)	2 188					(1 563)							625
State-guaranteed loan from BNP (2)	2 963					(2 128)							835
State-Guaranteed Loan from HSBC (2)	2 729					(1 901)							828
Right-of-use debt - non-current	15 578	234				(2 749)	334					1 554	14 952
Deposits and Bonds Received	20												20
Repayable advances - non-current	45	218											263
Related party liabilities	694								(211)				482
Long-term financial debt	**57 477**	**452**				**(9 279)**	**334**	**819**	**(211)**	**1 206**		**1 554**	**52 353**
Asset loan from the BPI (3)	1 250		(1 563)			938							625
State-guaranteed loan from the BPI (2)	1 250		(1 563)			1 563							1 250
State-guaranteed loan from BNP (2)	1 956		(2 209)			2 128							1 875
State-Guaranteed Loan from HSBC (2)	1 875		(1 895)			1 901							1 881
Accrued interest on financial debts	1 069	116	(55)				1						1 085
Right-of-use debt - current	2 109		(2 314)			2 749	39						2 584
Interest accrued on rights of use	39	(63)	(1)			46	2						22

in thousands of euros	December 31, 2023	Issuance	Refunds	Debt issuance fees	Interest on interest-free loans	Reclassification	Conversion effects	Effective interest method	Net change	Capitalized interest	Fair value	IFRS 16 borrowings	December 31, 2024
Short-term credit line (4)		2 013					54						2 068
Foreign exchange fair value hedges (5)	77								121		453		651
Unmatured accrued interest													
Short-term financial debt	**9 626**	**2 066**	**(9 600)**			**9 325**	**96**		**121**		**453**		**12 041**
Gross financial debt	**67 104**	**2 518**	**(9 600)**			**46**	**430**	**819**	**(90)**	**1 206**	**453**	**1 554**	**64 394**
Of which													
Current	*9 626*	*2 066*	*(9 600)*			*9 490*	*96*		*121*				*11 799*
Non-current	*57 477*	*452*				*(9 444)*	*334*	*819*	*(211)*	*1 206*	*453*	*1 554*	*52 595*

2) EIB financing

An EIB loan was signed in December 2020, of which Tranche A of €21.5 million was raised on 16 June 2021 for a period of 5 years. This tranche is accompanied by 3,500 EIB Warrant C warrants issued on 4 June 2021, leading to the issuance of 500,090 ordinary shares (AO) in the event of exercise.

Tranche C of the EIB loan was drawn on 18 December 2023 for an amount of €10 million for a period of 5 years. This tranche is accompanied by 1,000 EIB Warrant E warrants issued on 4 December 2023, leading to the issuance of 300,000 ordinary shares (AOs) in the event of exercise.

The derivative financial instruments on EIB bonds (BSA EIB Warrant A , BSA EIB Warrant C and BSA EIB Warrant E) are presented in Note 7.14 below.

The 2020 EIB Credit Agreement requires that a positive level of equity be maintained at all times at the level of Forsee Power. The EIB 2020 Credit Agreement also requires Forsee Power, on a consolidated basis, to maintain:

(i) A debt service coverage ratio (cash flows/debt service) above 2.0 and;

(ii) A debt-to-equity ratio of less than 1.0.

These ratios are tested annually at the end of each fiscal year and for the first time for the period ending December 31, 2024.
The application of the test on the debt service coverage ratio was *waived* on December 20, 2024, leading to the maintenance of the initial schedule.
The debt-to-equity ratio was less than 1 as of December 31, 2024, so compliance with the covenants is validated.

3) The State-Guaranteed Loans (PGE) with BNP for €7.5 million and HSBC for €7.5 million were granted in June 2020 at 0% interest, and renegotiated in March 2021 at 0.75% and 0.31% respectively. The PGE with BNP is repaid quarterly from 4 September 2022 until 4 June 2026. The state-guaranteed loan with HSBC is repaid quarterly from 11 September 2022 until 11 June 2025.

In June 2020, Forsee Power SA also subscribed to a "PGE – innovation support" with the BPI for €5 million at a rate of 2.35%. The PGE with the BPI is repaid quarterly from 30 September 2022 until 30 June 2026

4) In June 2020, Forsee Power took out an "Atout" loan of €5 million with BPI at a rate of 5%. This loan is repaid quarterly over 4 years until June 30, 2025 after a one-year grace period that ended on August 31, 2021.

5) ZFI signed a short-term letter of credit provided by CHINA MERCHANTS BANK for the payment of the supplier CALB during the financial year ended December 31, 2024.

6) Currency swap contracts (FX Swap) with a notional value of €46.7 million as of December 31, 2024 to cover settlements in US Dollar, Japanese Yen and Chinese Yuan currencies with several suppliers in the first half of 2025 in the 2024 financial year.

The changes over the previous year in 2023 are as follows:

in thousands of euros	December 31, 2022	Issuance	Refunds	Debt issuance fees	Interest on interest-free loans	Reclassification	Conversion effects	Effective interest method	Net change	Capitalized interest	Fair value	IFRS 16 borrowings	December 31, 2023
Bonds													
Borrowings from the EIB (1)	22 581	10 000						471	(0)		(728)		32 324
Asset loan from the BPI (3)	2 188					(1 250)							938
State-guaranteed loan from the BPI(2)	3 438					(1 250)							2 188
State-guaranteed loan from BNP (2)	4 209					(1 246)							2 963
State-Guaranteed Loan from HSBC (2)	4 156					(1 427)							2 729
Right-of-use debt - non-current	14 194		(110)			(2 255)	(202)					3 952	15 578
Deposits and Bonds Received		(0)				20							20
Repayable advances - non-current		45											45
Related party liabilities	691					(20)			23				694
Receivables Financing Debt													
Long-term financial debt	**51 455**	**10 045**	**(110)**			**(7 428)**	**(202)**	**471**	**23**		**(728)**	**3 952**	**57 477**
Asset loan from the BPI (3)	1 250		(1 250)			1 250							1 250
State-guaranteed loan from the BPI (2)	1 250		(1 250)			1 250							1 250
State-guaranteed loan from BNP (2)	1 875		(1 165)			1 246							1 956
State-Guaranteed Loan from HSBC (2)	1 875		(1 427)			1 427							1 875
Accrued interest on financial debts	1 065	2 080	(1 064)			(1 009)	(2)						1 069
Right-of-use debt - current	1 390		(1 512)			2 256	(26)						2 109
Interest accrued on rights of use			40				(0)						39
Foreign exchange fair value hedges (4)	6								70				77
Unmatured accrued interest													
Short-term financial debt	**8 711**	**2 080**	**(7 628)**			**6 420**	**(28)**		**70**				**9 625**

in thousands of euros	December 31, 2022	Issuance	Refunds	Debt issuance fees	Interest on interest-free loans	Reclassification	Conversion effects	Effective interest method	Net change	Capitalized interest	Fair value	IFRS 16 borrowings	December 31, 2023
Gross financial debt	**60 167**	**12 124**	**(7 738)**			**(1 008)**	**(230)**	**471**	**93**		**(728)**	**3 952**	**67 103**
Whose													
Current	*8 711*	*2 080*	*(7 628)*			*6 420*	*(28)*		*71*				*9 626*
Non-common	*51 455*	*10 045*	*(110)*			*(7 428)*	*(202)*	*471*	*22*		*(728)*	*3 952*	*57 477*

1) EIB financing

An EIB loan was signed in December 2020, of which Tranche A of €21.5 million was raised on 16 June 2021 for a period of 5 years. This tranche is accompanied by 3,500 $_{\text{EIB Warrant C warrants}}$ issued on 4 June 2021, leading to the issuance of 500,090 ordinary shares (AO) in the event of exercise.

Tranche C of the EIB loan was drawn on 18 December 2023 for an amount of €10 million for a period of 5 years. This tranche is accompanied by 1,000 $_{\text{EIB Warrant E warrants}}$ issued on 4 December 2023, leading to the issuance of 300,000 ordinary shares (AOs) in the event of exercise.

The derivative financial instruments on EIB bonds (BSA $_{\text{EIB Warrant A}}$, BSA $_{\text{EIB Warrant C}}$ and BSA $_{\text{EIB Warrant E}}$) are presented in Note 7.14 below.

2) The State-Guaranteed Loans (PGE) with BNP for €7.5 million and HSBC for €7.5 million were granted in June 2020 at 0% interest, and renegotiated in March 2021 at 0.75% and 0.31% respectively. The PGE with BNP is repaid quarterly from 4 September 2022 until 4 June 2026. The state-guaranteed loan with HSBC is repaid quarterly from 11 September 2022 until 11 June 2025.

In June 2020, Forsee Power SA also subscribed to a "PGE – innovation support" with the BPI for €5 million at a rate of 2.35%. The PGE with the BPI is repaid quarterly from 30 September 2022 until 30 June 2026

3) In June 2020, Forsee Power took out an "Atout" loan of €5 million with BPI at a rate of 5%. This loan is repaid quarterly over 4 years until June 30, 2025 after a one-year grace period that ended on August 31, 2021.

4) Currency swap contracts (FX Swap) with a notional value of €3.4 million ($3.7 million) as of December 31, 2023 to hedge settlements in the first half of 2024 in US Dollar ($) currencies with several providers.

The schedule of financial debts is as follows:

in thousands of euros	December 31, 2024	Due in up to 1 year	Due in 1 to 5 years	Due in more than 5 years	Covenant
Borrowings from the EIB (1)	34 349		34 349		Yes
Atouts loan from the BPI					Not
State-guaranteed loan from the BPI	625		625		Not
State-guaranteed loan from BNP	835		835		No
State-Guaranteed Loan from HSBC	828		828		No
Debts on leased property	14 952		7 411	7 540	Not
Deposits and Bonds Received	20			20	Not
Repayable advances	263			263	Not
Related party liabilities	482		482		Not
Long-term financial debt	**52 353**		**44 530**	**7 823**	
Atouts loan from the BPI	625	625			Not
State-guaranteed loan from the BPI	1 250	1 250			Not
State-guaranteed loan from BNP	1 875	1 875			Not
State-Guaranteed Loan from HSBC	1 881	1 881			Not
Accrued interest on financial debts	1 085	1 085			Not
Debts on leased property	2 584	2 584			Not
Interest accrued on rights of use	22	22			Not
Foreign exchange fair value hedges	651	651			Not
Short-term line of credit	2 068	2 068			Not
Short-term financial debt	**12 041**	**12 041**			
Gross financial debt and similar	**64 394**	**12 041**	**44 530**	**7 823**	

1) The loan from the EIB was maintained on 31 December 2024 according to the initial schedule following the receipt on 20 December 2024 *of the waiver* relating to the non-repayment of the debt following the non-compliance with one of the covenants.

7.14. Derivatives on financial instruments

in thousands of euros	Date of Issue	Due date	Number of BSA instruments	Number of shares subscribed in the event of exercise of the BSAs (2)	December 31, 2024	December 31, 2023
BSA Warrant A for EIB (1)	18 March 2018	March 15, 2028	6 857	1 118 379	397	2 869
BSA Warrant C for EIB (1)	June 4, 2021	June 4, 2041	3 500	496 094	203	1 297
BSA Warrant E for EIB (1)	December 4, 2023	December 4, 2043	1 000	302 079	96	669
Total			**11 357**	**1 916 552**	**696**	**4 835**

(1) The company has issued several Warrants (BSA) to the European Investment Bank (EIB):

- 6,857 EIB Warrant A warrants giving access to 1,127,387 ordinary shares (AO) issued on 18 March 2018 in addition to the €20 million financing;
- 3,500 EIB Warrant B warrants giving access to 500,090 ordinary shares (AO), issued on June 4, 2021 in addition to the €21.5 million financing;
- 1,000 EIB Warrant E warrants giving access to 300,000 ordinary shares (AO), issued on December 4, 2023 in addition to the €10 million financing.

These BSAs are presented and valued as a passive derivative instrument for the following reasons:

- These BSAs do not meet the condition of an equity instrument insofar as its settlement cannot result in a fixed number of shares in the company;
- These BSAs are accompanied by a *put option* allowing the EIB to have a cash repayment for the fair value of the shares not received.

(2) The exchange rates for these BSAs into ordinary shares of the company have been updated following the capital increase of May 9, 2023, the allocation on December 21, 2023 of free shares (AGM) and the issuance of 1,000 BSA E. The number of ordinary shares (AOs) for the 6,857 EIB Warrant A warrants has thus increased from 859,263 AOs to 1,127,387 AOs as of December 31, 2023, and for the 3,500 BEI has thus increased from 388,761 AOs to 500,090 AOs as of December 31, 2023.

The variations over the 2024 and 2023 financial years are presented in the table below:

in thousands of euros	December 31, 2024	December 31, 2023
Derivatives instruments at beginning of year	**4 835**	**4 108**
Change in fair value recognized in profit or loss	(4 139)	(1)
Derivatives issued (net of costs) (1)	0	728
Derivatives cancelled on translation	0	0
Closing Derivatives instruments	**696**	**4 835**

1) Issuance of 1,000 EIB Warrant E warrants on 4 December 2023 in addition to the EIB's financing of €10 million;

The timing of derivatives on financial instruments is as follows:

in thousands of euros	Due in up to 1 year	Due in 1 to 5 years	Due in more than 5 years	Total
BSA Warrant A for EIB		397		397
BSA Warrant C for EIB			203	203
BSA Warrant E for EIB			96	96
Total	**0**	**397**	**299**	**696**

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

	BSA Warrant A for EIB	BSA Warrant C for EIB	BSA Warrant E for EIB	Gross impact on fair value as at December 31, 2024
Forsee Power share price down (25)%	281	152	69	**502**
Forsee Power share price up 10%	444	234	107	**785**

7.15. Risk Management of Financial Assets and Liabilities

7.15.1. Credit Risk Management

The Group is exposed to credit risk in the event of a delay in customer collection or in the event of default by one of its customers who fails to meet its obligations, resulting in a financial loss for the Group. The Group ensures that it does not create or maintain dependence on them by diversifying the nature of its customer base and developing its share of exports.

The Group is exposed to limited credit risk as of December 31, 2024 given the financial quality of its main customers.

7.15.2. Liquidity risk management

Forsee Power is facing a liquidity risk, i.e. a risk that the Group will not be able to meet its financial obligations inherent in the continuation of its activity, given the financing needs for the development of its business.

Forsee Power has reviewed its liquidity risk for the next 12 months to April 2026 with regards to the following elements:

- The level of available cash in 31 December 2024, which amounted to €5.37 million;

- The Group's business cash flow outlook for the next 12 months
- The Group has an order book that gives it good visibility on its sales for the coming months.
- In 2025, the Group also renewed its non-recourse factoring program with Facto France with an uncapped amount of receivables in euros and dollars (within the limits per customer given by credit insurers)
- A new working capital financing line guaranteed by the French plant's inventories from a pool of five banks for €10 million validated in Apr-25
- Various hypotheses for additional financing of various kinds or the restructuring of existing financing are being studied or implemented: they will also strengthen the Group's liquidity.

Based on the forecasts and assumptions described above, the Group believes that it will be able to meet its current future needs over the next twelve months.

in thousands of euros	**December 31, 2024**	**December 31, 2023**
Overdraft authorization	0	0
Subtotal credit facilities (a)	**0**	**0**
Cash and cash equivalents	5 369	25 902
Bank Overdrafts - Passive Treasury	0	0
Net liquidity (b)	**5 369**	**25 902**
Total liquidity position (a) + (b)	**5 369**	**25 902**

7.15.3. Market Risk Management

The Group is exposed to the upward trend in raw material and energy prices observed on the international market. However, the Group has countermeasures presented in Note 2 "Characteristics" in order to limit this risk.

The Group has a volume of merchandise purchases and battery sales in US dollar currency, Chinese yuan and Japanese yen. In 2023, the Management has implemented currency hedging by means of currency swap contracts *(FX swaps*) on the US dollar based on the forecasts of purchases and sales at the various industrial sites, and the expected evolution of the parity between the euro currency and the US dollar currency.

7.15.4. Capital Management

On November 26, 2021, Forsee Power SA signed a liquidity contract with an independent investment services company (ISP), Kepler Cheuvreux, to ensure the liquidity of transactions and the regularity of the listing of the company's shares in accordance with AMF Decision No. 2021-01 of June 22, 2021.

This contract is for a period of 12 months with tacit renewal unless terminated.

The contract provides for an overall ceiling of €500K (cash and securities). However, additional contributions to the liquidity account may be made when the cash or securities balance appears insufficient to ensure the continuity of the liquidity contract provider's interventions.

The cash made available to the investment services company is initially €500K, and no securities were initially made available. The cash available in the liquidity account amounted to €94k as of December 31, 2024, and the overall net value of the Forsee Power SA shares held amounted to €127k as of December 31, 2024.

Forsee Power SA publishes a half-yearly report on the purchase and sale of securities carried out under the liquidity contract.

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

7.16.1. Cash, loans and receivables

The Group believes that the carrying value of cash, trade receivables, other receivables, trade payables, other payables and miscellaneous deposits and guarantees is a good approximation of the market value as of December 31, 2024 due to the high degree of liquidity of these items and their maturity in less than one year.

7.16.2. Assets at fair value

The Group does not hold any investment securities as of December 31, 2024.

7.16.3. Derivative and hedging financial instruments

The Group does not hold any trading derivatives as of December 31, 2024.

As of December 31, 2024, the Group was hedged in the currencies of the US dollar, Japanese yen and Chinese yuan by means of two currency swap contracts (*FX Swaps*) for an amount of €46.7 million to cover settlements in the first half of 2025.

7.16.4. Financial liabilities at amortized cost

For accounts payables, the Group considers the carrying amount to be a good approximation of the 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 flows, discounted using the rates observed by the Group at the end of the period for instruments with similar terms and maturities.

7.16.5. Financial instrument report

The market values of financial assets and liabilities measured at fair value, which is the price that would be received for the sale of an asset or paid for the transfer of a liability in a normal transaction recognized in the principal or most advantageous market, at the valuation date. The methods for valuing financial assets and liabilities by level are as follows:

- Level 1: fair value measured exclusively by reference to prices in active markets;
- Level 2: fair value measured by a model using directly or indirectly observable market parameters;
- Level 3: fair value measured by a model incorporating certain unobservable market parameters;

in thousands of euros	December 31, 2024	Fair value	Level 1 Unadjusted prices and Prices	Level 2 Observable data	Level 3 Non-observable data
Cash and cash equivalents	5 369	5 369	5 369		
Financial instruments not held for trading	0				0
Financial assets at fair value	**5 369**	**5 369**	**5 369**		**0**
Deposits and guarantees paid	457	457			457
Other financial assets	1 613	1 613			1 613
Trade accounts receivables	11 161	11 161			11 161
Other assets	28 595	28 595			28 595
Assets at amortized cost	**41 825**	**41 825**			**41 825**
Derivatives on financial instruments	696	696		696	
Currency hedging derivative	651	651		651	
Financial liabilities at fair value	**1 347**	**1 347**		**1 347**	
Long-term financial debt	52 353	52 353			52 353
Short-term financial debt	11 390	11 390	651		10 740
Trade payables presented in WCR	18 320	18 320			18 320
Other liabilities	28 011	28 011			28 011
Liabilities at amortized cost	**110 074**	**110 074**	**651**		**109 424**

The methods and assumptions used to estimate the fair value of financial assets and liabilities are presented in Note 3.3.7.

7.17. Supplier payables

in thousands of euros	December 31, 2024	December 31, 2023
Suppliers	18 320	23 588
Supplier payables presented in WCR	**18 320**	**23 588**
Supplier payables	**18 320**	**23 588**

7.18. Other liabilities

in thousands of euros	December 31, 2024	December 31, 2023
Customers - Advances and deposits received	11 101	7 727
Social security liabilities	6 755	7 485
Tax liabilities	2 708	1 035
Liabilities related to customer contracts (1)	4 523	3 889
Other miscellaneous current liabilities (2)	2 542	1 293
Benefit granted on PGE loans with off-market rates	217	544
Other debts presented in WCR	**27 845**	**21 973**
Income tax liability	98	341
Debts on acquisitions of fixed assets	68	0
Other liabilities	**28 011**	**22 314**
Whose		
Current	*23 712*	*18 919*
Non-current	*4 299*	*3 396*

1) Including €3,667 thousand as of December 31, 2024 of deferred revenue on specific battery warranty extensions (€2,618 thousand as of December 31, 2023) and €566 thousand in investment subsidies;

The change in contract liabilities is as follows:

in thousands of euros	December 31, 2024	December 31, 2023
Contract liabilities at the beginning of the period	**3 889**	**2 668**
- Liabilities on contracts assumed following the fulfilment of performance obligations over the period	(1 275)	(65)
- Liabilities on contracts cancelled following cancellation of the contract		
+ Performance obligations not achieved on new contracts during the period	1 909	1 275
+/- Discount and translation effects	0	11
Liabilities on contracts at end of period	**4 523**	**3 889**

Performance obligations mainly correspond to extensions of guarantees, and are carried out over a period of between 1 and 4 years.

2) Including €220K at Zhongshan Forsee Industry Ltd (compared to €532K at December 31, 2023) and €7K at Zhongshan Forsee Development (compared to €7K at December 31, 2023).

The other liabilities have a maturity of less than 12 months, with the exception of the advantage granted on a zero-interest state-guaranteed loan with a maturity of between 1 and 5 years, and for contract liabilities. Non-current liabilities are discounted as soon as the time value of the money is significant.

7.19. Deferred taxes

Deferred taxes are broken down by temporary differences as follows:

in thousands of euros	December 31, 2024	December 31, 2023
Temporary tax differences	55	65
Provisions for retirement benefits	122	132
Rental debt on rental contracts	4 297	4 408
Rights of use on rental contracts	(4 000)	(4 272)
Costs of issuing loans to the TIE	(182)	8
Internal margins on inventory	127	124
Other temporary differences (including R&D)	(1 276)	(288)
Activation of Carry-Over Tax Deficits	0	0
Total Net deferred taxes	**(857)**	**177**

Deferred taxes have been valued for French companies according to the tax rate in force in the year of the reversal of the temporary differences, taking into account the tax rate of 25% from 1 January 2024 and for subsequent years.

Since December 31, 2021, the Group has limited the recognition of deferred tax assets (IDA) on tax losses carried forward by tax entities based on the prospects of collection over a 3°year horizon. The Group previously limited the recognition of IDA on fiscal losses carried forward based on the probability of recovery over a 5-year horizon.

Forsee Power's carry-forward tax losses amounted to €212,770K (i.e. €53,193K of unrecognized IDA) as of December 31, 2024 compared to €197,954K (i.e. €49,488K of unrecognized IDA) as of December 31, 2023.

The change in deferred taxes recognised in profit or loss and in equity is as follows:

in thousands of euros	December 31, 2024	December 31, 2023
Deferred taxes assets at opening	**488**	**323**
Expense recognized in comprehensive income	(1 084)	290
DTAs on capitalized leases	297	36
DTA/DTL offset by tax entity	750	134
Other	(360)	(296)
Deferred taxes assets at closing	**92**	**488**
Deferred tax liabilities at opening	**311**	**178**
Expense recognized in comprehensive income	113	173
DTA/DTL offset by tax entity	750	134
Other	(226)	(173)
Deferred tax liabilities at closing	**948**	**311**

in thousands of euros	December 31, 2024	December 31, 2023
Deferred taxes at the outset	**0**	**0**
Deferred taxes on capital increase costs	0	(684)
Deferred taxes not recognized in the OCI	0	684
Deferred taxes at closing	**0**	**0**

8. Information on items in the consolidated statement of comprehensive income

8.1. Turnover

in thousands of euros	**December 31, 2024**	**December 31, 2023**
Sales of goods	148 457	168 017
Service delivery	2 332	2 750
Other activities	977	471
Total	**151 766**	**171 238**

The amount of the order book (firm orders not fulfilled) and the provisional schedule for the fulfilment of the unfulfilled service obligations is as follows:

in thousands of euros	**December 31, 2024**	**December 31, 2023**
Backlog at the beginning of the period	**133 346**	**117 031**
- Commitments at the opening whose services were performed over the period and recognized in turnover	(75 963)	(117 031)
- Commitments at the opening whose services were not performed during the period because they were cancelled (order cancellation)		
+ Firm offers signed over the period	84 740	187 553
- Firm offers signed over the period recognized in turnover	(75 804)	(54 207)
Order book at the end of the period	**66 320**	**133 346**
Provisional timetable for revenue recognition		
Completion expected in 2024		124 401
Completion expected in 2025	66 074	8 945
Expected to be completed in 2026 and beyond	245	
Total order book at the end of the period	**66 320**	**133 346**

8.2. Other operating income and expenses

in thousands of euros	December 31, 2024	December 31, 2023
Result on disposal of fixed assets	0	370
Directors' fees	(393)	(373)
Losses on bad debts	(75)	0
Miscellaneous operating income and expenses (1)	(594)	853
Other operating income and expenses	**(1 062)**	**850**

1) Including as of December 31, 2024 URSSAF and customs penalties for €138 K, compensation paid to Foncière du Paisy for €105 K, expenses on previous years for €257 K and losses on bad debts €75 K.

Including as of December 31, 2023 a product of €698 K relating to compensation receivable following a memorandum of understanding signed in 2023 with a customer in India.

8.3. External services and purchases consumed

in thousands of euros	December 31, 2024	December 31, 2023
Purchases consumed, including foreign exchange gains and losses on purchases (1)	(100 898)	(129 665)
Fees, external services	(8 590)	(6 547)
Rentals, maintenance & insurance	(3 627)	(2 951)
Transport, travel & receptions	(4 242)	(4 311)
Study and research costs	(2 425)	(2 630)
Postal & telecommunications costs	(290)	(284)
Subcontracting (1)	(1 513)	(1 147)
Other	(211)	(117)
External services and purchases consumed	**(121 797)**	**(147 651)**

1) There was no Research Tax Credit (CIR) income deducted from purchases as of December 31, 2024. Part of the Research Tax Credit is presented as a deduction for purchases for €354,000 as of December 31, 2023.

Part of the income from the Research Tax Credit (CIR) is presented as a deduction from the subcontracting expense for €66K as of December 31, 2024, and for €74K as of December 31, 2023.

8.4. Personnel costs and headcount

in thousands of euros	December 31, 2024	December 31, 2023
Employees compensations		
Compensation (1)	(19 330)	(20 974)
Payroll taxes (2)	(6 162)	(7 153)
Other short-term benefits	(709)	(435)
Service costs of defined benefit plans	(51)	(10)
Costs of Equity Payments	(555)	(1 092)
Employers' contributions on share-based payments	0	(174)
Employee participation	0	0
Total	**(26 807)**	**(29 837)**

1) Part of the income from the Research Tax Credit (CIR) is presented as a deduction from remuneration expense for €1,017K as of December 31, 2024, and for €414K as of December 31, 2023.

2) Part of the proceeds of the Research Tax Credit (CIR) is presented as a deduction from social security contributions for €481 thousand as of December 31, 2024, and for €300 thousand as of December 31, 2023.

The average full-time equivalent workforce is as follows:

	December 31, 2024	December 31, 2023
Executives	305	303
Non-Executives	374	410
Total	**679**	**713**

8.5. Taxes

in thousands of euros	December 31, 2024	December 31, 2023
Taxes based on wages	(513)	(479)
Other taxes	(677)	(606)
Taxes	**(1 190)**	**(1 086)**

8.6. Depreciation/amortization and operating provisions

in thousands of euros	December 31, 2024	December 31, 2023
Depreciation and amortization of intangible assets (1)	(2 580)	(3 765)
Amortization of right-of-use on tangible capital assets	(2 551)	(2 350)
Depreciation and amortization of property, plant and equipment	(3 888)	(3 873)
Provisions for risks and charges (2)	754	(2 380)
Net impairment of inventories and receivables (3)	(3 479)	(4 301)
Net charges	**(11 743)**	**(16 669)**

1) Including a decrease in depreciation and amortization of €1,185 thousand related to the accelerated depreciation of projects in 2023 such as ZEN 35.

2) Reversal of recycling provision of €1,470K in 2024 compared to €800K in 2023 due to lower recycling costs.

3) Including €1,358 thousand of inventory impairment identified as surplus or obsolete recorded as of December 31, 2023.

8.7. Non-current operating income

in thousands of euros	December 31, 2024	December 31, 2023
Unfunded fees on capital increases and IPOs	0	0
Other non-recurring income and expenses (1)	(1 702)	0
Non-current operating income	**(1 702)**	**0**

1) Non-recurring expenses correspond to the costs related to the implementation of a new enterprise resource planning (ERP) software in SaaS mode, named Infor LN, whose software was put into service on July 1, 2024.

8.8. Net financial income (expense)

in thousands of euros	December 31, 2024	December 31, 2023
Financial income received on financial assets	63	232
Uncashed financial income	0	0
Financial products	**63**	**232**
Interest expense on borrowings (1)	(3 605)	(2 721)
Cost of gross financial debt	**(3 605)**	**(2 721)**
Foreign exchange gains and losses	1 877	(12)
Net impairment of financial assets measured at amortized cost	(16)	(15)
Change in fair value of derivatives (2)	4 017	(76)
Discount charge on non-current assets and liabilities or those greater than 12 months	1 074	(507)
Effective interest rate expense on financial liabilities (ETR) (3)	(117)	(162)
Interest expense on debts on leased property	(739)	(669)
Bank fees and commissions, and other financial charges	(1 143)	(1 428)
Other financial income received	56	203
Advantages granted on state-guaranteed loans with interest rates on non-market terms	327	471
Other net financial income and expenses	**5 336**	**(2 195)**
Net financial income (expense)	**1 794**	**(4 684)**

1) Of which at 31 December 2024 for €(1,833) K of interest on the loan taken out with the EIB Tranche A and €(458) K of interest on the loan taken out with the EIB Tranche C. Part of the interest was paid in June 2024 to the EIB for €704K.

2) Of which at 31 December 2024 for €2,469k of fair value change on the BSA $_{\text{EIB Warrant A}}$ derivative and €1,092k of fair value change on the $_{\text{BSA EIB Warrant C}}$ derivative and €574k of fair value change on the BSA $_{\text{EIB Warrant E}}$ derivative (see Note 7.14), and (52) K€ of fair value change on the BSA $_{\text{EIB Warrant A}}$ derivative, (6) €K of change in fair value on the BSA $_{\text{EIB Warrant C}}$ derivative and €59K of fair value change on the $_{\text{BSA EIB Warrant E derivative}}$ as of December 31, 2023.

3) Of which at 31 December 2024 for (0) K€ of financial expenses related to the impact of the original EIR of the EIB Tranche A loan, (117) K€ of financial expenses related to the impact of the original TIE of the EIB Tranche C loan.

8.9. Income tax

in thousands of euros	December 31, 2024	December 31, 2023
Current taxes	(214)	(415)
Deferred Taxes (1)	(1 084)	4
Tax expense	**(1 297)**	**(411)**

1) Including €612K of deferred tax expense in 2024 relating to the activation of development costs on ZFI.

The proof of tax for the 2024 and 2023 financial years is as follows:

in thousands of euros	**December 31, 2024**	**December 31, 2023**
Theoretical tax expense (at the rate in force)	2 694	6 888
Actual tax expense	(1 297)	(411)
Difference	**3 991**	**7 299**
Permanent differences on share-based payments	139	273
Other permanent differences	(231)	1 162
Tax credits (CIR)	(456)	(306)
Derivatives on financial instruments	(1 227)	40
Non-deductible and unrecognized financial expenses	(391)	0
Tax loss for the period not recognized on the balance sheet	6 182	6 517
Use of prior tax losses not recognized on the balance sheet	0	(386)
Difference in rates between countries	(25)	(5)
Other differences	0	3
Total	**3 991**	**7 299**

9. Information on items in the statement of the consolidated cash flow statement

9.1. Depreciation, amortization, provisions and impairment

in thousands of euros	December 31, 2024	December 31, 2023
Net allocations to fixed assets	6 468	7 638
Net allocations to right-of-use assets for property, plant and equipment	2 551	2 350
Net allocations to provisions for risks and charges	(754)	2 380
Charges to defined benefit plan service costs	51	10
Net charges	**8 315**	**12 378**

9.2. Working Capital Requirements

in thousands of euros	Notes	December 31, 2023	WCR	Discounting and other non-cash items in WCR	Conversion effects	December 31, 2024
Net inventories	7.6	44 481	(1 506)		319	43 294
Net trade receivables	7.7	27 633	(16 019)	(500)	46	11 161
Other assets	7.8	18 816	6 849	121	208	25 993
Trade payables	7.17	(23 588)	5 397	176	(305)	(18 320)
Other liabilities	7.18	(21 973)	(5 774)	0	(99)	(27 845)
Total		**45 369**	**(11 053)**	**(202)**	**169**	**34 282**

in thousands of euros	Notes	December 31, 2023	Variation and impact of the result	Receipt of the BPI Pre-financing	Conversion effects	Discounting and other non-cash items in WCR	December 31, 2024
Change in deferred taxes	7.19	177	(1 084)		(30)	80	(857)
Change in corporate income tax receivables and payables (1)	7.8 and 7.18	3 382	872	(2 800)	(4)	1 054	2 504
dont CIR		*3 717*	*462*	*(2 800)*		*1 054*	*2 433*
Tax expenses recognized	8.9	(411)	1 297				(1 297)
Total changes in taxes			**624**		**(35)**	**80**	

(1) Including €1,899K of CIR receivable net of BPI pre-financing (2021, 2022, 2023 and 2024) as of December 31, 2024.

The previous year's variances are as follows:

in thousands of euros	Notes	December 31, 2022	WCR	Discounting and other non-cash items in WCR	Conversion effects	December 31, 2023
Net inventories	7.6	37 476	7 222	358	(575)	44 481
Net trade receivables	7.7	15 960	11 754		(81)	27 633
Other assets	7.8	10 563	9 453	(1 845)	646	18 816
Trade payables	7.17	(20 152)	(3 400)	(396)	359	(23 588)
Other liabilities	7.18	(14 517)	(7 811)	300	55	(21 973)
Total		**29 332**	**17 217**	**(1 585)**	**404**	**45 369**

in thousands of euros	Notes	December 31, 2022	Variation and impact of the result	Discount and other non-cash items in WCR	Conversion effects	December 31, 2023
Change in deferred taxes	7.19	146	4	15	12	177
Change in corporate income tax receivables and payables	7.8 and 7.18	2 734	1 071	759	17	3 382
dont CIR		*2 939*	*1 223*	*(444)*		*3 717*
Tax expenses recognized	8.9	(398)	411			(411)
Total changes in taxes			**263**	**1 218**	**29**	

(1) Including €4,017K of CIR receivables (2019, 2020, 2021, 2022 and 2023) as of December 31, 2023. The CIR receivable relating to the 2018 financial year was cashed in June 2022 for an amount of €725K.

9.3. Cash flows on acquisitions of fixed assets

in thousands of euros	December 31, 2024	December 31, 2023
Acquisition of intangible assets	(11 273)	(11 986)
Acquisition of property, plant and equipment net of advances and interim payments	(9 176)	(12 485)
Acquisition of financial assets	(136)	(149)
Total Investments	**(20 585)**	**(24 621)**
Debt on acquisition of fixed assets	68	
Net cash flows on acquisition of fixed assets	**(20 517)**	**(24 621)**

9.4. Gain/(loss) on disposal of fixed assets

in thousands of euros	December 31, 2024	December 31, 2023
Proceeds from disposal of intangible assets	0	0
Proceeds from disposal of property, plant and equipment	0	0
Proceeds from the sale of financial assets	0	0
Net value accounting of intangible assets disposed of	0	0
Net value accounting of disposals of tangible capital assets	0	0
Net value accounting of financial assets disposed of	0	0
Gain/(loss) on disposal of fixed assets	**0**	**0**

9.5. Cash flows from disposals of fixed assets

in thousands of euros	December 31, 2024	December 31, 2023
Disposals of intangible assets	0	0
Disposals of tangible capital assets	0	0
Disposals of financial assets	0	0
Receivable on disposal of fixed assets	0	370
Net cash flows from disposals of fixed assets	**0**	**370**

9.6. Cash flow on changes in scope

There were no cash flows relating to changes in scope for the years ended December 31, 2024 and December 31, 2023.

10. Other information

10.1. Events after 31 December 2024

There are no significant events after December 31, 2024.

10.2. Relations with related parties

10.2.1. Compensation paid to management

The compensation allocated to the members of the Executive Committee and the members of the Board of Directors is as follows:

in thousands of euros	December 31, 2024	December 31, 2023
Salaries and other short-term benefits	3 800	3 611
Post-employment benefits	18	15
Other remuneration	0	0
Termination benefits	0	0
Payments in shares	236	1 065
Directors' fees	393	373
Compensation of key executives	**4 447**	**5 064**

At its meeting of June 21, 2024, the Ordinary Shareholders' Meeting approved the remuneration policy for corporate officers, in particular on an annual remuneration envelope for the corporate officers for an amount of €405 thousand for the 2024 financial year (€456 thousand for the 2023 financial year).

10.2.2. Transactions with related parties

in thousands of euros	December 31, 2024	December 31, 2023
Claim to NEoT CAPITAL	0	0
Trade receivables with shareholders	0	1
Financial debt to shareholders	(482)	(691)
Total items in the statement of financial position	**(482)**	**(690)**
Salaries and other short-term benefits	(3 800)	(3 611)
Share-based payments	(236)	(1 065)
Fees	(48)	(130)
Other expenses		(161)
Revenue	346	972
Purchases	0	0
Interest income on receivables with NEoT CAPITAL	0	0
Total income statement items	**(3 738)**	**(3 995)**

The parties related to the Forsee Power Group are defined in Note 3.3.32.

Significant transactions with related parties in fiscal 2024 are:

- ***Business Contribution Agreement*** **with Mitsui & Co., Ltd.**

  On December 21, 2020, Forsee Power SA entered into a Business *Contribution Agreement* with Mitsui & Co., Ltd., amended and replaced by a new contract dated June 17, 2022. This new contract came into force retroactively on October 1, 2021, for a period of one year, renewable by tacit agreement, for successive periods of one year. It has thus been tacitly renewed for a period from October 1, 2022 to September 30, 2023.

  Mitsui & Co., Ltd. is a shareholder of Forsee Power SA with a voting rights of more than 10% and Mr. Kosuke Nakajima, a member of the Board of Directors of Forsee Power SA, serves as *General Manager* of the Battery Solutions Department at Mitsui & Co., Ltd.

  As part of this contract, Mitsui & Co., Ltd is responsible for assisting Forsee Power in business development, sales and marketing activities on behalf of Forsee Power, as an exclusive agent in Japan. In return for the assignments performed, Mitsui & Co., Ltd receives a success fee based on the sales invoiced by Forsee Power to any customer with its registered office in Japan.

  Under this contract, Mitsui & Co. Ltd invoiced €48K to Forsee Power SA during the financial year ended December 31, 2024.

- ***Collaboration Agreement*** **with Mitsui & Co., Ltd.**

  On September 27, 2021, Forsee Power SA entered into a contract entitled *Collaboration Agreement* with Mitsui & Co., Ltd. Mitsui & Co., Ltd. is a shareholder of Forsee Power SA with voting rights of more than 10% and Mr. Kosuke Nakajima, a member of the Board of Directors of Forsee Power SA, serves as *General Manager* of the Battery Solutions Department at Mitsui & Co., Ltd.

The purpose of this contract is to establish a framework for the commercial collaboration established between Forsee Power SA and Mitsui & Co., Ltd. The financial terms in return for the services rendered by Mitsui & Co., Ltd. are discussed on a case-by-case basis, for each project taking into account the financial impact on Forsee Power Group.

This contract continued into the 2024 financial year.

10.3. Off-balance sheet commitments

The commitments as of 31 December 2024 are as follows:

- ***SBLC letter of credit to a landlord and cash pledge***

  On July 25, 2022, Forsee Power obtained a stand-by letter of credit (SBLC) from a French banking institution for a maximum amount of $1 million for the benefit of the owner of the industrial building leased to Hilliard in the United States. The amount guaranteed by this SBLC letter of credit is decreasing annually by 10% until November 1, 2032.

  This SBLC letter of credit, accompanied by a cash pledge remunerated for an amount of €1°M, was reissued in November 2024 to another banking partner, thus allowing a reduction of the cash pledge to €400K, a decreasing amount of €100K annually until November 2028.

- ***SBLC letter of credit to Indian Customs and cash pledge***

  On July 7, 2023, Forsee Power obtained a stand-by letter of credit (SBLC) from a French banking institution for a maximum amount of €650K for an Indian bank allowing a bank guarantee to be issued to Indian customs.

  This SBLC letter of credit is accompanied by a cash pledge remunerated for an amount of €650K until January 18, 2025, and has been renewed until December 2025.

  Forsee Power has also obtained a new SBLC (*stand-by letter of credit*) of 9 million Indian rupees (approximately €100 K) in September 2024 from a French banking institution for the benefit of Indian customs and accompanied by a cash pledge with a maturity date of March 31, 2025.

- ***Warranty for a Chinese supplier***

  In December 2024, Forsee Power issued a guarantee to a Chinese supplier in the amount of 58 million Chinese yuan, allowing for an extension of the payment terms of its Chinese subsidiary.

- ***Collateral of goodwill for the benefit of the EIB***

  A pledge of the business in favour of the EIB was granted when the €21.5 million tranche was drawn down in June 2021.

- ***Guarantees granted to Mitsui & Co***

  Under the terms of an agreement called the Investment Agreement entered into on December 18, 2017, Forsee Power SA granted guarantees to Mitsui & Co., Ltd. If a warranty statement is found to be inaccurate, Forsee Power SA has undertaken to compensate Mitsui & Co., Ltd. for the damage suffered by either (i) a payment or (ii) an issue of shares reserved for Mitsui, upon exercise of the warrants held by Mitsui (up to a maximum limit of 52,748 new shares). Following the cancellation of the BSAG by decisions of the General Meeting of September 28, 2021, Mitsui & Co., Ltd. could only seek compensation for the damage through the payment by the Company of compensation to it. No compensation claims have been received by Forsee Power SA as of the closing date of 23 April 2024. The maximum amount of compensation that could be owed by Forsee Power SA is capped at €4.5 million. However, this ceiling is quite theoretical because Forsee Power SA's compensation commitment expired in June 2019 for most of the subjects covered by the guarantee. Only damages resulting from violations of release relating to tax, anti-corruption or environmental matters remain covered until their limitation period plus 30 days (i.e. until 31 January 2021 for most tax matters and until the expiry of a 30-year period running from December 2017 for anti-corruption and environmental matters).

10.4. Statutory Auditors' fees

in thousands of euros	December 31, 2024			
	Deloitte & Associés	**BDO**	**Other**	**Total**
Fees relating to statutory auditing, certification, examination of individual and consolidated accounts	**155**	**120**	**0**	**275**
Issuer	*130*	*102*	*0*	*232*
Fully consolidated subsidiaries (1)	*25*	*18*	*0*	*43*
Fees for the Sustainability Report Review	**60**	**0**	**0**	**60**
Total engagements to certify accounts and services required by law	**46**	**10**	**0**	**56**
Fees for missions required by law	**0**	**0**	**0**	**0**
Other services	46	10	0	56
Total	**261**	**130**	**0**	**391**

Excluding VAT and fees

1) Includes specific audits carried out at the request of the Group in countries where a statutory audit is not required (China, India).

in thousands of euros	December 31, 2023			
	Deloitte & Associés	Jean Lebit	Other	Total
Fees relating to statutory audits, certification, examination of individual and consolidated accounts	**232**	**25**	**18**	**275**
Issuer	*214*	*25*	*0*	*239*
Fully consolidated subsidiaries (1)	*18*	*0*	*18*	*36*
Fees for services required by law (2)	**166**	**0**	**16**	**182**
Total engagements to certify accounts and services required by law	**398**	**25**	**34**	**457**
Fees relating to the Independent Third Party Organization (OTI) relating to the Declaration of Non-Financial Performance (DPEF)	16	0	0	16
Other services	0	3	0	3
Total non-audited services	**16**	**3**	**0**	**19**
Total	**414**	**28**	**34**	**475**

Excluding VAT and fees

1) Includes specific audits carried out at the request of the Group in countries where a statutory audit is not required (China, India).

2) Mainly includes specific interventions on the capital increase of 9 May 2023.

4.4 Statutory Auditors’ report on the consolidated financial statements for December 31, 2024

To the Shareholders’ Meeting of Forsee Power SA

Opinion

In compliance with the engagement entrusted to us by your Shareholders’ Meetings, we have audited the accompanying consolidated financial statements of Forsee Power SA for the year ended December 31, 2024.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as of December 31, 2024 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (*code de commerce*) and the French Code of Ethics (*code de déontologie*) for statutory auditors, for the period from January 1, 2024 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014.

Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Recognition of fixed assets relating to development expenditure

Notes 3.1.2, 3.3.3 and 7.2 to the 2024 consolidated financial statements

Risks identified and main judgments

As of December 31, 2024, project development expenditure, including projects in progress, corresponded to:

- A net carrying amount of €29.2 million,
- Total capitalized expenses of €10.3 million for the year,
- Amortization of -€2.2 million,
- Total development expenditure of -€9.5 million expensed in the period.

The Forsee Power Group capitalizes its development expenditure once the capitalization criteria defined by IAS 38 are satisfied and it is probable that the developed project will generate future economic benefits. The capitalization of development expenditure is considered to be a key audit matter due to the judgments and estimates made by Management to assess:

- Compliance with all the conditions required to capitalize the corresponding costs;
- The measurement of costs likely to be capitalized during project development phases;
- The life and amortization periods adopted for these projects;
- Indications of loss in value/impairment for all projects.

How our audit addressed this risk

Our procedures consisted in:

- Obtaining an understanding of the controls designed and applied by the Forsee Power Group to measure capitalizable development costs and verify that they satisfy IAS 38 criteria;
- Obtaining an understanding of the identification process for projects in the course of development, by verifying:
  - The set-up of specific cost accounting;
  - A detailed monitoring of all projects in the course of development to validate new projects that could satisfy capitalization criteria,
- Verifying, based on a selection of projects, that the conditions for project capitalization in accordance with IAS 38 have been satisfied, i.e.:
  - Technical feasibility and technical ability of completing the intangible asset so that it will be available for use or sale
  - Intention to complete the intangible asset and use or sell it and availability of financial resources;
  - Probability of future economic benefits;
  - Reliable measurement of expenditure incurred.
- Verifying estimates of development costs incurred for eligible projects capitalized by the Group, and in particular:
  - Verifying, using sampling techniques, the correct valuation of hourly rates allocated to projects;
  - The deduction of research tax credits from the amount capitalised, where applicable;
- Verifying the technical feasibility needed to complete the projects through interviews with management;
- Verifying the absence of impairment losses at December 31, 2024 on ongoing projects through discussions with Management and a review of sales forecasts for the project's estimated duration;
- Verifying the availability of appropriate resources (technical, financial and other) to complete and use the developments;

- Examining the amortization period adopted according to the forecast life of the capitalized projects;
- Verifying the appropriateness of the disclosures in the notes to the consolidated financial statements.

UNU GmbH litigation

Notes 3.1.2, 3.3.16 and 7.11 to the 2024 consolidated financial statements

Risks identified and main judgments

The Group's activities are conducted in an ever changing environment and within a complex international regulatory framework. The Group is subject to major changes in the legal environment as well as the application or interpretation of regulations and is also involved in disputes arising from its everyday business.

Litigation provisions totaled €1 million as of December 31, 2024, and correspond to the valuation of risks such as employee or customer disputes, and in particular the litigation with UNU GmbH which amounts to €0.2 million as of December 31 2024.

Forsee Power SA supplies batteries to UNU GmbH, which manufactures scooters. UNU GmbH has initiated a number of legal proceedings against Forsee Power SA:

- Defects and failure to meet the agreed technical specifications for the batteries: in March 2021, UNU GmbH filed an application for a court-ordered expert assessment with the Paris Commercial Court against Forsee Power SA and its former insurer. UNU GmbH is suing the Company on the basis of product liability and common law contractual liability. In November 2021, despite the ongoing judicial assessment, UNU GmbH sued Forsee Power SA on the same grounds, claiming €15.9 million for material damages.
- House fire leading to the death of an individual: in May 2022, UNU GmbH summoned Forsee Power to appear before the Lyon Court. A judicial expert appraisal is ongoing to determine the cause of the fire.
- Several summonses for forced intervention by UNU GmbH were implemented in Germany following proceedings initiated by victims of material damage and/or bodily injury during 2022 and 2023.
- In May 2024, following the company's judicial reorganization in November 2023, the assets of UNU Gmbh were acquired by EMCO, excluding all of the company's disputes, including the dispute with Forsee Power.
- Finally, the various procedures concerning this dispute continued in 2024 without any real progress.

- The Forsee Power Group exercises its judgment in assessing the risk incurred in the UNU GmbH litigation, sets aside a provision when it is probable that an expense will be generated by this litigation and the amount may be quantified or estimated within a reasonable range;
- The €0.2 million provision recognized as of December 31, 2024 covers legal expert appraisal and procedural costs. Forsee Power SA considers UNU GmbH's claims to be unfounded and intends to assert its rights and legal arguments which, at this stage of the proceeding, justifies the absence of a provision for risks in excess of the aforementioned legal costs;

We considered this litigation to be a key audit matter given the material amounts at stake and the level of judgment required to determine provisions to be booked.

How our audit addressed this risk

We analyzed all the items made available to us regarding the disputes between the Forsee Power Group and UNU GmbH with respect to damages suffered as a result of battery incidents or fires and in particular we:

- Examined the various summons and rulings relating to the ongoing proceedings in this litigation;
- Reviewed the risk estimates made by Management and compared them with information shown in a letter from the lawyer in charge of the case following our confirmation requests for this litigation as well as the internal memo prepared by the Company;
- Assessed Management's risk analysis of this litigation leading it to conclude that UNU GmbH's claims are unfounded;
- Verified the appropriateness of the disclosures on this litigation in the notes to the consolidated financial statements.

Specific Verifications

We have also performed in accordance with professional standards applicable in France the specific verifications required by law and regulations of the information pertaining to the Group presented in the management report of the Board of Directors.

We have no matters to report regarding its fair presentation and its consistency with the consolidated financial statements.

Other Legal and Regulatory Verification or Information

Format of presentation of the consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intented to beincluded in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (*code monétaire et financier*), prepared under the responsibility of the Chief Executive Officer complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of December 17, 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

Due to the technical limitations inherent to the block-tagging of the consolidated financial statements according to the European single electronic format, the content of certain tags of the notes may not be presented identically to the accompanying consolidated financial statements.

Moreover, we have no responsibility to verify that the consolidated financial statements that will ultimately be included by your Company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the statutory auditors

We were appointed statutory auditors of Forsee Power SA by the Shareholders' Meeting of June 23, 2023 for Deloitte & Associés and June 21, 2024 for BDO Paris

As of December 31, 2024, Deloitte & Associés was in its eighth year of uninterrupted engagement, and BDO Paris was in its first year of engagement, which was the fourth year for Deloitte & Associés and the first year for BDO Paris since the Company's shares were admitted to trading on a regulated market.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is 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 it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors on April 9, 2025

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and Audit Approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.821-55 of the French Commercial Code, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence

obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;

- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgement, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France as set out in particular in Articles L.821-27 to L.821-34 of the French Commercial Code and in the French Code of Ethics for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris-La Défense and Paris, April 25, 2025

The Statutory Auditors

French original signed by

Deloitte & Associés	BDO Paris
Thierry Queron	Arnaud Tonnet

5 SUSTAINABILITY STATEMENT

5.1 ESRS 2 – GENERAL DISCLOSURES

5.1.1 Presentation of the report

5.1.1.1 BP-1: basis for preparation of the sustainability statement

The present sustainability statement, presented in Chapter 5 of the universal registration document, was prepared in the context of the first year of application of the CSRD provisions. This sustainability report was approved by the Board of Directors on April 9, 2025.

The Group has endeavored to apply the regulatory requirements set out by the ESRS and the European Taxonomy, as applicable at the date of the preparation of the sustainability report, based on the information available within the timeframe for preparing the report.

This first sustainability report of the Group is characterized by contextual specificities related to the first year of application of the CSRD requirements, including:

- The absence of established practices, particularly for defining the level of detail required to break down issues into impacts, risks, and opportunities (IRO), or for determining how to assess IRO across the value chain (see section 4.1.5 "IRO Management and Double Materiality").

- The unavailability of certain information required by the ESRS standards as of the closing date of 12/31/2024, due to ambiguities in certain frameworks and the time needed to implement reporting on these new disclosures (see the list in section BP-2 “Information relating to special circumstances”).

- Uncertainties regarding the interpretation of certain data points necessary to report on the control measures covering the Group's IRO (see the list in section BP-2 “Information relating to special circumstances”).

In this context, based on current market practices and recommendations, and with a growing understanding of these new regulatory and normative requirements, the Group may revise certain reporting and communication practices in future versions of its sustainability report. If such changes occur, they will be clearly explained and justified with full transparency in future sustainability reports. The Group is committed to a process of continuous improvement in this area of reporting and communication.

Below are the data points that are not published in this sustainability report:

E1 – SBM-3: As of now, the Group does not have a transition plan that meets all the requirements of the ESRS-E1 standard. The initiatives described fall under a greenhouse gas (GHG) emission reduction strategy. The main missing formalization work concerns the analysis of resilience to physical and transition risks, the definition of targets for 2030 and 2050, the GHG quantification of decarbonization levers, and the CAPEX/OPEX needed to execute the action plans. The Group is committed to finalizing its transition plan within three years. It will then be approved by the governance bodies and published in the Group’s sustainability report.

E2-4: The consolidated amount of each pollutant listed in Annex II of Regulation (EC) No 166/2006 of the European Parliament and Council released into air, water, and soil, as well as the consolidated amount of microplastics generated or used by the company, are not published due to the unavailability of consolidated information at the Group level. The Group will initiate a working group within the next three years to collect and validate this information.

E2-5: The Group has not published the total quantities of substances of concern that are generated or used during production or that are purchased, nor the total quantities of such substances that leave the company's facilities in the form of emissions, discharges, or products, or within products or as part of services (broken down by major hazard classes of the substances of concern). In the absence of a stable international framework on substances of concern, the Group will initiate a working group within the next three years to define the framework and consolidate these indicators.

E5-4 (Inbound Resource Flows): The total global weight of products and technical and biological materials used during the reference period, the percentage of biological materials used to produce the company's products and services that come from sustainable sources, and the weight, in absolute and percentage terms, of reused or recycled secondary components and of intermediate secondary products and materials used in the production of the company's products and services are not published due to the unavailability of this information at the consolidated level. The Group will initiate a working group in 2025 to collect and validate these indicators.

E4-1: As of now, the Group has not conducted a resilience analysis of its activities in relation to biodiversity and ecosystems. The analysis is underway and will be published in the sustainability report by 2027.

E4 – SBM-3: As of now, the Group is not in a position to publish the list of sites located in or near areas sensitive to biodiversity. The analysis is underway and will be published in the sustainability report by 2027.

Below are the data points that were subject to interpretation in this sustainability report:

S1-14_02 (Frequency rate): The Group has considered that "accidents" are defined solely as work-related accidents resulting in time off. A more in-depth analysis of local legal frameworks will be conducted in 2025 to confirm or adjust this definition in line with common practice.

S1-16 (Remuneration indicators – pay gap and total remuneration: the percentage pay gap between female and male employees, and the ratio between the highest-paid individual and the median employee salary):

These indicators, calculated at Group level, have been adjusted using a cost-of-living weighting to provide a clearer country-by-country comparison.

The remuneration figures used for these indicators exclude the free share allocation plan (AGA) dedicated to members of the Executive Committee (COMEX) and managers. The 2024 AGA plan was only partially vested (one-third) due to only one performance criterion being met.

The sustainability statement covers all activities of the Group, combining data from all Forsee Power entities. The scope of consolidation is the same as for the financial statements, in accordance with Article 48 decies of Directive 2013/34/EU.

Here is the list of sites included in the scope of consolidation:

Site	City	Country	Start date (or integration to Forsee Power)	Activities	Certifications
Forsee Power HQ	Ivry-sur-Seine	France	2017 (new HQ)	• Group corporate headquarters • Support functions • Europe Region headquarters • R&D center	• ISO 9001 • ISO 14001 • ISO 45001 • Great Place to Work
Forsee Power Poitiers	Chasseneuil-du-Poitou	France	2018	• Battery system production • Testing lab • Support functions • Aftersales services	• ISO 9001 • ISO 14001 • ISO 45001 • Great Place to Work
Forsee Power Lyon	Dardilly	France	2021	• Rail R&D center	• ISO 9001 • ISO 14001 • ISO 45001 • Great Place to Work
Forsee Power Wroclaw		Poland	2012	• Battery system production • Aftersales services	• ISO 9001 • ISO 14001 • ISO 13485 • Great Place to Work
Forsee Power Zhongshan		China	2011	• Asia-Pacific Region headquarters • Support functions • Battery system production • R&D center • Aftersales services	• ISO 9001 • ISO 14001 • IATF 16949 • Great Place to Work
Forsee Power Pune		India	2021	• Battery system production • Service après ventes	• Great Place to Work
Forsee Power Yokohama	Yokohama	Japan	2023	• Support functions • R&D lab • Aftersales services	• Great Place to Work
Forsee Power Columbus	Hilliard, Ohio	USA	2024	• North America Region headquarters • Support functions • Battery system production • Aftersales services	

Forsee Power’s commitment to sustainability extends across the entire value chain, both upstream and downstream. By integrating these practices at every stage of the value chain, the Group aims to reduce its environmental impact and promote positive contributions to communities. This commitment not only ensures compliance with current sustainability standards but also prepares the company for a future increasingly focused on sustainability.

The Group has not used the available options to omit certain information related to intellectual property, know-how, or innovation outcomes, nor information on upcoming developments or ongoing negotiations

5.1.1.2 BP-2: Disclosure of Information Related to Specific Circumstances

Time Horizons

The time horizons considered in this reporting align with those recommended by the ESRS standards.

Short term refers to the financial reporting period, i.e., one year;

Medium term spans from the end of the short term up to five years;

Long term is defined as more than five years.

Use of Estimates

Below are the data points that were subject to estimation in this sustainability report:

E3-4 (Water consumption): The facilities in France used estimated consumption values for certain periods — January 2024 for the Chasseneuil and Ivry sites, and the second half of 2024 for the Dardilly site.

GHG Scope 1: For estimating fuel consumption for the leased vehicle fleet, Forsee Power France used the contractual mileage cap rather than the actual kilometers driven.

GHG Scope 1: For employee commuting, an estimation of transport modes was used based on an internal employee survey to calculate the carbon footprint.

Avoided emissions: An estimation of the kilometers traveled by vehicles during their lifetime of use was applied.

Use of Interpretations

Below are the data points that were subject to interpretation in this sustainability report:

S1-14_02 (Frequency rate): The Group has defined "accidents" solely as occupational accidents resulting in time off work. A more in-depth analysis of local legal requirements will be conducted in 2025 to confirm or adjust this definition in accordance with prevailing practices.

S1-16 (Remuneration indicators – pay gap and total remuneration: the percentage pay gap between female and male employees and the ratio between the highest-paid individual and the median employee salary): These indicators, calculated at the Group level, were adjusted using cost-of-living weightings to provide a more accurate country-by-country comparison.

Restatements

Restatements are determined based on materiality judgment. They are clearly indicated in relation to the restated data or information.

- Carbon Footprint Calculation: For the years 2022 and 2023, only location-based emissions were calculated for Scope 2. From 2024 onward, the company began reporting energy-related emissions using both location-based and market-based approaches. The same method has been retroactively applied for past years using available documentation.

In 2022, Scope 3 emissions were calculated at the Group level for the first time. At that time, a spend-based approach was applied to the "Purchased Goods and Services" category due to lack of data. Over time, the calculation method has been refined through more precise data collection. The goal was to report the most accurate results possible by reducing reliance on the spend-based approach and increasingly adopting product-based approaches. A significant correction of Scope 3 for 2022 and 2023 has been made. Decarbonization targets are based on 2022 data (see E1), and these targets may be adjusted in 2025 considering the corrections.

For the carbon footprint calculations of 2022 and 2023, anomalies were discovered during the 2024 calculation process. Specifically, an error was identified in Scope 3 under the “Use of Sold Products” category. To correct this, the category was subsequently reviewed through an external audit to verify the data, and corrections were made for 2022 and 2023 as follows:

Year	Category	Previous result	Corrected result
2022	Use of sold products	30,100 TCO_2e	92,819.4 TCO_2e
2023	Use of sold products	26,298 TCO_2e	125,603.8 TCO_2e

Avoided emissions were also revised.

- Pay Gaps: For the calculations of the gender pay gap and the pay ratio between the highest salary and the median salary, the Group took into account the cost-of-living differences in the countries where it operates, based on World Bank data [Price level ratio of PPP conversion factor (GDP)].

Use of Phased-in Provisions

Below are the data points that are not published in this sustainability report:

- E1-SBM-3: The transition plan mentioned in the 2024 sustainability report is not included in the current report. The main outstanding work relates to the analysis of physical risks, identification of decarbonization levers and measurement of their impacts, as well as the resources (CAPEX/OPEX) required for the implementation of action plans.

As of the publication date of this report, Forsee Power does not have formal policies in place regarding water, biodiversity, and ecosystems. Since these topics are considered material across the value chain, the Group commits to developing appropriate policies within three years.

Furthermore, the Group does not currently have a climate transition plan or a climate adaptation plan; both will be developed within the next three years.

5.1.2 Sustainability governance

5.1.2.1GOV-1 : Le rôle des organes d'administration, de direction et de surveillance

Composition et la diversité des membres des organes d'administration, de direction et de surveillance de l'entreprise

La gouvernance de Forsee power est composé d'un conseil d'administration et d'un comité exécutif.

Forsee Power's Board of Directors is composed of ten directors, including four women and five independent members, thus achieving the parity target (rate of women between 40 and 60%) set for 2025. They meet at least 4 times a year. The Board of Directors comprises 3 committees (the Sustainable Strategy Committee, the Audit and Risk Committee and the Nomination and Remuneration Committee). It validates the sustainable development programme presented by the sustainable strategy committee (see below) as part of its activity reports and exchanges on sustainable development topics at least twice a year.

EXECUTIVE COMMITEE

CHRISTOPHE GURTNER
Founder, Chairman & CEO

NICOLAS CAILLOUX
VP Europe

JULIEN CURSOUX
VP Purchasing & Supply Chain

JAY DEIS
VP North America

RÉMI FUSTÉ
VP Customer Service & Aftermarket

FRANCK MEYER
CFO

FREDERIC POUPEAU
VP Asia-Pacific

SEBASTIEN REMBAUVILLE-NICOLLE
VP Business Development

JOEL THEUT
CTOO

SOPHIE TRICAUD
VP Corporate Affairs

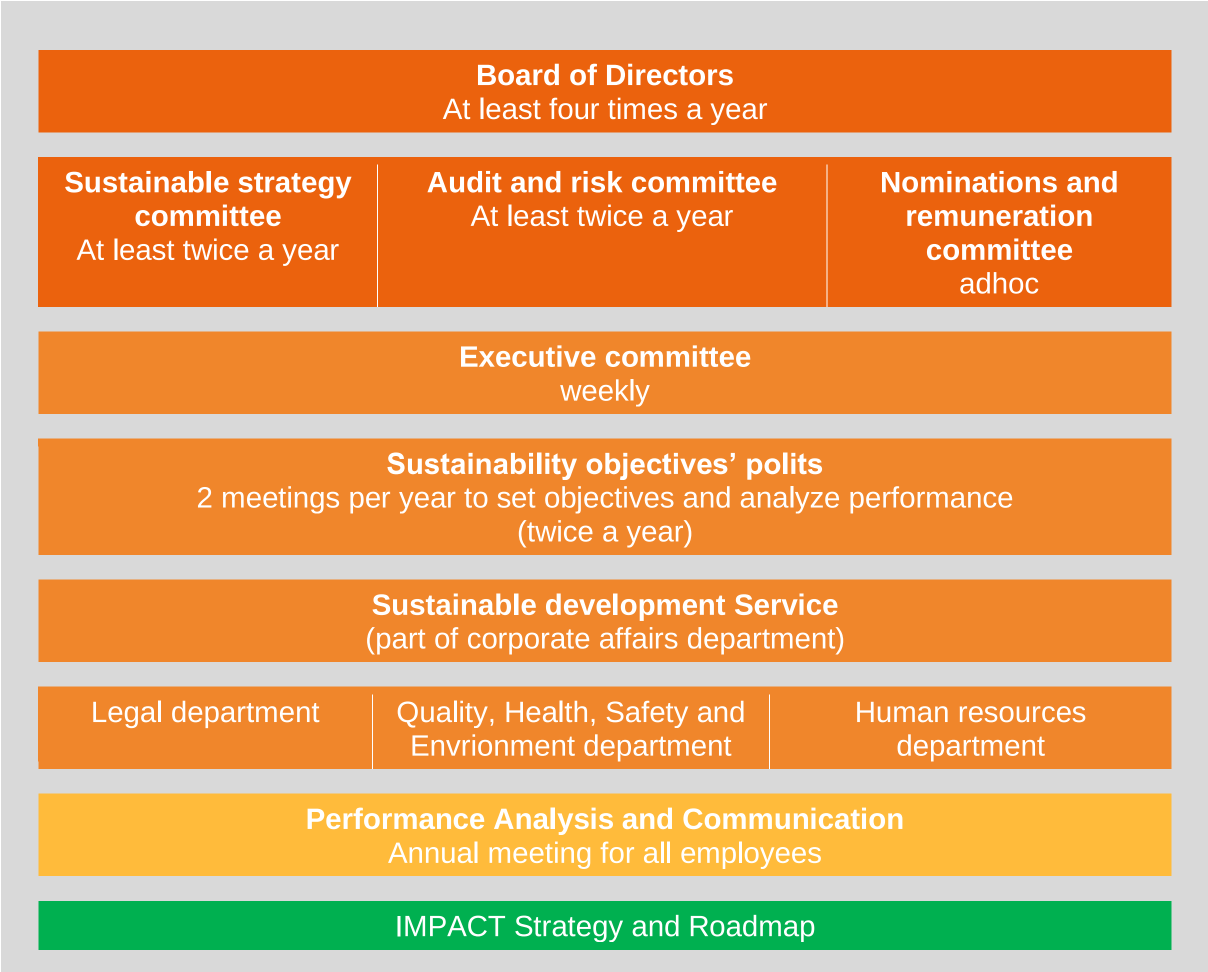
The Executive Committee of Forsee Power is composed of 10 members, including Sophie Tricaud, Vice President of Corporate Affairs, who is responsible for Sustainability. The Executive Committee acts as a sponsor of the ESG objectives. In addition to overseeing the company's global operations, the Executive Committee approves the sustainability strategy by integrating sustainable development objectives into the Group's overall strategy and goals. The roadmap and its progress are reviewed twice a year, and each element of the IMPACT roadmap is sponsored by a member of the Executive Committee.

The members of this committee ensure that ESG topics are included on the agenda of meetings. They review and make decisions on directions, initiatives, and actions aimed at supporting and enhancing the company’s sustainable performance. Additionally, the Executive Committee is responsible for ensuring the strategic alignment of operational activities with sustainability goals, thus ensuring that ESG objectives are embedded across all areas of the company.

Roles and Responsibilities of Governance, Management, and Supervisory Bodies in Sustainability

Members of the various board committees are appointed based on their expertise – see Chapter 6 of this document for more details.

In 2024, the Strategy and ESG Committees of the Board of Directors were merged to form the Sustainable Strategy Committee. Environmental, social, and governance topics are now part of a sustainability governance structure organized as follows:



The Sustainable Strategy Committee is appointed as part of the Board of Directors and is composed of six members, 67% of whom are independent, who meet at least twice a year. The committee members are: Corinne Jouanny (Chair), Shinichi Ban, Jorg Ernst, Christophe Gurtner, Pierre Lahutte, and Aurélie Picart. Sophie Tricaud, Vice President of Corporate Affairs in charge of Sustainable Development, participates in these meetings. The Sustainable Strategy Committee is responsible for validating the impacts, risks, and opportunities, which are reviewed annually and adapted as needed. It approves the sustainability report.

As part of its responsibilities, the Sustainable Strategy Committee:

• studies and discusses the strategy prepared by senior management;

• studies and prepares decisions regarding structural investments;

• reviews the Company's strategy and policy regarding corporate social responsibility and sustainability, ensures the achievement of defined objectives, and also oversees the gradual and increasing implementation of this policy; • monitors and controls the Group's main environmental, social, and societal risks;

• reviews reports prepared in accordance with legal and regulatory obligations in the area of CSR.

The Committee monitors, in particular, the process for preparing sustainability information and the process implemented to determine the information to be published in accordance with sustainability reporting standards. Where appropriate, the Sustainable Strategy Committee makes recommendations to ensure the integrity of these processes. It is also responsible for monitoring the effectiveness of internal control and risk management systems, as well as, where applicable, internal audit, with regard to the procedures relating to the preparation and processing of sustainability information, without compromising its independence. It ensures compliance with the independence requirements for stakeholders performing sustainability information certification engagements and reports to the Board of Directors on the results of the sustainability information certification engagement, as well as how these engagements contributed to the integrity of the sustainability information, as well as the role played by the Sustainable Strategy Committee in this process. In general, the Sustainable Strategy Committee provides all appropriate advice and recommendations in the above areas to the Board of Directors.

The Audit and Risk Committee is represented by its Chair, Marie Cros, at the Sustainable Strategy Committee meeting, which approves the sustainability report. This meeting is part of the Audit and Risk Committee's mission to monitor the effectiveness of internal control, internal audit, and risk management systems, particularly with regard to procedures relating to the preparation and processing of accounting, financial, and sustainability information.

The Audit and Risk Committee is appointed as part of the Board of Directors and is composed of three members, 67% of whom are independent, who meet at least twice a year. The committee members are: Marie Cros (as Chair of the Audit and Risk Committee), Eric Lecomte, and Florence Triou-Teixeira.

The Nominations and Remuneration Committee consults with the Sustainable Strategy Committee to define the elements of the executive's compensation linked to the Group's ESG performance.

The Nominations and Compensation Committee is appointed as part of the Board of Directors and is composed of three members, 67% of whom are independent, who meet at least twice a year. The committee members are: Florence Triou-Teixeira (as Chair of the Nominations and Compensation Committee), Matthieu Bonamy, and Joerg Ernst.

Sustainability objectives' pilots are responsible for implementing actions to achieve the roadmap. They validate the group's target and define objectives for each site where applicable.

The Sustainable Development Department within the Corporate Affairs Department is responsible for the sustainable development strategy and defining the IMPACT roadmap. The department is responsible for identifying priority impact topics, deploying the training and tools needed to implement the strategy, and regularly reporting performance to the Group's governance bodies, employees, and stakeholders. The Sustainable Development Department is responsible for producing the sustainability report.

Sustainability Skills and Expertise of the Administrative, Management, and Supervisory Bodies

Responsibility for overseeing the IROs is integrated into the Board of Directors' committees, particularly the Sustainable Strategy Committee. The business conduct policies, including the Code of Conduct, are reviewed and approved annually by the Executive Committee.

The following describes the role of management in the oversight and management of the IROs, outlining their reporting relationships with the administrative, management, and supervisory bodies, as well as their integration with other internal functions.

Executive Committee

The Vice President of Corporate Affairs is the person within the Executive Committee responsible for the disclosure and reporting of non-financial matters.

Certain members of the Executive Committee participate in meetings with the Board of Directors and use their knowledge and expertise, supported by management and the company, to guide the Board of Directors and enable it to make informed decisions on sustainability issues. Final decisions regarding IROs are made by the Board of Directors' Sustainability Strategy Committee.

Corporate Affairs Department

The Corporate Affairs Sustainability Department is the primary body within the management levels responsible for identifying, managing, and reporting our IROs. The department ensures compliance by implementing appropriate controls and procedures for the collection of sustainability data, which are integrated into our financial reporting systems and guidelines. It ensures legal compliance of all sustainability matters from a reporting perspective, relevant sustainability standards, and regulatory requirements. Information on environmental issues, social issues upstream and downstream of the value chain and general sustainable development topics is coordinated by the Group's Sustainable Development department.

Group Quality, Environment, Health, and Safety Department

The QESS Department provides guidance on the compliance of information on sustainable development issues, both from a reporting perspective and in terms of sustainable development standards and legal requirements relevant to specific issues.

Operational and industrial risk management and quality control are the responsibility of the Group's operational departments and subsidiaries, under the functional oversight of the Group QESS Department. The Group QESS Department is responsible for (i) monitoring operational and industrial risk management in collaboration with the Executive Committee and (ii) implementing a quality control system to address identified risks.

Group Human Resources Department

Information on social issues relevant to Forsee Power is anchored within Group HR, which forwards data on our employees and social activities to the Sustainability Department for DMA and reporting purposes.

Group Legal Department

The Legal Department provides guidance on the legal compliance of information on sustainability issues, both from a reporting perspective and in terms of sustainability standards and legal requirements relevant to specific issues. Information on governance issues is anchored within the Group Legal Department, which provides information on governance structures, policies, and procedures to the Sustainability Department.

Objectives

The Sustainable Strategy Committee uses the processes, controls, and outcomes of the DMA to guide the setting of objectives in relation to the material sustainability topics (IRO) whenever relevant. When objectives are set, they must be monitored using qualitative and quantitative indicators. An IMPACT 2025 roadmap was established in 2019, and a new IMPACT 2030 roadmap will be published during the year 2025.

Objectives and performance are regularly reviewed by team leaders and the executive committee. A performance review is conducted by the Board of Directors twice a year.

Expertise and Available Skills

The Nomination and Remuneration Committee assists the Board of Directors by appointing candidates and determining whether the Board possesses the appropriate skills and expertise in strategy, industry, sustainability, and other necessary areas. The committee must ensure that all board candidates meet market expectations and that the board's skill composition aligns with good corporate governance recommendations for publicly listed companies, including having relevant expertise in sustainability and business conduct.

The Board of Directors annually evaluates the skills, diversity, knowledge, and experience of each of its members, particularly whether they collectively possess or can leverage relevant expertise in sustainable development. The evaluation concluded that each board member has relevant skills for our material sustainability topics (IROs), as well as for the industry in general, the geographical areas of business operations, and the type of target clients and end-users.

5.1.2.2GOV-2: Information provided to the company's administrative, management, and supervisory bodies, and sustainability issues addressed by these bodies

At Forsee Power, sustainability is at the core of the company's operations. The company has a dedicated Sustainable development Department, responsible for designing, implementing, and monitoring the sustainability strategy and the IMPACT roadmap. This team also leads the deployment of sustainability initiatives across the organization.

It plays a crucial role in consolidating non-financial data to prepare and publish reports such as the Sustainability Report and the Sustainable Development Report.

The department is composed of two key members: the Vice President of Corporate Affairs and a Climate Analyst.

The Sustainable development Department oversees the management of Environmental, Social, and Governance (ESG) matters within the company. Its role involves defining, implementing, and supervising ESG policies and initiatives, thereby ensuring compliance with sustainability standards and commitments. The department collaborates with other departments to embed sustainable practices throughout the company's operations, in addition to gathering the data needed to assess ESG performance and contribute to transparent reporting on these issues.

The Climate Analyst is specifically responsible for monitoring and analyzing the company's climate-related impacts. This professional gathers and evaluates relevant climate data, contributes to measuring the company's carbon footprint, and helps identify strategies to reduce it. Working closely with the ESG function, the analyst brings specialized expertise to better understand climate challenges and strengthen the integration of climate considerations into the company's broader sustainability strategy.

In addition to the Sustainability Department, ESG contributors across all company departments play a critical role in the success of sustainability initiatives. They regularly provide non-financial data based on their respective areas of expertise. Currently, these ESG contributors include more than 20 employees spread across all company sites. These key players, embedded in every business function, actively support the integration and implementation of sustainable practices throughout the company's operations.

5.1.2.3GOV-3: Integration of sustainability performance results into incentive system

The compensation of the Chairman and CEO is linked to ESG performance criteria. These criteria are defined each year by the Nominations and Remuneration Committee of the Board of Directors, in consultation with the Sustainable Strategy Committee.

For the rest of the Group's employees, objectives are set annually by the Human Resources Department, in coordination with Corporate Affairs, and validated by the Executive Committee.

Type of Compensation	Employee Category	Scope	Criteria	Details
Variable Compensation	Chairman & CEO	Executive	- Accident frequency rate - Accident severity rate - EcoVadis score - Percentage of women in management - Employee satisfaction rate	35% of variable compensation is based on ESG criteria
Profit-Sharing	All employees in France	France	- Waste weight	25% of the profit-sharing bonus is based on ESG criteria
2024 Free Share Plan	Senior management	Group	- EcoVadis score ≥ 75	33% of the share allocation is based on ESG criteria

5.1.2.4GOV-4: Statement on due diligence

The table below indicates the pages of this report where the due diligence process for sustainable development is detailed, including an explanation of how its key aspects and steps are implemented.

Due Diligence Element	Section
a/ Integrate due diligence into governance and the strategy and business model	GOV-1: Role of Administrative, Management and Supervisory Bodies
b/ Engage with relevant stakeholders in all key stages of due diligence	Double materiality analysis
c/ Identification and assessment of negative impacts	SBM-3: impacts, risks and opportunities of Forsee Power
d/ Take measures to remedy these negative impacts.	SBM-3: impacts, risks and opportunities of Forsee Power
e/ Monitor the effectiveness of these efforts and communicate	SBM-3: impacts, risks and opportunities of Forsee Power

5.1.2.5 GOV-5 : Risk Management and Internal Controls over Sustainability Reporting

The Sustainable Strategy Committee is responsible for overseeing and evaluating sustainability internal control and risk management processes, as well as compliance with regulatory standards. This committee ensures effective oversight of the company's sustainability practices, helping to enhance transparency, reliable reporting and prudent risk management. Its central role is to ensure that risks are properly identified, assessed and mitigated, while ensuring compliance with ethical and legal standards. To date, there is no internal control process, it will be put in place over the next three years.

As part of the production of this report, the first following the European CSRD regulation, Forsee Power has defined its dual materiality, first by carrying out an analysis of its risks by an external firm specializing in environmental, social and governance matters, and then by assessing the risks, opportunities and impacts according to the regulations in force.

A review of the impacts, risks and opportunities will be carried out each year by the sustainable development department in order to assess their relevance and a quotation will be made at least every three years in order to update the double materiality matrix. This quotation involves the panel of internal stakeholders and calls for input from external stakeholders in the form of interviews and/or responses to questionnaires. The Sustainable Strategy Committee is responsible for validating double materiality.

Once the impacts, risks and opportunities have been identified, they serve as a basis for a roadmap for the relevant Group divisions. Policies are reviewed and adapted according to these IROs, objectives are defined regarding the IROs and performance is monitored and analyzed periodically, twice a year, by the Sustainable Development Department, in conjunction with the indicator drivers in each of the Group's divisions.

The Sustainable Development Department reports on performance trends to the Board of Directors twice a year.

impact

Impact: Forsee Power's sustainability strategy

Forsee Power initially developed its sustainability strategy in 2019, defining priority areas, as well as a roadmap with targets to be achieved by 2025. This roadmap has been built in accordance with the principles of sustainable development governance that will be presented in the corresponding chapter.

In 2020, the Group integrated the materiality matrix into this pre-existing strategy. The aim was to establish a robust and transparent system within the company, taking into account sustainability issues in the conduct of business. This matrix was a first analysis of the significant sustainability issues for the group.

The results of the materiality analysis as well as the assessment of risks and opportunities have led the Group to review the structure of this strategy. In order to reflect a more holistic vision of environmental and climate impacts, whether they are associated with the offer of products and services or the way the company operates, Forsee Power has decided to group the Climate and Environment pillars within a new pillar called "Planet".

The sustainable development strategy has been formalized and named IMPACT, is structured around three pillars: planet, people and politics while being committed in particular to contributing to the Sustainable Development Goals of the United Nations Global Compact initiative.

Within these pillars, the Group has defined the areas of commitment to be achieved by 2025 as part of the Impact 2025 roadmap. This represents a continuous effort to align the company's actions with broader sustainability objectives, integrating CSR governance principles while adapting the strategy to changing realities and emerging challenges.

These pillars represent the foundation on which the company bases its sustainable development policy, published in 2022 and revised in 2023, and guide its daily actions.

The commitments of Forsee Power's IMPACT strategy are formalized around 3 pillars:

PEOPLE
Creating value and protecting our people whenever we operate

PLANET
Contribute to the decarbonization of transport and adopt more intelligent consumption behavior

POLICIES
Establish a strong and transparent governance system

People

- Promote an inclusive work environment that values diversity and respect.
- Guarantee a quality social climate by developing a balanced and constructive social dialogue.
- To offer a workspace that guarantees the health and safety of our employees, preventing and reducing the associated risks.
- To enable the professional development of our employees at each stage of their career within the company, in particular through integration, training, career development, and skills development.

Planet

- Contribute to the decarbonization of our business, by calculating our carbon footprint and then reducing our greenhouse gas emissions.
- Prevent pollution and improve air quality by equipping vehicles with Forsee Power batteries.
- Optimize our energy consumption and transition to renewable energies.
- Reducing our waste and optimising its management by exploring the best recycling and recovery solutions.
- Limit the environmental impact of our products by improving eco-design for better product durability and optimization of the use of materials.
- To develop uses for the second life of our products in order to extend their life cycle and limit their environmental impact.
- To take measures to avoid the contamination of water resources at our production sites and to work to reduce our water consumption at all our sites.
- Promote the preservation and restoration of the biodiversity surrounding our production sites, thus promoting the harmonious coexistence between our industrial activities and nature.

Policies

- Ensure the integration of ethical, environmental and social issues into strategy, policies and decision-making processes through strong ESG governance.
- Evaluate our extra-financial performance via rating agencies, thus allowing transparency with our stakeholders.
- Continuously improve our ESG performance by defining sustainability roadmaps with ambitious quantitative targets.
- Develop sustainability within our value chain, in particular through more responsible purchasing and *supply chain* .
- To convey a culture of honesty, integrity and respect by ensuring business ethics and fighting corruption.
- Guarantee the protection of our data and train our employees in cybersecurity issues.
- To ensure compliance with the compliance obligations that our products and production sites meet, through the implementation of regulatory monitoring.

According to Great Place to Work's internal assessment in 2024, 81% of our employees note that Forsee Power is committed to sustainable development and 77% feel involved in the company's sustainable approach.

Sustainable development roadmap to 2025

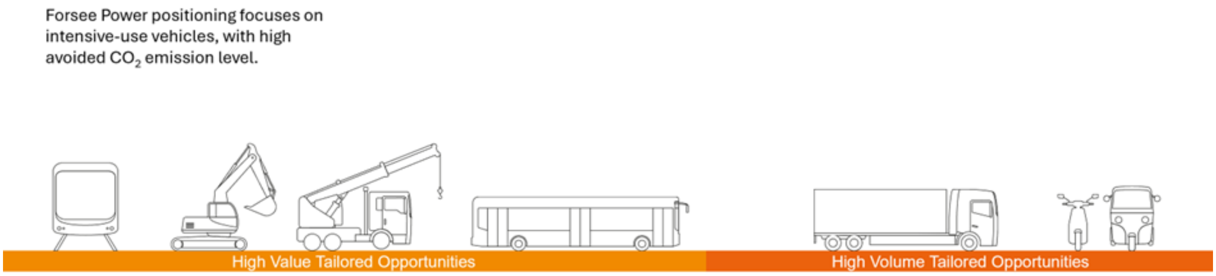
impact 2025

OBJECTIVE	KPI	2019	2020	2021	2022	2023	2024	TARGET 2025
people	1. Absenteeism rate (in %)	6.38%	4.49%	3.01%	3.14%	3.53%	**3.96%**	**3,8%**
Reduction of absenteeism and accidents at work	2. Accident severity rate	0.21	0.17	0.05	0.02	0	**0.23**	**0**
people Better representation of women in the company	3. Representation rate of women on the Board of Directors (in %)	0%	0%	46%	46%	46%	**40%**	**40% - 60%**
	4. Representation rate of women in a management function (% of the total number of managers)	-	-	20%	23%	27%	**26%**	**40% - 60%**
Policies More responsible purchasing	5. Establishment of a Supplier Code of Conduct	Not	in place	in place	in place	in place	**in place**	**in place**
	6. Rate of suppliers of production components who have signed the Code of Conduct (as a % of the total number of suppliers)	-	76.6%	85.5%	89.90%	98.1%	**98.4%**	**100%**
planet Better consumption and recycling of waste	7. Weight of waste per kWh produced (in kg)	-	-	1.89kg	0.79kg	0.66kg	**0.55kg**	**0.60kg**
	8. Rate of waste reclaimed or recycled (excluding organics) in %	76%	73%	74%	72%	93.3%	**91.8%**	**100%**
planet Reduction of CO2 emissions	9. Share of air transport in world transport in tonne-kilometres	-	-	-	0,65%	1,20%	**0,42%**	**0,85%**
	10. Share of renewable energies in energy consumption	6.51%	14.69%	19.80%	5.23%	14%	**21.4%**	**50%**

Target number 4 regarding the rate of women managers in 2025 will most likely not be achieved and is part of the reassessed objectives for the 2030 roadmap.

To adapt the Group's ambitions to the evolution of its size and the industry, Forsee Power has defined a new roadmap for 2030 which will be published in 2025.

5.1.2.6 SBM-1 : strategy, business model and value chain



Forsee Power is positioned in sustainable mobility market segments where the battery represents a high added value.

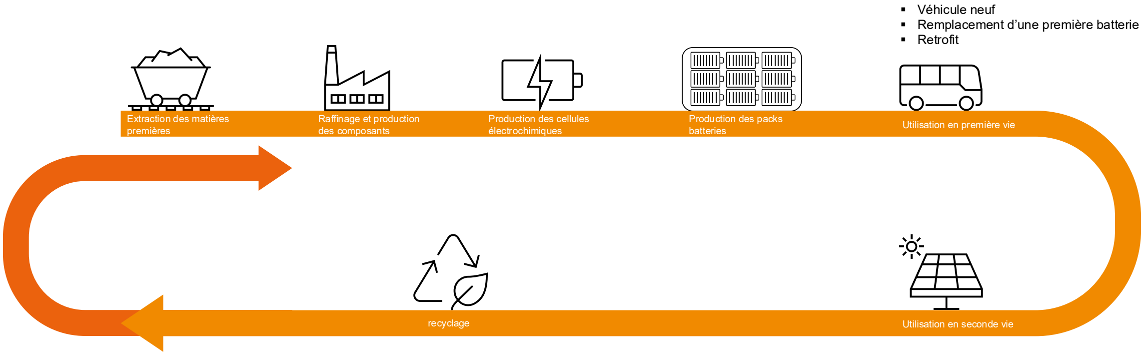
Its focus on heavy-duty vehicles with a high level of avoided emissions represents a targeted and future-oriented vision. By specializing in these sectors, Forsee Power can not only meet the growing demand for sustainable mobility solutions but also gain a strong foothold in markets where there is considerable added value.

By combining technological expertise, a commitment to sustainability and an understanding of market needs, Forsee Power is positioned in a strong and sustainable way in the sustainable mobility market segments, offering high value-added solutions for users while contributing positively to the reduction of emissions and the preservation of the environment.

At Forsee Power, sustainability is a key element and driver of the business model. The Group contributes to a low-carbon and circular industry by offering a complete range of battery systems and financing solutions for the electromobility markets. The target markets are mainly collective mobility applications (buses, trains) and light mobility, most of which are in intensive commercial use (public transport, shared fleets, urban and agricultural works). The business consists of manufacturing intelligent battery systems for sustainable electromobility. The model has many advantages, particularly in terms of services:

- Helping to limit global warming through innovation on efficient and sustainable technologies that help customers and cities reduce their carbon footprint
- Ensuring a sustainable energy transition of products through second life
- Creating value and protecting stakeholders wherever the Group operates by recruiting, developing employee skills and promoting diversity and inclusion
- Engage with business partners by placing ethics at the heart of relationships

Forsee Power's Value Chain Forsee Power's Value Chain



The **battery value chain** covers all the steps necessary for the design, manufacture, assembly, and commissioning of a battery, as well as its management at the end of its life (second life and recycling). This chain involves several actors and processes that range from the extraction of raw materials to the disposal or recycling of batteries at the end of their life. Here's a detailed description of each step in this value chain:

1. Extraction of Raw Materials

Role : The first step in a battery's value chain is to extract the materials needed to make it. Lithium-ion batteries require several key materials, such as lithium, cobalt, nickel, manganese, graphite, and other minerals.

Objective : To provide the essential raw materials for the production of battery cells. This step is often carried out in mines located in specific regions of the world.

Challenges : The conditions of extraction, the environmental and ethical impact of the extraction of certain minerals (such as cobalt) are important issues in this stage.

2. Refining and Production of Components

Role : Once extracted, the materials are refined and transformed into active materials used in batteries. For example, lithium is transformed into lithium salts (e.g., lithium carbonate), which are then used in the electrodes of the cells.

Objective : To prepare materials in the right shapes and chemical compositions for the manufacture of battery cells.

Challenges : The process of refining and transforming materials is complex and requires advanced technologies to ensure the purity of the materials needed for battery performance.

3. Battery Cell Manufacturing

Role : This step consists of making the electrochemical cells from the active materials. The cells consist of two electrodes (anode and cathode) and an electrolyte, which allow the chemical conversion of energy. The anode is often composed of graphite, while the cathode can be made from lithium cobalt, lithium iron phosphate, nickel-manganese-cobalt, etc. The electrolyte allows the transfer of ions between the anode and the cathode.

Goal : To produce battery cells that have the right energy capacity and safety for use in applications such as electric vehicles or energy storage systems.

Challenges : Quality control and management of battery safety risks, including short circuit or fire hazards.

OWN ACTIVITIES

4. Assembling the Battery Modules

Role : Once the cells are produced, they are assembled into battery modules. A module can contain multiple cells connected together in series and parallel to achieve the desired voltage and capacitance characteristics.

Objective : To design modules that can be easily integrated into battery packs for specific applications.

Challenges : Module design must take into account available space, thermal management, and safety.

5. Battery Pack Production

Role : The battery modules are then integrated into a housing or pack, often made of metal or plastic, which is designed to protect the modules from impact and environmental conditions. This pack also contains thermal management and safety components.

Thermal management : It is crucial to manage the heat generated by the cells as they are charged and discharged.

Battery Management System (BMS): A BMS is integrated to monitor and control the charge, discharge, and status of the cells, ensuring that the battery is operating safely.

Goal : To create a compact, robust and safe end product that can be used in a variety of applications.

Challenges : Optimizing module integration, thermal management, and package security.

6. Testing and Validation

Role : After the battery pack is assembled, it undergoes a series of rigorous tests to ensure its performance, safety, and durability. Tests may include:

Load/discharge tests to assess capacity.

Thermal tests to verify heat management.

Safety tests to ensure there is no risk of fire, short circuit, or explosion.

Objective : To ensure that the battery pack meets specifications and safety standards before it is deployed in end-use applications.

Challenges : Testing must be exhaustive and cover all possible use cases of the battery pack.

7. Marketing and Delivery

Role : Once validated, the battery pack is delivered to customers (electric vehicle manufacturers, energy storage companies, etc.) or distributed to retail outlets for use in various applications.

Objective : To ensure product availability for end users while ensuring fast delivery times and efficient logistics management.

Challenges : Managing the global supply chain and complying with battery transportation regulations (e.g., lithium battery risks).

8. Second Life and Recycling

Role: When a battery reaches the end of its first useful life (e.g., in an electric bus), it can either be recycled or reused in less demanding applications, such as stationary energy storage. If it cannot be reused, it is sent to specialized recycling centers.

Second life: Reuse of battery systems for less demanding applications.

Recycling: Extracting materials (lithium, cobalt, nickel, graphite, etc.) for reuse in the manufacture of new batteries.

Objective : To reduce the environmental impact of batteries and maximize the recovery of valuable materials.

Challenges : Battery recycling is complex and expensive, and more efficient recycling technologies are needed to make this step more viable.

The value chain of a battery encompasses a series of steps that range from the extraction of raw materials to the production, assembly, commissioning, and management of end-of-life batteries. It involves coordination between different industrial sectors and requires advanced technologies to ensure high-performance, safe and environmentally friendly batteries. Every step in the value chain is crucial to ensure the sustainability and profitability of batteries, especially in fast-growing sectors such as electric mobility and renewable energy storage.

5.1.2.7SBM-2: Interests and Views of Stakeholders

Forsee Power strives to build a transparent and constant dialogue with its stakeholders to better meet their needs and expectations and understand the interdependent relationships between these different actors.

Forsee Power plans to consult the Social and Economic Committee (CSE) of Forsee Power, in France, on sustainability information following the publication of this report and the identification of Forsee Power's impacts, risks and opportunities.

	Types of dialogue	Their main expectations	Answers provided by the company
Staff	• Annual satisfaction survey since 2017 • Meeting with staff representatives • Internal communication	• Elements of remuneration • Well-being and safety at work • Career development	• Annual salary negotiation • Employee evaluation • Skills Development • Workplace well-being training and participatory workshops
Customers	• Customer satisfaction survey	• Product quality • Regulatory Compliance	• Technical and commercial offers • Technology roadmap
Suppliers	• Supplier satisfaction survey • Supplier audit (including ESG) • Technical meetings and site visits	• Good financial relationship	• Payment of invoices
Financial partners	• Regular investor meetings • Participation in investor conferences • Financial communication	• Financial performance • Treasury	• Adjusted EBITDA improvement • Business Growth • Implementation of cash flow solutions
Public authorities	• Regular meetings with local, national and regional representatives • Organization of site visits • Contribution to the regulatory process	• Industry Stability • Product Safety • Job stability	• Member of Recharge (EU), Avere (FR), CSF NSE (FR) NattBatt (US) • Active participation in working meetings on battery regulations
Public authorities	• Regular meetings with local representatives • Reception of students for visits and internships • Sports partnerships	• Living in a healthy environment • Obtain a financial contribution to local projects	• Funding of sports clubs • Reception of student interns • Collaborations with firefighting services

5.1.2.8SBM-3: Impacts, Risks and Opportunities (IRO) of Forsee Power and their link to the strategy and business model

The impacts, risks and opportunities (IRO) that Forsee Power identified and judged to be material during the double materiality analysis carried out in 2024, in accordance with the CSRD directive and in application of the methodologies developed by the European Commission are listed in the tables below.

All ROIs were rated in a "raw" manner without taking into account any mitigation measures implemented by Forsee Power. The methodology used is explained in Section *IRO-1: Description of Procedures for the Identification and Evaluation of Hardware ROI*.

The ORIs are described in each section of the sustainability report.

ENVIRONMENT

materiality			IRO				Value Chain		
ESRS	**theme**	**Sub-theme**	**negative impact**	**Positive impact**	**risk**	**Won**	**upstream**	**own activity**	**downstream**
E1 Climate change	Climate Change Mitigation	Forsee Power's GHG emissions	x		x			x	
		Development of new solutions for the transition to a low-carbon economy		x		x			
	Adaptation to climate change	Physical risks/threats to Forsee Power's assets or operations			x			x	
		Transition risks related to climate change			x	x	x	x	x
	Energy	Energy efficiency and renewable energies	x	x	x	x	x	x	x
E2 Pollution	Microplastics	Production or distribution of goods that can generate microplastics	x		x		x		
	Air pollution	Air pollution resulting from activities.	x	x	x		x	x	x
	Soil pollution	Soil pollution, especially in the value chain.	x		x		x		
	Water pollution	Water pollution (including chemical spills, toxic and hazardous releases to water).	x		x		x		
	Pollution of living organisms and food resources	Possibility of pollution of living organisms and food resources, especially in the value chain.	x		x		x		
	Substances of Concern and Very High Concern	Use of substances of concern at a high and very high level.	x		x		x		
E3 Water	Water Consumption	Water consumption, especially in areas exposed to water risks and/or high water stress	x		x		x		
	Extraction and use of marine resources	Extraction and use of marine resources	x		x		x		
E4 biodiversity	Impacts and dependencies on ecosystem services				x		x	x	
	Loss of biodiversity	Impacts on ecosystem extent and conditions	x		x		x	x	
		Climate Change (E1)	x						
		Invasive alien species	x				x		
		Direct operation	x				x		
		Pollution	x				x		
E5 Circular economy	Resource inputs, including resource utilization	Product recycling	x	x	x	x	x	x	x
		Second life of products	x			x		x	
	Resource Utilization, Including Resource Utilization	Eco-design	x			x	x	x	
	Rubbish	Waste management							

SOCIAL

materiality	IRO	Value Chain

ESRS	theme	Sub-theme	negative impact	Positive impact	risk	Won	upstream	own activity	downstream
S1 Company Staff	Working conditions	Adequate salaries	x	x	x	x		x	
		Health and Safety	x		x			x	
		Job security		x		x		x	
		Social dialogue	x		x			x	
		Working time and work/life balance	x	x	x	x		x	
	Equal opportunities for all	Employment and Inclusion of Persons with Disabilities / Diversity	x	x	x			x	
		Gender equality and equal pay for work of equal value	x		x			x	
	Measures against violence and harassment in the workplace	Measures against violence and harassment in the workplace	x		x			x	
	Training and skills development	Training and skills development	x		x			x	
	Other work-related rights	Child labour	x		x			x	
		Forced labor	x		x			x	
		Privacy Policy	x					x	
S2 Value Chain Staff	Working conditions	Work Practices and Safety	x		x		x		
	Equal opportunities for all	Ensuring work ethics and fairness	x		x		x		
S3 Communities Affected	Civil and political rights of communities	Respect for the fundamental rights of the affected communities	x		x		x		
	Economic, social and cultural rights of communities	Respect for the fundamental rights of the affected communities		x			x		
		Pressure on local natural resources and nuisances	x		x		x		
	Indigenous peoples' rights	Rights of Indigenous communities	x		x		x		
S4 Consumers and end-users	Impacts related to consumer and/or end-user information	Privacy	x		x				x
		Informing End Users	x	x	x	x			x
	Consumer and/or end-user safety	Product Safety							x
	Social inclusion of consumers and/or end-users	Product accessibility		x		x			x

GOVERNANCE

materiality			IRO				Value Chain		
ESRS	theme	Sub-theme	negative impact	Positive impact	risk	Won	upstream	own activity	downstream
G1 Business Conduct	Corporate Culture	Responsible Leadership and Governance		x		x	x	x	x
	Whistleblower protection	Whistleblower protection	x		x		x	x	x
	Political Engagement and Lobbying	Political Engagement and Lobbying		x		x	x	x	x
	Management of supplier relationships, including payment practices	Responsible purchasing	x		x		x		
	Corruption and bribery	Ethics and Compliance	x		x		x	x	x

5.1.2.9IRO-1: Description of Procedures for the Identification and Evaluation of Material IROs

Definition of Material Information to Publish

As part of our commitment to sustainability and in accordance with the requirements of the ESRS, our company has put in place a systematic process to define the material disclosures to be made regarding the impacts, risks and opportunities that we have assessed as relevant. This process includes the application of thresholds and criteria specified as part of the ESRS 1 standards. The materiality analysis was carried out in 4 stages with the help of an external specialist firm.

1. Identification of Impacts, Risks and Opportunities: Initial Analysis: We began by conducting a thorough assessment of the impacts, risks and opportunities related to our operations. This process included internal data collection, peer benchmarking, detailed value chain mapping, analysis of market trends, and consultation of stakeholder documentation. There was therefore no consultation with external stakeholders, but extensive consultation with internal stakeholders.

2. Application of Materiality Criteria: Criteria Defined by ESRS 1: To determine what is material, we applied the criteria set out in ESRS 1, which include the relevance, severity, and likelihood of adverse impacts, as well as the sustainability of positive opportunities. These criteria help us set priorities for information disclosure.

3. Materiality Thresholds: Qualitative and Quantitative Thresholds: A rating exercise was conducted to determine the materiality level of each IRO for financial materiality, taking into account qualitative and quantitative thresholds. Like what:

- The financial impact took into account the impact on adjusted EBITDA, in 5 levels
    - No impact
    - Impact on EBITDA <€300,000 (score between 0 and 1)
    - €300,000 < EBITDA impact =< €700,000 (score between 1 and 2)
    - €700,000 < EBITDA impact =< €100,000 (score between 2 and 3)
    - Impact on EBITDA> €1,000,000 (score between 3 and 4)
- The probability of occurrence is evaluated according to 4 levels
    - Rare – exceptionally, with a minimum interval of two years
    - Likely – may occur in the future and/or has occurred in the last two years
    - Very likely – occurs regularly
    - Current or highly probable – refers to events that have taken place during the year

4. Analysis of the results for the preparation of the final report.

- Materiality threshold validation
- Preparation of restitution material

The definition of the material information to be published is based on a systematic approach integrating the evaluation criteria of the ESRS 1.

Focus on the methodology for assessing the materiality of impact

Ladder
Extent
How big is the impact?

Field
Application
Scope
Is the impact limited to a site, a region, or does it have a global reach (GHG emissions)?

Remediation
Irremediable nature
For negative impacts only: can it be remedied? What is the remediation period?

Probability
Probability
d'occurrence
What is the probability of The impact? For actual impacts, the maximum score will be used.

$$\frac{(01 + 02 + 03)}{3} \times 04 = \text{Gravity*}$$

**Severity is weighted according to the rating scale*

Focus on the methodology for assessing financial materiality

Financial amplitude
Potential magnitude of Financial implications
How much of the performance is concerned?

01.a

or

Direct financial risk
To what extent can the profitability of the company be affected?

01.b

or

Reputational risk
How well is the reputation of the of the company can be Affected?

01.c

or

Legal risk
Risk only: in what Can Forsee Power be considered legally liable in the event of a breach? Is this a legal obligation?

01.d

Based on the most relevant criterion of analysis (maximum value)*

X 02

Probability
Probability of occurrence
What is the probability of the impact? For impacts current, the maximum score will be used.

**The result is weighted according to the rating scale*

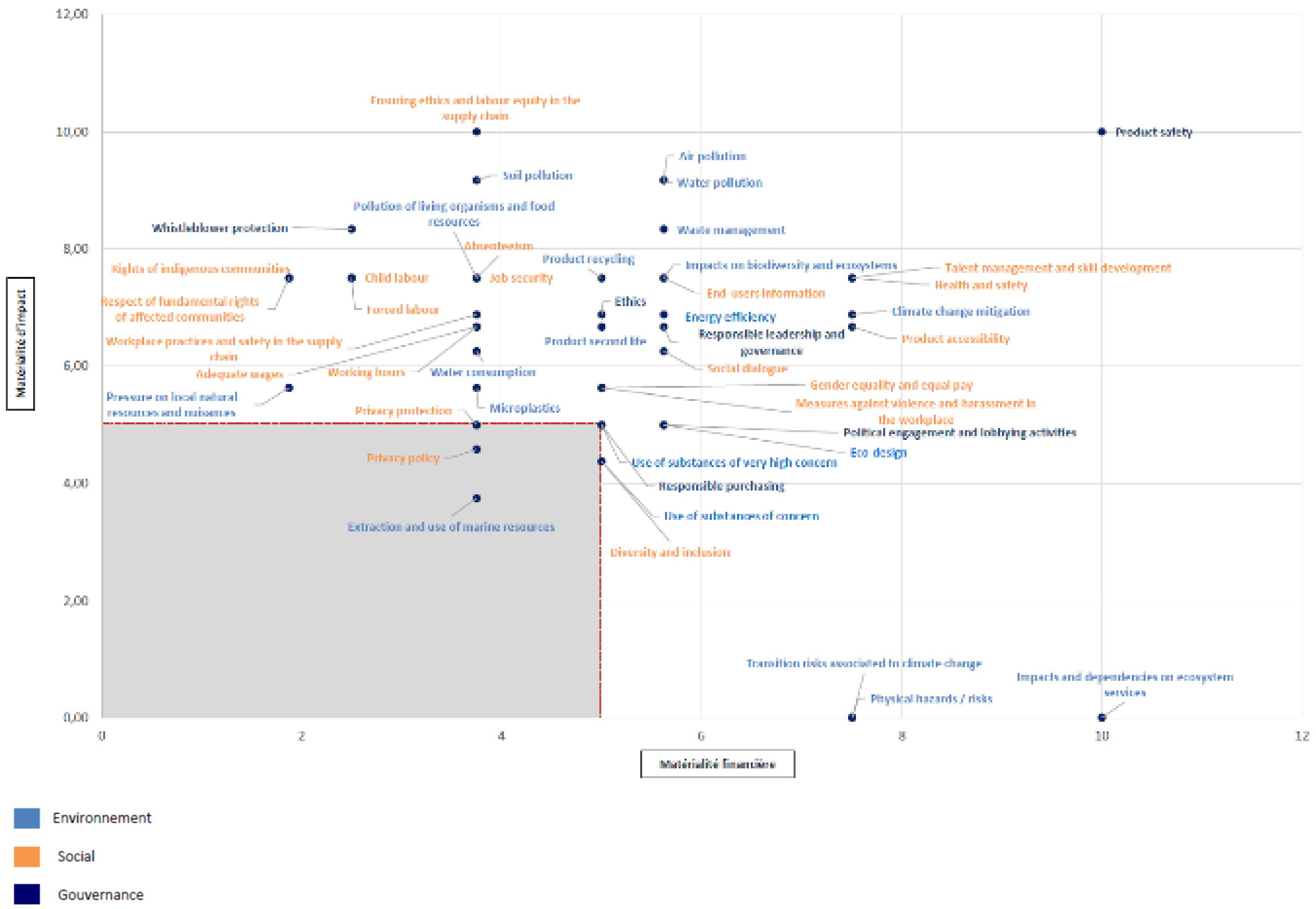
Results

At the end of the IRO identification process, Forsee Power identified 51 themes, 45 of which are material:

22 environmental themes, including 18 material

23 social themes, including 22 materials

6 governance themes including 5 material



5.1.2.10 ESRS2. IRO-2. IRO-2 Disclosure Requirements in ESRS Covered by Sustainability Statements

Materiality Assessment Compliant Disclosure Requirements

Publication Requirements	Description	Sections
1. Background and Strategy	Information on the external context, the company's strategy and the links between strategy and sustainability.	ESRS2 SBM-1
2. Risk and Opportunity Analysis	Identification and assessment of risks and opportunities related to sustainability impacts and dependencies.	ESRS2 IRO-2
3. Sustainability Policy	Description of the sustainability policies in place.	MDR-P
4. Sustainability Goals	Statement of measurable sustainability goals aligned with stakeholder expectations.	Impact: Forsee Power's sustainable development strategy
5. Stakeholder Engagement	Details on methods for stakeholder consultation and engagement.	SBM-2
6. Performance and Indicators	Key performance indicators (KPIs) measuring progress against sustainability goals.	Impact: Forsee Power's sustainable development strategy
7. Governance	Sustainability governance structure, including the role of advisory boards and committees.	GOV-1
8. Regulatory Compliance	Information on compliance with environmental and social regulations.	GOV-5
9. Impact Management	Description of how the company manages and mitigates its environmental and social impacts.	GOV-5
10. Reporting et Communication	Details on sustainability-related reporting and communication processes.	GOV-2

This table of contents outlines the disclosure requirements that our company complied with when preparing our sustainability statement, in accordance with the results of our materiality assessment according to the standards set forth by ESRS 1, Chapter 3. Each section indicates where relevant information can be found in the report.

Mandatory Data Points as per Appendix B of the ESRS Standards

Data Points	Description	Section in the Sustainability Report	Materiality
1. GHG emissions	Total greenhouse gas emissions (Scope 1, 2 and, where applicable, 3).	E1: Climate change	**Important**
2. Power consumption	Total amount of energy consumed and energy sources used.	E1: Climate change	**Important**
3. Water management	Total water consumption and management measures.	E3: water and marine resources	**Important**
4. Raw materials	Volume of raw materials used and where they come from.	E5: circular economy	**Important**
5. Waste management	Total amount of waste generated and percentage recycled or reused.	E5: circular economy	**Important**
6. Recyclable packaging	Percentage of recyclable packaging in relation to all packaging used.	E5: circular economy	**Non important**
7. Working conditions and human rights	Number of recognized trade union associations and occupational accidents.	S1, S2, S3, S4	**Important**
8. Impact on biodiversity	Assessment of the company's impacts on biodiversity and rehabilitation efforts.	E4: Biodiversity and ecosystems	**Important**
9. Methods of Stakeholder Engagement	Description of stakeholder engagement methods.	SBM-2: Stakeholder Interests and Perspectives	**Important**
10. Social Performance Indicators	Indicators measuring social performance (employment rate, training, employee satisfaction).	S1: Company personnel	**Non important**

This table presents the data points required by other EU legislation, in accordance with Appendix B of the ESRS Standards. For each data point, we indicate where it is in our sustainability state, as well as its classification in terms of materiality. Data points that are deemed non-material are specified as "Not Important" in accordance with the provisions of ESRS1. This transparency assures our stakeholders that we have considered all regulatory requirements while aligning our reporting with the sustainability issues that matter most to us.

5.1.2.11 MDR-P: Policies

The Group has put in place a number of policies on important topics that define the guidelines, actions in place and the resources allocated.

Forsee Power's policies are available as of the date of publication of this document:

Politics	Content	Perimeter	Responsible
Code of Business Conduct	Corporate Culture Respect for individuals, human rights Environment, Health, Safety Protection of resources and information Conflicts of Interest and Improper Influence Business Integrity Personal and collective responsibility Disciplinary sanctions	Group	Legal
Supplier Code of Conduct	Human rights and labour law Health and Safety Environment Data protection Anti-corruption Ethics and sanctions Governance EcoVadis	Group	Shopping
Sustainable development policy	Policy on the three pillars of sustainable development: - social: Creating value and protecting the wherever the Group operates. - Environment: Contributing to the decarbonization of and adopt smarter consumer behaviours. - Governance: Establish a strong and transparent governance system.	Group	Sustainable development
Responsible purchasing policy	Product quality Competitiveness Ethics Transparency Durability Collaboration	Group	Shopping
Quality, environment, health and safety policy	Leadership et engagement Quality Health and Safety Environment and energy Accountability and communication Innovation and operational excellence	Group	QHSE
Information Systems Policy	Inventory Risk assessment Reduced vulnerability and exposure Commitment to safety Governance Offensive Cybersecurity Orientation State-of-the-art architectural design and regular checks	Group	IT
Human Resources Policy	Diversity & Inclusion Development of our employees Quality of life at work Recruitment & Onboarding Social relations	Group	HR
R&D Policy	Durability Digitalization & Artificial Intelligence Balanced innovation portfolio Platform & Modularity Collaboration Total solution System security and reliability	Group	R&D

5.2 ENVIRONMENT

5.2.1 European taxonomy

5.2.1.1Context

Pursuant to European Regulation 2020/852 of 18 June 2020, the European Taxonomy sets up a classification system for economic activities deemed "sustainable" from an environmental point of view. This harmonised EU-wide framework aims to identify activities that contribute to the EU's climate objectives, including carbon neutrality by 2050 under the Green Deal, and thus provides a basis for comparison between companies. The ambition of the Taxonomy is to redirect public and private investment flows towards activities that promote the ecological transition.

To this end, the Regulations set out six broad environmental objectives:

1. climate change mitigation;
2. adaptation to climate change;
3. the sustainable use and preservation of aquatic and marine resources;
4. the transition to a circular economy;
5. pollution prevention and control;
6. the protection and restoration of biodiversity and ecosystems.

Criteria are set to assess the contribution of an activity to each of these objectives. Two key concepts emerge from this:

Eligibility : An activity is considered eligible with regard to climate objectives if it is listed in Annexes I and II of the Climate Delegated Regulation (Delegated Regulation (EU) 2021/2139) as amended by Regulation (EU) 2023/2485, the Supplementary Climate Delegated Regulation (EU) 2022/1214 and the Environmental Delegated Regulation (EU) 2023/2486, which identify activities with a high potential to contribute to the fight against climate change and to climate adaptation. This one. These activities are assigned specific sustainability criteria.

Alignment : An activity is said to be aligned when it is not only eligible, but also complies with technical criteria defined for each environmental objective. It must make a meaningful contribution without undermining other objectives, while respecting minimum safeguards in terms of human rights, taxation, competition and the fight against corruption.

Alignment of activities within the meaning of the taxonomy

The required activities are defined and described by an initial categorisation with regard to 6 environmental objectives.

Substantial Contribution (CS): Activities meet the technical review criteria set for each environmental objective.

Do Not Cause Significant Harm (DNSH): Activities do not have a significant impact on any of the other 5 environmental objectives.

Minimum Guarantees (MS): The activities are carried out in compliance with the International Bill of Human Rights and the principles set by the OECD, the UN or the ILO, in particular on corruption, taxation and competition law.

Aligned activities contribute substantially to one of the environmental objectives without prejudice to the other objectives while respecting the requirements of minimum safeguards.

The Taxonomy Regulation requires companies to publish the share of their turnover, investments (CAPEX) and operating expenses (OPEX) associated with eligible and aligned activities.

Since 1 January 2022, this obligation has applied to non-financial companies. For the 2021 financial year, companies were only required to publish the indicators relating to their eligible activities, based on the first two environmental objectives, without alignment analysis.

In 2023, for the 2022 financial year, companies had to declare both the eligibility and the alignment of their activities in relation to these first two objectives.

In 2025, for the 2024 financial year, the scheme is fully deployed: companies will have to analyse both the eligibility and the alignment of their activities with all six environmental objectives.

Scope chosen

Sales, investments and operating expenses included include all of the Group's activities. The financial information comes from the financial statements as at December 31, 2024.

5.2.1.2Evaluation and Methodology

Forsee Power has undertaken an analysis of its turnover, current investments and expenses in order to determine the activities eligible for climate change adaptation and mitigation objectives.

In 2024, eligibility assessments confirmed that 99.1% of revenue and 88.4% of capital expenditure (CapEx) were eligible and 74% of operating expenditure (OpEx).

Scope of eligible activities:

"Battery manufacturing" is the Group's main revenue-generating activity, with regard to the climate delegated acts. This activity contributes to the goal of mitigating climate change. In addition, the company has After-Sales Service (SAV) commitments that meet the objective of transitioning to a circular economy in accordance with the Environmental Delegated Regulation.

In addition, the analyses carried out made it possible to identify investments and operating expenses related to "Transport" and "Buildings". Those activities shall also be eligible under the above-mentioned delegated acts.

The scope of eligible activities in 2024 therefore concerns:

Domain	Eligible activities	Reference in The act delegated	Environmental objectives
Industry	Battery manufacturing	3.4	Climate change mitigation and adaptation
Service	Repair, refurbishment and remanufacturing	5.1	Circular economy
Transport	Transport by motorcycles, passenger cars and light commercial vehicles	6.5	Climate Change Mitigation
Buildings	Renovation of existing buildings	7.2	Climate change mitigation and adaptation
Buildings	Installation, maintenance and repair of energy-efficient equipment	7.3	Climate change mitigation and adaptation
Buildings	Acquisition and ownership of buildings	7.7	Adaptation to climate change
Industrial	Hydrogen Production Equipment Manufacturing	3.2	Climate change mitigation and adaptation

With regard to compliance with the various DNSHs, the Group was not able to complete the work undertaken to ensure full compliance with all criteria for the 2024 financial year.

Justification for the lack of calculation of alignment with the European taxonomy linked to a potentially non-compliant DNSH pollution.

At this stage, alignment with the European taxonomy criteria has not been calculated for the Group's battery activities. This decision is due to the current regulatory uncertainty related to per- and polyfluoroalkyl substances (PFAS), the use of which is being discussed within the European Commission. PFAS, although widely used in industrial processes associated with battery manufacturing, are currently being evaluated for future EU-wide restrictions or bans. Pending clarification on the applicable regulatory framework and the potential impacts on the compliance of the activities concerned with the sustainability criteria defined by the Taxonomy, the Group considers that it is not possible to provide a robust, reliable assessment that complies with the requirements of the Taxonomy Regulation. An update of this position will be considered as soon as a stabilized framework is available.

Forsee Power has taken a cautious approach, considering that its activities are not aligned with the Taxonomy. Studies concerning compliance with the various DNSH will be undertaken for the 2025 financial year if the regulatory context has changed.

Eligibility and alignment ratios

Scope of analysis

Revenue, capital expenditure and operating expenses covered all of the Group's activities and correspond to the scope of consolidation defined in Note 4 of the consolidated financial statements for the 2024 financial year. These financial figures can therefore be reconciled to the financial statements with the exception of taxonomic operating expenses, the amount of which is not disclosed in the financial statements.

Turnover

The turnover ratio referred to in Article 8(2)(a) of Regulation (EU) 2020/852 shall be calculated in accordance with Delegated Regulation (EU) 2021/2178 as the share of net turnover from products or services associated with economic activities eligible for the Taxonomy (numerator), divided by the total turnover (denominator - note 8.1, Part 4.3.2 of the consolidated financial statements), as presented in the consolidated income statement.

Capital expenditure (CAPEX)

The CAPEX ratio referred to in Article 8(2)(b) of Regulation (EU) 2020/852 shall be calculated as follows:

• The denominator is taken directly from the Group's IFRS consolidated financial statements (after elimination of intra-group transactions – note 7.2/7.3, part 4.3.1 consolidated financial statements). Capital expenditures include inflows of tangible and intangible assets in the current financial year, including right-of-use of leased assets (accounted for under IFRS 16), before depreciation and amortization, and inflows of tangible and intangible assets resulting from business combinations:

• The numerator includes capital expenditure related to:

o an eligible activity: CAPEX related to assets or processes associated with activities eligible for the Taxonomy;

o an investment plan whose objective is to make activities more aligned with the Taxonomy or to allow eligible activities to align with individually eligible/aligned investments with the Taxonomy.

In 2024, eligible CapEx amounted to €20.6 million, or 88.4% of the total CapEx in the denominator.

Operating expenses (OPEX)

The OPEX ratio referred to in point (b) of Article 8(2) of Regulation (EU) 2020/852 shall be calculated by dividing the numerator by the denominator. The denominator covers direct uncapitalized costs related to research and development, building renovation measures, short-term rentals (not recognized under IFRS 16), maintenance and repairs, as well as any other direct expenses related to the ongoing maintenance of property, plant and equipment necessary to ensure the continued and efficient operation of these assets.

The numerator is equal to the part of the operating expenses included in the denominator that are related to:

• an eligible activity: OPEX related to assets or processes associated with activities eligible for the Taxonomy;

• an operational expenditure plan whose objective is to make activities more aligned with the Taxonomy or to allow eligible activities to align with individually eligible/aligned investments with the Taxonomy.

• individually eligible operational expenditure that is not linked to a main activity.

5.2.1.3Results

The table below presents the summary results of the Taxonomy indicators for the 2024 financial year. The detailed regulatory tables are presented following this one.

	Proportion of CapEx/Total CapEx		Proportion of Turnover/Total Revenue		Proportion of OpEx/Total OPEX	
	Alignment with the Taxonomy by Objective	Taxonomy eligibility by objective	Alignment with the Taxonomy by Objective	Taxonomy eligibility by objective	Alignment with the Taxonomy by Objective	Taxonomy eligibility by objective
Climate Change Mitigation	0%	87,4%	0%	97,8%	0%	42%
Adaptation to climate change	0%	0,2%	0%	0%	0%	0%
Aquatic and marine resources	0%	0%	0%	0%	0%	0%
Circular economy	0%	0,8%	0%	1,3%	0%	32%
Pollution	0%	0%	0%	%	0%	0%
Biodiversity and ecosystems	0%	0%	0%	0%	0%	0%

Evolution compared to the previous year

Forsee Power's activities have not changed since the previous year. The eligibility rates in 2023 were 98.4% for turnover, 67.5% for capex and not calculated for opex

Share of turnover from products or services associated with taxonomy-aligned economic activities

Fiscal Year N		*Year*		Substantial Contribution Criteria						Does Not Significantly Harm Criteria (h)									
Economic Activities(1)	**Code(a)(2)**	**Absolute sales(3)**	**Share of sales(4)**	**Climate Change Mitigation(5)**	**Adaptation to climate**	**Aquatic and marine**	**Pollution(8)**	**Circular Economy(9)**	**Biodiversity and**	**Climate Change Mitigation(11)**	**Climate Change**	**Aquatic and marine**	**Pollution(14)**	**Circular Economy(15)**	**Biodiversity and**	**Minimum Warranties(17)**	**Share of turnover aligned**	**Category (Enabling**	**Category (Transitional**
		Money	*%*	*YES; NO; N/EL (b)(c)*	*YES; NO; N/EL (b)(c)*	*YES; NO; N/EL (b)(c)*	*YES; NO; N/EL (b)(c)*	*YES; NO; N/EL (b)(c)*	*YES; NO; N/EL (b)(c)*	*YES/ NO*	*YES/ NO*	*YES/ NO*	*YES/ NO*	*YES/ NO*	*YES/ NO*	*YES/ NO*	*%*	*H*	*T*
A.1. Environmentally sustainable activities (aligned with the taxonomy)																			
Turnover from environmentally sustainable activities (taxonomy-aligned) (A.1)		**-**	**0%**	**-%**	**-%**	**-%**	**-%**	**-%**	**-%**								**-%**		
Of which enabling		-	**0%**	**-%**	**-%**	**-%**	**-%**	**-%**	**-%**								-%		
Of which transient		-	**0%**	**-%**													-%		
A.2. Activities eligible for the taxonomy but not environmentally sustainable (non-aligned with the taxonomy) (g)																			
				THE; N/EL (f)	THE; N/EL (f)	THE; N/EL (f)	THE; N/EL (f)	THE; N/EL (f)	THE; N/EL (f)										
Rechargeable Battery Manufacturing	CCM 3.4	148 457	97,8%	THE	N/EL	N/EL	N/EL	N/EL	N/EL								98 %		
Repair, refurbishment and remanufacturing	SG 5.1	1 943	1,3%	N/EL	N/EL	N/EL	N/EL	THE	N/EL								-%		
Turnover of activities eligible for the taxonomy but not environmentally sustainable (non-aligned with the taxonomy)(A.2)		**150 400**	**99,1%**	**%**	**%**	**%**	**%**	**%**	**%**								**98 %**		
A. Turnover of activities eligible for the taxonomy (A1+A2)		**150 400**	**99,1%**	**%**	**%**	**%**	**%**	**%**	**%**								**98 %**		
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY																			
Turnover of activities not eligible for the taxonomy		1 366	0,9%																
Total (A+B)		151 766	**100%**																

Share of OPEX expenditure from products or services associated with taxonomy-aligned economic activities

Fiscal Year N		Year		Substantial Contribution Criteria						Does Not Significantly Harm Criteria (h)									
Economic Activities(1)	Code(a) (2)	Absolute OPEX(3)	Share of OpEx(4)	Climate Change Mitigation(5)	Adaptation to climate change(6)	Aquatic and marine resources(7)	Pollution(8)	Circular Economy(9)	Biodiversity and ecosystems(10)	Climate Change Mitigation(11)	Climate Change Adaptation(12)	Aquatic and marine resources(13)	Pollution(14)	Circular Economy(15)	Biodiversity and ecosystems(16)	Minimum Warranties(17)	Share of OPEX aligned (A.1.) or eligible (A.2.) with the taxonomy, year N-1(18)	Category (Enabling Activity)(19)	Category (Transitional Activity)(20)
		Money	*%*	*YES; NO; N/EL (b)(c)*	*YES; NO; N/EL (b)(c)*	*YES; NO; N/EL (b)(c)*	*YES; NO; N/EL (b)(c)*	*YES; NO; N/EL (b)(c)*	*YES; NO; N/EL (b)(c)*	*YES/ NO*	*YES/ NO*	*YES/ NO*	*YES/ NO*	*YES/ NO*	*YES/ NO*	*YES/ NO*	*%*	*H*	*T*
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY																			
A.1. Environmentally sustainable activities (aligned with the taxonomy)																			
OPEX of environmentally sustainable activities (aligned with the taxonomy) (A.1.)		**-**	**0%**	**-%**	**-%**	**-%**	**-%**	**-%**	**-%**								**-%**		
Of which enabling		-	**0%**	**-%**	**-%**	**-%**	**-%**	**-%**	**-%**								-%		
Of which transient		-	**0%**	%													-%		
A.2. Activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy)																			
				THE; N/EL (f)	THE; N/EL (f)	THE; N/EL (f)	THE; N/EL (f)	THE; N/EL (f)	THE; N/EL (f)										
Repair, refurbishment and remanufacturing	SG 5.1	7 222	32,0%	N/EL	N/EL	N/EL	N/EL	THE	N/EL										
Rechargeable Battery Manufacturing	CCM 3.4	9 532	42,3%	THE	N/EL	N/EL	N/EL	N/EL	N/EL										
OPEX of activities eligible for the Taxonomy but not environmentally sustainable (non-aligned with the Taxonomy) (A.2)		**16 754**	**74%**	**-%**	**-%**	**-%**	**-%**	**-%**	**-%**								**0%**		
A. OPEX of activities eligible for the taxonomy (A1+A2)		**16 754**	**74%**	**-%**	**-%**	**-%**	**-%**	**-%**	**-%**								**0%**		
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY																			
OPEX of activities not eligible for the taxonomy		5 804	26%																
Total (A+B)		22 558	**100%**																

Share of CAPEX spending from products or services associated with taxonomy-aligned economic activities

Fiscal Year N		Year		Substantial Contribution Criteria						Does Not Significantly Harm Criteria (h)									
Economic Activities(1)	Code(a) (2)	Absolute CapEx(3)	Share of CapEx(4)	Climate Change (5)	Adaptation to climate change(6)	Aquatic and marine resources(7)	Pollution(8)	Circular Economy(9)	Biodiversity and ecosystems(10)	Climate Change Mitigation(11)	Climate Change Adaptation(12)	Aquatic and marine resources(13)	Pollution(14)	Circular Economy(15)	Biodiversity and ecosystems(16)	Minimum Warranties(17)	CapEx share aligned (A.1.) or eligible (A.2.) with the taxonomy, year N-1(18)	Category (Enabling Activity)(19)	Category (Transitional Activity)(20)
		Money	*%*	*YES; NO; N/EL (b)(c)*	*YES; NO; N/EL (b)(c)*	*YES; NO; N/EL (b)(c)*	*YES; NO; N/EL (b)(c)*	*YES; NO; N/EL (b)(c)*	*YES; NO; N/EL (b)(c)*	*YES/ NO*	*YES/ NO*	*YES/ NO*	*YES/ NO*	*YES/ NO*	*YES/ NO*	*YES/ NO*	*%*	*H*	*T*
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY																			
A.1. Environmentally sustainable activities (aligned with the taxonomy)																			
CapEx of environmentally sustainable activities (aligned with taxonomy) (A.1)		**-**	**0%**	**-%**	**-%**	**-%**	**-%**	**-%**	**-%**								**-%**		
Of which enabling		-	**0%**	**-%**	**-%**	**-%**	**-%**	**-%**	**-%**								-%		
Of which transient		-	**0%**	**-%**													-%		
A.2. Activities eligible for the taxonomy but not environmentally sustainable (non-aligned with the taxonomy) (g)																			
				THE; N/EL (f)	THE; N/EL (f)	THE; N/EL (f)	THE; N/EL (f)	THE; N/EL (f)	THE; N/EL (f)										
Rechargeable Battery Manufacturing	CCM 3.4	15 502	66,4%	THE	N/EL	N/EL	N/EL	N/EL	N/EL								53%		
Transport by motorcycles, passenger cars and light commercial vehicles	CCM 6.5	374	1,6%	THE	N/EL	N/EL	N/EL	N/EL	N/EL								1%		
Renovation of existing buildings	CCM 7.2	4 510	19,3%	THE	N/EL	N/EL	N/EL	N/EL	N/EL								-%		
Installation, maintenance and repair of energy-efficient equipment	CCM 7.3	0	0,0%	THE	N/EL	N/EL	N/EL	N/EL	N/EL								-%		
Installation, maintenance and repair of charging stations	CCM 7.4	0	0,0%	THE	N/EL	N/EL	N/EL	N/EL	N/EL								-%		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0	0,0%	THE	N/EL	N/EL	N/EL	N/EL	N/EL								-%		
Data processing, hosting and related activities	CCM 8.1	0	0,0%	THE	N/EL	N/EL	N/EL	N/EL	N/EL								-%		
Acquisition and ownership of buildings	CCA 7.7	53	0,2%	N/EL	THE	N/EL	N/EL	N/EL	N/EL								41%		
Repair, refurbishment and remanufacturing	SG 5.1	192	0,8%	N/EL	N/EL	N/EL	N/EL	THE	N/EL								-%		
CapEx of activities eligible for the taxonomy but not environmentally sustainable (non-aligned with the taxonomy) (A.2)		**20 631**	**88,4%**	**%**	**%**	**%**	**%**	**%**	**%**								**94%**		
A. CapEx of activities eligible for the taxonomy (A1+A2)		**20 631**	**88,4%**	**%**	**%**	**%**	**%**	**%**	**%**								**94%**		
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY																			
CapEx of activities not eligible for the taxonomy		2 701	11,6%																
Total (A+B)		23 332	**100%**																

5.2.1.4 Taxonomic information for nuclear and fossil gas activities

Line	Nuclear energy-related activities	
1	The company carries out, finances or is exposed to R&D, demonstration or deployment of electricity innovative production facilities from nuclear processwith minimum waste from combustion cycle	No
2	The company carries out, finances or is exposed to activities of construction and safe operation of new nuclear installations for the production of electricity or industrial heat, in particular for the purposes of district heating or for the purpose of industrial processes such as hydrogen production, including their safety upgrades, using the best available technologies	No
3	The company carries out, finances or is exposed to the safe operation of existing nuclear facilities for the production of electricity or industrial heat, in particular for the purposes of district heating or for the purpose of industrial processes such as hydrogen production, from nuclear energy, including their safety upgrades	No
	Fossil fuels-related activites	
4	The company carries out, finances or is exposed to activities of construction or operation of electricity generation facilities from gaseous fossil fuels.	No
5	The company carries out, finances or is exposed to construction, refurbishment and operation of combined heat/cold and electricity production facilities from gaseous fossil fuels	No
6	The company carries out, finances or is exposed to construction, refurbishment or operation of heat generation facilities that produce heat/cold from gaseous fossil fuels.	No

5.2.1.5 Perspectives

As soon as the European Commission clarifies its position on PFAS for the battery business, Forsee Power will proceed with the alignment calculations of its activities to provide a complete result in terms of the European taxonomy.

5.2.2 E1: Climate change

5.2.2.1E1-ESRS2 SBM-3: Climate Change Impacts, Risks and Opportunities

Use of graduated provisions

At the date of publication of the report, Forsee Power has not carried out a climate change resilience analysis and does not have a transition plan or a climate change adaptation plan, these will be developed within three years. The climate change ORIs will therefore be updated once these plans are developed.

			Scope/value chain			Horizon		
Theme	**Sub-theme**	**IRO**	**Upstream**	**Forsee Power**	**Downstream**	**Short-term**	**Medium term**	**Long-term**
Climate Change Mitigation	**Forsee Power's GHG emissions**	(-) Forsee Power's activities generate GHG emissions from direct activities (Scope 1 and 2) and indirect activities along the value chain (Scope 3).	X	X	X	X		
		(R) Financial and reputational risk for Forsee Power related to changes in climate policy regulations and legislation: increased regulatory requirements.	X	X	X		X	
	Development of new solutions for the transition to a low-carbon economy	(+) Forsee Power develops batteries that contribute to low-carbon mobility and plays a role in mitigating climate change.		X	X	X		
		(O) Market and regulatory developments may promote the development of batteries for electric transportation solutions.		X	X		X	
Adaptation to climate change	**Physical risks/threats to Forsee Power's assets or activities**	(R) Financial and operational risk related to extreme weather events impacting Forsee Power's operations or its strategic suppliers.	X	X				X
	Transition risks related to climate change	(R) Financial, operational and reputational risks related to the transition (changes in regulations, technologies, markets and brand image).	X	X	X		X	
		(O) Market opportunities and growth potential related to the development of adapted mobility solutions.	X	X	X	X		
Energy	**Energy efficiency and renewable energies**	(-) Specific use of fossil fuels in India and Poland. The rest of the perimeter mainly uses electricity (which is not 100% green).		X		X		
		(+) Use of renewable energy throughout the production process.	X	X		X		
		(R) Increasing energy costs and increased difficulty in accessing energy for own operations and the value chain.	X	X	X		X	
		(O) Financial opportunity related to the development of renewable energies.	X	X	X	X		

(+): positive impact (-): negative impact (R): risk (O): Opportunity

Key figures relating to Forsee Power's carbon footprint

TOTAL CARBON FOOTPRINT	MOST EMISSIVE CATEGORY: USE OF PRODUCTS SOLD	SECOND CATEGORY LA PLUS EMISSIVE : PURCHASE OF GOODS AND SERVICES	CARBON INTENSITY OF TURNOVER
205 118,1	**140 200,8**	**49 744,3**	**1,35**
TCO2 eq	TCO2 eq	TCO2 eq	TCO2 eq/ K€

5.2.2.2E1-1: Climate Change Mitigation Transition Plan

The smart battery systems, developed by Forsee Power, represent a step towards sustainable and zero-emission electromobility, playing a role in the fight against climate change.

Indeed, these smart batteries, equipped with advanced technologies, offer eco-responsible solutions to power electric vehicles, thus reducing greenhouse gas emissions and contributing to the reduction of air pollution.

In 2024, Forsee Power reached a major milestone in the formalization of its climate commitment, with the validation of its first level of decarbonization commitment by the Science-Based Target Initiative (SBTi). The SBTi is an initiative that helps companies set greenhouse gas emission reduction targets aligned with science and the Paris Agreement to limit global warming:

The Science-Based Targets initiative has validated the science-based greenhouse gas emission reduction targets submitted by Forsee Power. The organisation has classified Forsee Power's target ambition for scopes 1 and 2 as being in line with a trajectory of 1.5°C and below 2 degrees for scope 3.

Global decarbonization goal

Forsee Power is committed to significantly reducing its GHG emissions along the value chain by 2050 and will work on its transition plans over the next three fiscal years.

Although the assembly of battery packs represents a very small part of the battery's carbon footprint, Forsee Power is implementing actions to further reduce this footprint and that of its operations. Training and awareness-raising programmes have been put in place to encourage a more responsible use of resources as well as a better understanding of this theme. The results can be appreciated in the short term.

Forsee Power has given itself 3 years to define its detailed climate change transition plans for all its sites, i.e. availability by December 31, 2027. These plans will be drawn up on the basis of the decarbonisation trajectories validated by SBTi.

5.2.2.3 E1-2: policies related to climate change mitigation and adaptation

Sustainable development policy

In its sustainable development policy, the Group defines how it intends to contribute to the decarbonization of transport and adopt smarter behaviors with regard to its consumption through the following priorities:

- Contribute to the decarbonization of the activity, by calculating its carbon footprint and then reducing greenhouse gas emissions.
- Prevent pollution and improve air quality by equipping vehicles with Forsee Power batteries.
- Optimize its energy consumption, especially equipment in production and R&D sites and transition to renewable energies.
- Reduce waste and optimize waste management by exploring the best recycling and recovery solutions.
- Limit the environmental impact of its products by improving eco-design.

- To develop uses for the second life of its products in order to extend their life cycle and limit their environmental impact.

Research and development (R&D) policy

The Group's R&D policy identifies sustainability as an objective and targets a reduction in the carbon footprint of products, the integration of more recycled materials, and better repairability and recyclability.

As part of this policy, the Group has defined its eco-design tools and works closely with all functions to ensure a reduced environmental footprint of its products.

Eco-design is integrated into the product development stages and is based on the following tools:

- The 6 REs
    - Reduce: decrease resource consumption and waste production.
    - Reuse: Extend the life of products by using them multiple times.
    - Recycle: transforming waste into new raw materials.
    - Repair: possibility to repair defective products to avoid their replacement.
    - Reuse: Reuse a product or its components without processing.
    - Refuse: Avoid certain unsustainable products or practices, such as single-use plastic.
- The carbon footprint
- The recycling rate

A checklist to ensure that ecodesign and the above elements are taken into account in the launch of a project

Quality, Health, Safety and Environment (QHSE) Policy

Environment and energy are among the priorities defined by this QHSE policy, under the responsibility of the Chief Technical and Operations Officer. The policy can be made available on the Group's websites and extranets, displayed on all sites and sent to external stakeholders when they are concerned. At all its sites, the Group is committed to minimizing its environmental impact at every stage of the activity. Its commitments include:

- Comply with ISO 14001 environmental standards in order to ensure continuous improvement in terms of the environment by controlling its impacts to take energy reduction and waste reduction measures.
- Reduce energy consumption and greenhouse gas emissions by adopting environmentally friendly technologies and practices.
- Responsible waste management by promoting recycling, reuse and recovery.

The Group's policies are available on the website, under the heading *Sustainable Development > Governance*.

5.2.2.4 E1-3: Actions and resources related to climate change policies

Forsee Power will adapt its climate change actions and resources once the adaptation and transition plans have been defined. This future work will allow the Group to calculate the GHG emission reductions achieved and expected for each action.

Key actions	Materiality	Description and target date	Scope	Defined objective	Progress 2024
Certification 14001					
Raising employees' climate awareness	**Forsee Power's GHG emissions**	Develop an internal climate culture and educate teams about the carbon footprint within the company and in everyday life	Own activities		Training sessions were offered to all connected employees Information on SBTi targets across sites via information screens
Expanding the use of renewable energy	**Forsee Power's GHG emissions** **Energy efficiency and renewable energies**	Aim for 50% renewable energy in the Group's energy consumption	Own activities	Yes	Renewable energies represent 17.93% of the Group's total energy consumption in 2024
Absolute reduction of scope 1 & 2 emissions	**Forsee Power's GHG emissions** **Energy efficiency and renewable energies**	Forsee Power commits to reducing absolute scope 1 and 2 GHG emissions by 50% by 2030 (vs. 2022)	Own activities	Yes	Group objectives defined and validated by SBTi
Relative reduction in scope 3 emissions	**Forsee Power's GHG emissions**	Forsee Power is committed to reducing scope 3 GHG emissions by 51.6% per kWh by 2030 (vs. 2022).	Value Chain	Yes	Group objectives defined and validated by SBTi
Reduction in air travel	**Forsee Power's GHG emissions**	Share of air transport in world transport in tonne-kilometres less than or equal to 0.85% in 2025	Own activities and value chain	Yes	The share of air transport among all modes of transport in tonnes x kilometres was 0.42% in 2024
Developing products with an optimized environmental footprint	**Forsee Power's GHG emissions**	Reflection is underway on the objective to be achieved by 2030.	Own activities and value chain		Strengthening of the ecodesign network: enlargement of the Group, analysis of the carbon footprint of product components
Implement a climate change adaptation plan	**Physical risks/threats to Forsee Power's assets or activities**	Definition of the climate change adaptation plan by site by the end of 2027.	Own activities and value chain	No	Review and mapping of climate risks
Implement a transition plan for each site	**Transition risks related to climate change**	Definition of the climate transition plan by site by the end of 2027.	Own activities	No	Group objectives defined and validated by SBTi

5.2.2.5 E1-4: Climate Change Mitigation Targets and Indicators

Targets and indicators have not been achieved for fiscal year 2024. Their analyses will be carried out over the next three years in accordance with the phased provisions indicated in the introduction to this chapter.

Decarbonization levers

Ecodesign and the Ecodesign network

Forsee Power's R&D teams work in collaboration with all the Group's functions to ensure a reduced environmental footprint of our products. They rely on eco-design tools (see details in section E1-2) in order to optimize the lifespan of products, allow second life, optimize recycling.

The integration of eco-design into Forsee Power's activities is a commitment to the preservation of the environment from the earliest design phases of its products.

The primary objective of this approach is to reduce the environmental footprint of products throughout their life cycle, by minimizing the impacts related to their extraction, manufacture, distribution, use and end-of-life.

This approach can evolve into functional or systemic innovations, involving the creation of new product concepts or the introduction of new technologies for a reduced environmental footprint.

The benefits of eco-design for Forsee Power are multiple:

- Provides in-depth knowledge of products, including a detailed understanding of their life cycle and environmental impacts;
- Improved supply chain and production management;
- Lower production costs by minimizing waste and reducing environmental costs;
- Meets the expectations of consumers who are increasingly attentive to the environmental impact of the products they buy.

The 4 eco-design tools for Forsee Power allow the Working Group on its environmental impact and several actions have been carried out in this area in 2024:

- 6RE (Repairability, Reuse, Recycling, Recovery, Reuse, Reduce): This process incorporates product repairability, reuse, component recovery, and reducing overall environmental impact by design.
- Battery Checklists: These design criteria include product lightness, recyclability rate, and compliance with environmental regulations to create sustainable products.
- Product carbon footprint: in 2024, Forsee Power carried out life cycle assessments (LCAs) to determine the carbon footprint of some of its products, from manufacturing to end-of-life. The analyses will make it possible to identify the sources of CO_2 emissions and to prioritize actions to reduce its climate impact.
- Product recyclability rate: an evaluation of three of Forsee Power's main products was carried out with SNAM to determine the ease of recyclability of the products. The results make it possible to identify components that cannot be recycled in order to limit their use in the future.

The Group also continued the meetings of the ecodesign network. Launched in 2023, this group of employees aims to identify sustainable and environmentally friendly practices in the Group's daily activities. The employees come from the R&D, quality, environment, health, safety, logistics and sustainable development teams.

Focus on cell supply

In addition, aware of the importance of taking action, the Group has decided to act on emissions related to its component purchases. Indeed, these components represent the majority of purchasing volumes and the supply in Europe is made in Asia, which leads to significant transport and therefore a potential lever for improvement for Forsee Power. The Group favours transport via road, rail and sea transport, which emits less than air transport. The context of tension on supplies had an unfavourable effect on the use of maritime and rail transport; within a tight deadline, the Group had to rely on air transport to transport the components necessary to achieve its turnover. The Group has therefore reviewed its decarbonization objectives related to transport in order to take into account the geopolitical context and the impact on available transport routes. The Group's objective for 2025 is to limit this share to 0.85% of air transport in overall tonne-kilometres, compared to 1.20% in 2023. To achieve this, Forsee Power is trying to group its orders for transport by sea when possible (longer) and is exploring partnerships with cell suppliers located as close as possible to its operations in order to promote road and rail transport, also reducing the carbon footprint of its products. In 2024, the share of air transport in overall tonne-kilometres represented 0.42%.

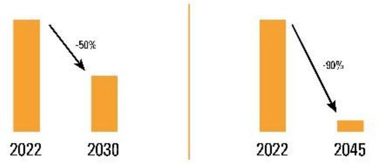
SCOPES 1 & 2

0.78%

1,608.5 tCO2e

- Stationary combustion — 128.1 tCO2e
- Fugitive emissions — 231.9 tCO2e
- Mobile combustion — 87.6 tCO2e
- Emission from consumption of purchased electricity — 1,161 tCO2e

GHG EMISSIONS REDUCTION TARGETS



Focusing

- On-site electricity generation
- Renewable energy procurement
- Improvisation of HVAC systems
- Electrification of vehicle fleet

SCOPES 3

30.8%

63,308.8 tCO2e

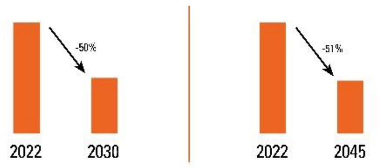
- Purchased goods and services — 49,744.3 tCO2e
- Capital goods — 7,590.3 tCO2e
- Fuel and energy-related activities — 296.8 tCO2e
- Upstream transportation and distribution — 272.2 tCO2e
- Waste generated in operations — 87.1 tCO2e
- Business travel — 712 tCO2e
- Employee commuting — 577.3 tCO2e
- Downstream transportation and distribution — 1,139.8 tCO2e
- Processing of sold products — 74.9 tCO2e
- End-of-life treatment of sold products — 2,814.2 tCO2e

68.4%

140,200.8 tCO2e

- Use of sold products — 140,200.8 tCO2e

GHG EMISSIONS REDUCTION TARGETS



1. Easing
   - Air transportation
   - Business travel emissions
2. Emphasizing
   - Locally sourced cells/ materials
   - Circular economy products
   - Green transportation
   - Ecodesign
3. Exploring
   - Reusable packaging
   - High material recovery

SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

THE NET ZERO STANDARD

APPROVED NET-ZERO TARGETS

5.2.2.6 Energy consumption and energy mix

Several indicators are missing here, even though they represent 0: steam, heat or cold received as wasted energy from a third party's industrial processes in the "purchased or acquired" energy category, the consumption of self-generated non-combustible renewable energy.

Type of energy source	Power source	Unit	2024[a]	2023	2022	Variance[b] (%)
Fossil sources	Natural gas	MWh	6,89	90,04	169,92	-95,9
	Purchased non-renewable electricity from fossil fuels	MWh	1 331,25	1 091,70	805,13	+65,34
	Share of fossil sources in total energy consumption	%	47,08	38,44	38,44	+22,47
	Total energy consumption from fossil sources	**MWh**	**1 338,14**	**1 181,73**	**975,04**	**+37,24**
Nuclear sources	Share of nuclear sources in total energy consumption	%	34,99	42,86	42,86	-18,36
	Total energy consumption from nuclear sources	**MWh**	**1 042,46**	**941,86**	**1 186,18**	**-12,11**
Renewable sources	Renewable electricity	MWh	479,97	500,98	383,86	+25,03
	Share of renewable sources in total energy consumption	%	17,93	18,70	18,70	-4,11
	Self-generated renewable electricity	MWh	170,0	158,90	0	+170
	Total energy consumption from renewable sources	**MWh**	**649,05**	**659,88**	**365,26**	**+77,69**
Total Energy Consumption		**MWh**	**3 023,70**	**2 783,47**	**2 545,1**	**+18,76**
Energy intensity (total energy consumption per net income)		**MWh/M€**	**19,92**	**16,28**	**22,93**	**-13,17**

(a) The year 2024 includes sites in Japan and the United States

(b) Comparison with 2022 base year

The table provides an overview of Forsee Power's electricity consumption and energy mix, highlighting the sources and intensity of energy consumption. It details the total energy consumption related to the Group's operations, distinguishing between fossil, nuclear and renewable energy sources.

Specific measures include the consumption of fuels from coal, oil, natural gas and other fossil sources, as well as energy acquired from external suppliers. The data reveal significant changes in energy consumption patterns over the past three years. Fuel consumption from natural gas has fallen sharply, by 95.9% since 2022 due to a change of location for rail R&D activity in France. The new site located in Dardilly (69) does not use gas, unlike the old site located in Ecully (69). There is therefore a major reduction in dependence on this fossil fuel.

The data presents the percentage share of fossil, nuclear and renewable sources in total energy consumption, offering insight into our energy transition efforts. A positive trend is observed in the production of renewable energy, as at the Chasseneuil-du-Poitou site, solar panels were installed at the end of 2023 to generate electricity on site. By the end of 2024, the facility was able to supply 18% of electricity demand, contributing to a healthy increase in total renewable energy consumption over the period.

The Group is studying the possibility of extending the installation of photovoltaic panels to other sites.

Overall, total energy consumption has increased, suggesting increased operational energy demand. It is also important to consider that to expand its operations and market presence, new locations were opened by Forsee Power in 2024 in Ohio, USA and Yokohama, Japan. However, energy intensity improved by 18.76%, indicating better energy efficiency compared to revenue generation. These trends highlight both the challenges and the progress being made in balancing energy demand with sustainability efforts.

5.2.2.7 E1-6: gross GHG emissions from scopes 1, 2, 3 and total GHG emissions

GHG emissions	Unit	2024a	2023	2022	Variance (b) (%)	Target Milestones and Years 2030	2045
Scope 1 GHG emissions							
Stationary sources of combustion	TCO2eq	128.1	27.3	47.9	+167%		
Mobile Sources of Combustion	TCO2eq	87.6	81.0	98.0	-10.6%		
Non-energy processes	TCO2eq	0	0	0	0		
Direct fugitive emissions	TCO2eq	231.9	142.0	131.6	+76.22%		
Gross scope 1 emissions	TCO2eq	447.5	250.2	277.5	+61.2	161	-
Percentage of scope 1 GHG emissions resulting from regulated emissions trading systems	%	0	0	0	0	-	0
Scope 2 GHG emissions							
Gross scope 2 location-based GHG emissions	TCO2eq	1161.0	1091.8	835.1	+26.8	484	-
Gross market-based scope 2 GHG emissions	TCO2eq	1394.9	1345.2	977.0	+42.7	-	-
Total scope 1 & 2 (location-based)	**TCO2eq**	**2056.1**	**1342.0**	**1112.6**	**+35.4**	**645**	**111.3**
SIGNIFICANT SCOPE 3 GHG EMISSIONS							
Category 01 Procurement of goods and services	TCO2eq	49 744,3	67424,4	39 954,8	+24,5		
Class 02 Capital assets	TCO2eq	7 590,3	6 461,0	13 364,2	-43,2		
Category 03 Activities in the fuels and energy	TCO2eq	296,8	486,0	365,3	-18,7		
Category 04 Upstream transmission and distribution	TCO2eq	272,2	1 371,9	1 008,2	-73		
Category 05 Waste generated by operations	TCO2eq	87,1	172,3	142,2	-40,6		
Category 06 Business travel	TCO2eq	712,0	1 084,3	199,9	+256		
Category 07 Commuting	TCO2eq	577,3	684,9	598,6	-3,5		
Category 09 Downstream transmission and distribution	TCO2eq	1 139,8	650,8	292,8	+289		
Category 10 Treatment of Sold Products	TCO2eq	74,9	34,8	24,5	+205		
Category 11 Use of Sold Products	TCO2eq	140 200,8	125 603,8	92 819,4	+51		
Category 12 End-of-life treatment of products sold	TCO2eq	2 814,2	1 707,7	1 392,4	+102		
Total gross indirect GHG emissions	**TCO2eq**	**203 509,61**	**205 681,8**	**150 162,4**	**+35,5**		
Total GHG emissions							
Total GHG emissions (location-based)	**TCO2eq**	**205 118,1**	**207 023,8**	**151 275,0**	**+35,8**		
Total GHG emissions (market-based)	**TCO2eq**	**205 455,5**	**207 277,2**	**151 416,9**	**+35,9**		

(a) The year 2024 includes sites in Japan and the United States

(b) Comparison with 2022 base year

The table provides an overview of the organization's greenhouse gas (GHG) emissions across the three scopes, in line with the GHG Protocol. Scope 1 covers direct emissions from sources owned or controlled by the company, while Scope 2 represents indirect emissions from purchased energy, reported using location-based and market-based methods. Scope 3 includes all other indirect emissions from our value chain, such as from suppliers, transportation, and product use. By disclosing these metrics, Forsee Power improves transparency around its carbon footprint and identifies key areas of emission reductions within its operations and supply chain.

The table provides a breakdown of Scope 3 greenhouse gas (GHG) emissions, which encompass indirect emissions from value chain activities, as defined by the GHG protocol. These emissions come from upstream and downstream sources, including purchased goods and services, capital goods, and transportation. It also takes into account emissions related to business travel, employee commuting, and waste generated by operations.

The increase in Scope 3 emissions, particularly those from goods and services purchased and the use of products sold, illustrates the company's growth since 2022. The increase in the customer portfolio is leading to the procurement of larger quantities of electronic cells and components. With the light vehicle market decreasing in recent times, the company has focused on prioritizing heavy-duty vehicles to expand its portfolio, which was the main cause of the increase in emissions from the use of the products sold.

SCOPE 1 AND 2

While the Group's revenue decreased by 11% in 2024, scope 1 and 2 emissions increased by 12% due to the integration of new sites in Japan and the United States into the scope, although they do not contribute to significant revenue for the time being.

Efforts to better understand its GHG emissions have been a key pillar and the Group has been actively working to quantify and define its future GHG emissions reduction trajectory, thus adopting a transparent and accountable approach.

In 2024, the Group's main source of direct emissions, i.e. its scope 1, is fugitive emissions from air conditioning units. They represent 232 tCO2eq for the year 2024, compared to 142 tCO2eq in 2023. The inclusion of the US site is the main cause of this increase.

The second largest source of emissions (88 tonnes) is the company's vehicle fleet and the associated fuel consumption. The fleet has grown to 36 vehicles in 2024. As leases are renewed, the Group is prioritizing hybrid and electric vehicles, reducing fuel consumption emissions.

In the indirect emissions related to the Group's activity, i.e. related to Scope 2, electricity consumption represents 1,161 tCO2eq compared to 1,091.8 tCO2eq in 2023. Electricity consumption increased in 2024, but remains proportionally lower given the drop in production at the sites. However, the Group is taking action to optimize its energy consumption and develop renewable energies.

It is important to note that for the years 2022 and 2023, only geolocated emissions had been calculated. From 2024, the company has started to report emissions related to energy consumption on a double scale: geolocated and marketable. The same method has been applied for the last few years, based on the available documents.

SCOPE 3

In 2024, the Group calculated its indirect upstream and downstream emissions of its activity. Thus, by identifying the most significant sources of indirect emissions, the Group will be able to establish emission reduction strategies to limit them across its entire value chain. This data has enabled it to define an action plan and a roadmap to contribute to carbon neutrality. In 2024, scope 3 emissions were calculated based on data from 2023 activity. This calculation highlighted the share of the Group's indirect emissions in its total emissions. Indeed, 99.26% of the Group's emissions in 2024 are generated upstream of Forsee Power's operations, with the purchase of cells, materials and components, and downstream of the latter, with the use and second life of the product sold. Thus, Scope 3 emissions for 2024 represent 203,509.61 tCO2eq, out of a global carbon footprint* (all scopes combined- *location-based*) of 205,119.2 tCO2eq.

With 140,200.8 tCO2eq in 2024, the main source of Scope 3 indirect emissions is the use of products sold throughout their life cycle. The second largest source of Scope 3 emissions is the purchase of goods and services, with 49,744.3 tCO2eq in 2024. These are mainly related to the purchase of cells and components, allowing the assembly of the battery at our production sites. The purchase of cells represents the main source of emissions among purchases, with 28,275.2 tCO2eq, or 57% of procurement-related emissions. Finally, the end of life of the products sold represents 2,814.2 tCO2eq, or less than 1.5% of the total carbon footprint.

Eco-design therefore has its place in the Group's emission reduction areas, in particular by comparing the LCAs of cells during purchases, by ensuring that more recycled materials are integrated, by developing the reuse of battery systems for a second life, but also by ensuring that the battery is easily dismantled and working on its recyclability. In addition, aware of the importance of taking action, the Group has decided to act on emissions related to its component purchases and is working to define local sourcing targets for its 2030 roadmap. Indeed, these components represent the majority of purchasing volumes and the supply in Europe is made in Asia, which leads to significant transport and therefore a potential lever for improvement for Forsee Power. The Group favours transport via road, rail and sea transport, which emits less than air transport. The context of tension on supplies had an unfavourable effect on the use of maritime and rail transport; within a tight deadline, the Group had to rely on air transport to transport the components necessary to achieve its turnover. The Group has therefore reviewed its decarbonization objectives related to transport in order to take into account the geopolitical context and the impact on available transport routes. The Group's objective by 2025 is to limit this share to 0.85% of air transport in overall tonne-kilometres, compared to 0.42% recorded in 2024. To achieve this, Forsee Power is trying to group its orders for transport by sea when possible (longer) and is exploring partnerships with cell suppliers located as close as possible to its operations in order to promote road and rail transport, also reducing the carbon footprint of its products due to a reduced transport share.

GHG emissions intensity (total GHG emissions by net sales)

GHG (greenhouse gas) intensity is an indicator that measures the amount of greenhouse gas emissions generated per unit of economic or physical activity. Here, the Group considers its intensity in tonnes of CO2 per thousand euros invoiced.

GHG Intensity by Net Sales (E1-6-53)	Unit	2024	2023	2022	Variance [(a)] (%)
Total GHG emissions (lease-based) by net sales	TCO2eq/k€	1,35	1,21	1,36	-0,73
Total GHG emissions (market-based) by net sales	TCO2eq/k€	1,35	1,21	1,36	-0,73
Net sales used to calculate GHG intensity	M€	151,8	171,0	111,0	+36,75

(a) Comparison with 2022 base year

The data indicate a slight decrease in greenhouse gas (GHG) intensity relative to net sales over the past two years. This upward trend reflects an increase in absolute emissions that outpaced revenue growth. At the same time, net revenue has increased by 36.75% since 2022, which is a positive indicator of business expansion. However, the simultaneous increase in GHG intensity suggests that efforts to reduce emissions have not kept pace with revenue growth. These findings highlight the need to strengthen decarbonization strategies to improve operational efficiency and reduce emissions relative to financial performance.

It is important to note that in 2022 the calculation of scope 3 was carried out at the group level for the first time. At that time, an expenditure-based approach had been implemented for the category "Goods and services purchased" due to a lack of available data. Over the period, the calculation method was refined through the collection of accurate data. The aim was to communicate results as accurate as possible by reducing reliance on the expenditure-based approach and relying more on product-specific approaches. For the calculations of the carbon footprint for the years 2022 and 2023, anomalies were noted during the calculations for the year 2024. For the "Use of products sold" category in Scope 3, an error was noted. In order to rectify the error, the category was then reviewed by external control, and corrections were made as follows:

Year	Category	Previous result	Corrected result
2022	Use of Sold Products	30,100 TCO2e	92,819.4 TCO2e
2023	Use of Sold Products	26,298 TCO2e	125,603.8 TCO2e

To comply with the ESRS standards, the Group plans to calculate and report greenhouse gas emissions in absolute terms over the next three financial years. The Group plans to submit the corrected version of its 2022 CO2 emissions to SBTi in order to update its trajectories.

5.2.2.8 E1-7: GHG Removal and Mitigation Projects Funded with Carbon Credits

Forsee Power does not have any GHG absorption and mitigation projects financed by carbon credits.

5.2.2.9E1-8: Internal Carbon Pricing

Forsee Power does not apply an internal carbon pricing mechanism.

5.2.2.10 E1-9: Expected financial effects of physical and material transition risks and potential climate-related opportunities

At the date of publication of the report, Forsee Power has not conducted a study on the expected financial effects of physical material risks and material transition risks, nor on potential material climate-related opportunities.

5.2.3 ESRS E2 : pollution

5.2.3.1SBM-3: Impacts, Risks and Opportunities of Pollution

			Scope/value chain			Horizon		
Theme	**Sub-theme**	**IRO**	**Upstream**	**Forsee Power**	**Downstream**	**Short-term**	**Medium term**	**Long-term**
Microplastics	**Production or distribution of goods that can generate microplastics**	(-) Battery production, using plastic for battery components and/or battery packs, can generate microplastics that pollute soil and water.	X	X	X	X		
		(R) In the event of non-compliance with environmental regulations or in the event of stricter regulatory frameworks on microplastics.	X	X	X	X		
Air pollution	**Air pollution resulting from activities.**	(-) The production and assembly of batteries generates air pollution and health risks throughout the value chain.		X		X		
		(R) Failure to comply with environmental regulations or stricter "polluter pays" policies, resulting in fines or operational constraints. Regulatory sanctions against strategic suppliers for environmental damage could also disrupt its value chain.		X		X		
Soil pollution	**Soil pollution, especially in the value chain**	(-) The production of batteries generates soil pollution, particularly throughout Forsee Power's value chain (up to the elimination of toxic chemicals, particularly in extinguishing water in the event of a fire).	X	X	X	X		
		(R) Failure to comply with environmental regulations or stricter "polluter pays" policies, resulting in fines or operational constraints. Regulatory sanctions against strategic suppliers for environmental damage could also disrupt its value chain.	X	X	X	X		
Water pollution	**Water pollution (including chemical spills, toxic and hazardous releases to water).**	(-) Battery production can have a lasting impact on water and groundwater in large areas.	X			X		
		(R) Failure to comply with environmental regulations or stricter "polluter pays" policies, resulting in fines or operational constraints. Regulatory sanctions against strategic suppliers for environmental damage could also disrupt its value chain.	X			X		
Pollution of living organisms and food resources	**Possibility of pollution of living organisms and food resources, especially in the value chain.**	(-) Battery production generates pollution of the three main environmental compartments (air, water, soil), particularly in the value chain.	X			X		
		(R) Failure to comply with environmental regulations or stricter "polluter pays" policies, resulting in fines or operational constraints. Legal risks in the event of human consequences (spread of disease, death) related to the contamination of food resources.	X			X		
Substances of Concern and Very High Concern	**Use of substances of concern at a high and very high level.**	(-) The use of substances of concern generates environmental pollution (soil, water, air) and can have a negative impact on people's health, particularly that and the safety of employees.	X					
		(R) Legal risk and financial risk related to economic sanctions in the event of non-compliance with the REACH regulation.		X			X	

(+): positive impact (-): negative impact (R): risk (O): Opportunity

The group has not put in place a specific policy regarding pollution but is committed to doing so within three years in order to take into account the impacts and risks of its value chain.

5.2.3.2 E2-4: Non-regulated polluting substances

The electrochemical cells of battery systems contain certain PFAS (PVDF, $LiPF_6$). If they are not yet on a REACH SVHC list, they are persistent, mobile and toxic substances. The European Commission is currently studying their situation for use in batteries.

Component	Substance	PFAS?	Role
Electrolyte	$LiPF_6$	Yes (fluorinated)	Li^+ ion transport
Binder (electrode)	PVDF	Yes	Polymer binder
Coatings (separators or components)	PTFE / fluoropolymers	Yes	Thermal resistance, stability

5.2.3.3 E2-5: Effluents, Wastes and Emissions to the Environment

In 2024, the company had not set up the monitoring of the indicators relating to E2-5 and will put in place the necessary for the following year.

5.2.4 ESRS E3: water and marine resources

5.2.4.1SBM-3: Impacts, Risks and Opportunities Related to Water and Marine Resources

			Scope/value chain			Horizon		
Theme	**Sub-theme**	**IRO**	**Upstream**	**Forsee Power**	**Downstream**	**Short-term**	**Medium term**	**Long-term**
Water Consumption	**Water consumption, especially in areas exposed to water risks and/or high water stress**	(-)The production of batteries consumes quantities of water, which can have an impact on the water availability of the territories.	X					X
		(R) Financial and operational risk in the event that Forsee Power's production sites or value chain operations are faced with a water shortage - . Especially in a context of drought	X					X
Extraction and use of marine resources	**Extraction and use of marine resources**	(-)Serious environmental damage related to the potential extraction of marine resources.	X					X
		(R) Reputational risk with customers related to environmental degradation.	X					X
		(R) Legal risks in the event of non-compliance with environmental regulations and financial risk related to legal sanctions.	X					X

(+): positive impact (-): negative impact (R): risk (O): Opportunity

Forsee Power's own activities do not require water consumption apart from its use by employees.

The group has not put in place a specific policy on water but is committed to doing so within three years in order to consider the impacts and risks of its value chain.

5.2.4.2E3-4: Water consumption

KPI	Unit	2024	2023	2022
Water discharges	m3	12 718	9 129	10 549
Water withdrawals	m3	12 718	9 129	10 549
Increased (decreased) water storage	m3	0	0	0
Stored water	m3	408	408	408
Recycled and reused water	m3	0	0	0
Water Consumption	m3	0	0	0
Water consumption in water-risk areas	m3	0	0	0
Water consumption in areas of high water stress	m3	0	0	0
Water intensity (total water consumption per net income)	m3/ M€	83,78	53,38	95,03

5.2.5 ESRS E4: Biodiversity and ecosystems

5.2.5.1SBM-3: Impacts, Risks and Opportunities

			Scope/value chain			Horizon		
Theme	**Sub-theme**	**IRO**	**Upstream**	**Forsee Power**	**Downstream**	**Short-term**	**Medium term**	**Long-term**
Impacts and dependencies on ecosystem services	**Impacts and dependencies on ecosystem services**	(R) Operational risk related to dependence on raw materials, financial risk related to production interruption in the event of a shortage of mineral resources, and legal and reputational risks in the event of non-compliance with environmental regulations.	X					X
Direct impact factors of biodiversity loss Impacts on ecosystem extent and conditions	**Impacts on biodiversity and ecosystems**	(-) The battery production process, and in particular the extraction of minerals, generates the destruction of ecosystems	X					X
		(R) Failure to comply with environmental regulations or stricter "polluter pays" policies, resulting in fines or operational constraints. Regulatory penalties imposed on strategic suppliers for environmental damage could also disrupt its value chain.	X					X
	Climate Change (E1)	(-) Loss of biodiversity related to climate change (E1) impacted by Forsee Power's value chain and activities	X					X
	Invasive alien species	(-) Loss of biodiversity: invasive alien species; possible negative impact of extractive activities in the value chain	X					X
	Direct operation	(-) Loss of biodiversity: direct exploitation: negative impact caused by extractive activities in the value chain	X					X
	Pollution	(-) Loss of biodiversity: pollution caused by extraction activities in the value chain	X					X

(+): positive impact (-): negative impact (R): risk (O): Opportunity

Forsee Power's own activities are not located in sensitive areas and do not have a significant impact on the biodiversity that could be specific to its activity.

The group has not put in place a specific policy concerning biodiversity but is committed to doing so within three years to consider the impacts and risks of its value chain.

5.2.6 ESRS E4: Biodiversity and ecosystems

5.2.6.1SBM-3: Impacts, Risks and Opportunities

			Scope/value chain			Horizon		
Theme	**Sub-theme**	**IRO**	**Upstream**	**Forsee Power**	**Downstream**	**Short-term**	**Medium term**	**Long-term**
Impacts and dependencies on ecosystem services	**Impacts and dependencies on ecosystem services**	(R) Operational risk related to dependence on raw materials, financial risk related to production interruption in the event of a shortage of mineral resources, and legal and reputational risks in the event of non-compliance with environmental regulations.	X					X
Direct impact factors of biodiversity loss Impacts on ecosystem extent and conditions	**Impacts on biodiversity and ecosystems**	(-) The battery production process, and in particular the extraction of minerals, generates the destruction of ecosystems	X					X
		(R) Failure to comply with environmental regulations or stricter "polluter pays" policies, resulting in fines or operational constraints. Regulatory penalties imposed on strategic suppliers for environmental damage could also disrupt its value chain.	X					X
	Climate Change (E1)	(-) Loss of biodiversity related to climate change (E1) impacted by Forsee Power's value chain and activities	X					X
	Invasive alien species	(-) Loss of biodiversity: invasive alien species; possible negative impact of extractive activities in the value chain	X					X
	Direct operation	(-) Loss of biodiversity: direct exploitation: negative impact caused by extractive activities in the value chain	X					X
	Pollution	(-) Loss of biodiversity: pollution caused by extraction activities in the value chain	X					X

(+): positive impact (-): negative impact (R): risk (O): Opportunity

Forsee Power's own activities are not located in sensitive areas and do not have a significant impact on the biodiversity that could be specific to its activity.

The group has not put in place a specific policy concerning biodiversity but is committed to doing so within three years in order to take into account the impacts and risks of its value chain.

5.2.7 ESRS E5: circular economy

5.2.7.1SBM-3: Impacts, Risks and Opportunities related to Circular Economy

			Scope/value chain			Horizon		
Theme	**Sub-theme**	**IRO**	**Upstream**	**Forsee Power**	**Downstream**	**Short-term**	**Medium term**	**Long-term**
Resource inputs, including resource utilization	**Product recycling**	**(+)** Reduction of the overall environmental impact by using sustainable sourcing and developing product recycling.		X			X	
		(-) Recycling processes generate certain negative environmental impacts (energy consumption or air pollution related to the transport of waste).			X		X	
		(O) Reduction of production costs through the use of sustainable sourcing.		X				X
		(R) Operational risk related to the lack of integration of the recyclability and repairability logic into the processes, as well as the financial risks associated with the investments required to design new recycling processes.		X				X
	Second life of products	(+) Reduction of the impact on environmental resources through the use of second-life batteries in its activity.		X	X		X	
		(O) Financial opportunity related to reduced production costs and reputational impacts with customers, which can allow Forsee Power to stand out in the battery market.			X		X	
		(R) Operational risk related to the design of processes for the management of returned batteries.		X			X	
Resource Utilization, Including Resource Utilization	**Ecodesign**	(+) Forsee Power reduces its environmental impact throughout its manufacturing process by developing eco-design products.		X	X			
		(O) Financial opportunity related to the reduction of production costs and opportunity related to positive reputational impacts in the battery market.		X				X
Rubbish	**Waste management**	(-) Production of polluting waste linked to its direct production or throughout its supply chain.	X	X	X	X		
		(R) Legal and operational risks related to improper chemical storage, waste treatment, and improper disposal of batteries, which may result in fire, pollution, and regulatory challenges.	X	X	X	X		

(+): positive impact (-): negative impact (R): risk (O): Opportunity

5.2.7.2 E5-1: Circular economy policies

Forsee Power's business model is oriented towards the circular economy and the reuse of resources.

Sustainable development policy

In its sustainable development policy, the Group defines how it intends to adopt smarter behaviour with regard to its consumption through the following priorities:

- Reduce waste and optimize waste management by exploring the best recycling and recovery solutions.

- Limit the environmental impact of its products by improving eco-design.
- To develop uses for the second life of its products in order to extend their life cycle and limit their environmental impact.

Research and development (R&D) policy

The Group's R&D policy identifies sustainability as an objective and targets a reduction in the carbon footprint of products, the integration of more recycled materials, and better repairability and recyclability.

As part of this policy, the Group has defined its eco-design tools and works closely with all functions to ensure a reduced environmental footprint of its products.

Eco-design is integrated into the product development stages and is based on the following tools:

- The 6 REs
  - Reduce: decrease resource consumption and waste production.
  - Reuse: Extend the life of products by using them multiple times.
  - Recycle: transforming waste into new raw materials.
  - Repair: possibility to repair defective products to avoid their replacement.
  - Reuse: Reuse a product or its components without processing.
  - Refuse: Avoid certain unsustainable products or practices, such as single-use plastic.
- The carbon footprint
- The recycling rate
- A checklist to ensure that ecodesign and the above elements are taken into account in the launch of a project

Quality, Health, Safety and Environment (QHSE) Policy

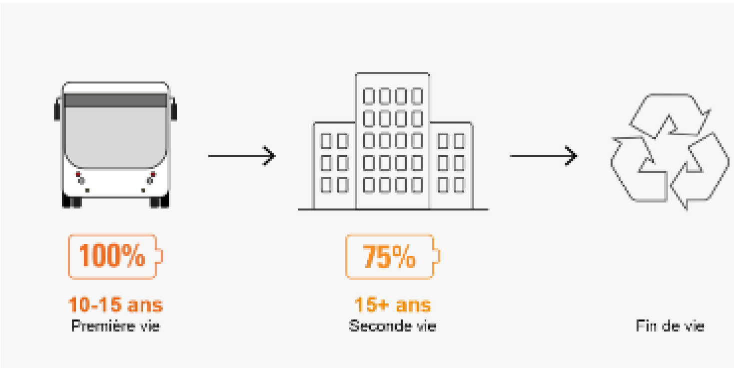
As part of its QHSE policy, Forsee Power is committed to:

- Comply with ISO 14001 environmental standards and strive for environmental excellence in all our operations.
- responsibly manage waste by promoting recycling, reuse and recovery.

The Group's policies are available on the website, under the heading *Sustainable Development > Governance*.

5.2.7.3E5-2: Actions and resources related to circular economy policies

Key actions	Materiality	Description and target date	Scope	Defined objective	Progress 2024
Certification 14001	**All**	Implement environmental management systems at all Group sites by 2030.	Own activities	Yes	Continued efforts, no new sites certified in 2024.
Integrating recycled materials into product design		Lead an ecodesign network in order to develop a strong culture on the circular economy and prepare the 2030 roadmap.	Own activities and value chain	No	Animation of the ecodesign network with the study of the carbon footprint of battery systems in order to identify the components that could benefit from a contribution of recycled material Research project on carbon-free steels for battery pack casings
Optimizing battery recycling		Work with recycling partners who enable the best results.	Own activities and value chain	Yes	New recyclability studies carried out for ZEN PLUS and PULSE 15 products with results of more than 80% recyclability rate
Reduce waste		Reduce waste production on sites by optimising packaging with suppliers and encouraging the use of reusable products to achieve the 2025 target of 0.4kg of waste per kWh produced.	Own activities and value chain	Yes	0.55kg of waste per kWh produced in 2024, increasing to reach the 2025 target (vs 0.66kg in 2023).



The life cycle of batteries and their second life

After their first cycle of use in a vehicle, the batteries designed by Forsee Power still retain nearly 80% of their energy capacity, even considering that they have been in service for 10 to 15 years. The Group has established partnerships with innovative companies and start-ups to exploit second-life battery opportunities, such as with EDF Store & Forecast in France and Connected Energy in the United Kingdom. Some latest-generation battery systems have a lifespan of 20 years (at this time, 80% of the capacity remains). This longevity is then extended as part of a second life.

5.2.7.4E5-3: Circular economy targets and indicators

Rubbish	Unit	2024	2025 Goals
Hazardous waste			
Discharge	Kg	478,0	
Other disposal operations	Kg	44 128,1	
Subtotal hazardous waste	**Kg**	**44 606,1**	
Non-hazardous waste			
Discharge	Kg	20 381	
Other disposal operations	Kg	200 875,9	
Subtotal: Non-hazardous waste	**Kg**	**221 256,9**	
TOTAL hazardous and non-hazardous waste	**Kg**	**267 086,34**	
Weight of waste per kWh produced (in kg)	**Kg**	**0,55kg**	**0,60kg**
Non-recycled waste	Kg	**22 082,3**	
Percentage of waste not recycled	**%**	**8,2%**	**100%**

5.2.7.5 E5-4: Use of Substances of Concern and Critical Elements

The electrochemical cells of battery systems contain certain PFAS (PVDF, $LiPF_6$). If they are not yet on a REACH SVHC list, they are persistent, mobile and toxic substances. The European Commission is currently studying their situation for use in batteries.

Component	Substance	PFAS?	Role
Electrolyte	$LiPF_6$	Yes (fluorinated)	Li^+ ion transport
Binder (electrode)	PVDF	Yes	Polymer binder
Coatings (separators or components)	PTFE / fluoropolymers	Yes	Thermal resistance, stability

5.2.7.6MDR-T: Circular Economy Goals

	IRO	Material issues	Politics	2024 KPIs	
Limit resource inputs, including resource use	**(-)** Recycling processes generate certain negative environmental impacts (energy consumption or air pollution related to the transport of waste).	**Product recycling**	QHSE Policy Policy		Currently being defined for 2030
	(R) Operational risk related to the lack of integration of the recyclability and repairability logic into the processes, as well as the financial risks associated with the investments required to design new recycling processes.		sustainable development		
	(R) Operational risk related to the design of processes for the management of returned batteries.	**Second life of products**		N/A	N/A
Limiting waste	**(-)** Production of polluting waste linked to its direct production or throughout its supply chain.	**Waste management**		0.55kg of waste per kWh produced	0.60kg of waste per kWh produced in 2025
	(R) Legal and operational risks related to improper chemical storage, waste treatment, and improper disposal of batteries, which may result in fire, pollution, and regulatory challenges.				Undefined

5.3 SOCIAL

5.3.1 ESRS S1: Company's workforce

5.3.1.1SBM-3: Impacts, Risks and Opportunities for the Company's workforce

Theme	Sub-theme	IRO (scope = Forsee Power's activities)	Horizon Short-term	Medium term	Long-term
Working conditions	***Adequate salaries***	***(+)*** The implementation of a fair remuneration policy and therefore a value-sharing system promotes well-being at work and strengthens the corporate culture.	X		
		(O) Ability to be an attractive company in terms of employee compensation.	X		
		(-) Existing pay gaps can create frustration and tension between employees if deemed unjustified.	X		
		(R) Inequitable pay conditions can lead to unhappiness at work (work stoppages, loss of motivation, reduced productivity, etc.).	X		
	Health and Safety	***(-)*** Deterioration in physical/ mental health of employees, accidents at work, occupational diseases.	X		
		(R) Employee health risks resulting in financial, legal and reputational risks in the event of a serious accident for which Forsee Power is responsible due to individual behaviour.	X		
		(-) High absenteeism rates impact the functioning of teams and increase the risk of staff departures and turnover.	X		
		(R) Operational risks related to high absenteeism rates, generating financial costs for Forsee Power.	X		
	Job security	***(+)*** Long-term stability of the jobs provided, contributing to the socio-economic development of the countries of establishment and the economic well-being of employees.	X		
		(O) Job security can reduce turnover and increase the attractiveness of the company.	X		
	Social dialogue	***(-)*** Lack communication between employees and management, disparities in working conditions between employees, as well as strikes or disputes with unions can have negative impacts.	X		
		(R) Deterioration of working conditions, leading to a loss of productivity and employee engagement, as well as reputational risk in the event of a lack of social dialogue (strikes that can lead to financial losses for the company).	X		
	Working time and work/life balance	***(+)*** Improved working conditions of employees through the adaptation of work rhythms and the communication maintained by the management team with employees.	X		
		(O) Development of Forsee Power's ability to be an attractive company in terms of work-life balance (attractiveness and retention of talent).	X		
		(-) Potential negative impact related to the deterioration of working conditions (working hours, work/life balance) leading to employee disengagement.	X		
		(R) Reputational risk for Forsee Power resulting in difficulties and costs related to recruiting and retaining talent due to high turnover.	X		
Equal opportunities for all	***Employment and Inclusion of Persons with Disabilities / Diversity***	***(+)*** Thanks to diversity and inclusion, the company can be more efficient, more collaborative and more innovative (benefiting from complementary skills, integrating different points of view in its decisions and having a greater ability to adapt to changes).	X		
		(-) In China and India, local regulations may be insufficient to ensure diversity and inclusion at Forsee Power's production sites.	X		
		(R) Legal risk related to non-compliance with human rights regulations and financial risks related to possible legal sanctions.	X		
	Gender equality and equal pay for work of equal value	***(-)*** Low representation/participation of women in Forsee Power's management committees and decisions, linked to a societal fact: few women in the technological/industrial sectors.	X		
		(R) Reputational risk associated with a low number of women on its executive committees. Financial risk related to the loss of corporate attractiveness for women in the technology/industrial sector.	X		
		(-) Negative impact identified in India in terms of gender equality and equal pay.	X		
		(R) Legal risk related to non-compliance with human rights regulations. Financial risks related to possible legal sanctions.	X		
	Measures against violence and harassment in the workplace	***(-)*** Potential instances of harassment in Forsee Power's workplaces, impacting employees' mental health and ability to work.	X		
		(R) Legal risk in the event of non-compliance with employment law, financial risks related to possible legal sanctions and turnover of victims of workplace harassment.	X		
	Training and skills development	**(-)** The lack of development of employees' skills could lead to their disengagement and an overall loss of economic dynamism for the company.	X		
		(A) In a highly competitive market, this could lead to employee departures and financial losses, impacting the development of the company.	X		
Other work-related rights	***Child labour***	(-) Child labour carries risks to physical and mental health, deprivation of education, social isolation, exploitation and abuse, and loss of childhood.	X		
		(R) Legal risk in the event of non-compliance with human rights regulations, financial risks related to economic sanctions, and reputational risk in the event of a scandal involving child labor.	X		
	Forced labor	(-) Modern slavery and/or forced labour are often linked to physical and mental health risks, social isolation, exploitation and abuse.	X		
		(R) Legal risk in the event of non-compliance with human rights regulations, financial risks related to economic sanctions, and reputational risk in the event of a scandal involving forced labor.	X		
	Privacy Policy	**(-)** There may be a loss of employees' personal data, especially in China due to local regulations. This can affect the privacy and safety of employees and their loved ones.	X		

(+): positive impact (-): negative impact (R): risk (O): Opportunity

5.3.1.2 S1-1: Company's workfoce Policies

Forsee Power's human resources policy is the responsibility of the Group's human resources department. This policy responds to the challenges relating to the company's personnel. It is based on 8 commitments that allow each employee to find his or her place in an agile and multicultural organization. This policy applies not only to Group employees but also to temporary workers and service providers, in all countries where the Group operates.

1. **Be a guarantor of Forsee Power's values**: Forsee Power is in strong development and integrates new employees throughout the year (recruitment, integration or creation of new sites). Its values – contribution, integrity, ambition, agility and excellence – are the foundation of Forsee Power's corporate culture. These core values must guide the collective and individual behaviors of all employees.
2. **Promoting diversity and inclusion**: Forsee Power is committed to providing an inclusive work environment that values diversity and respect at all levels of the company. For the Group, the balance of gender, age, origin and level of education makes it possible to build a strong corporate culture. To this end, the Group promotes the employability and integration of women, seniors, young graduates and people with disabilities through various targeted actions. As part of this inclusion approach, we have set ourselves parity targets at all levels of the Group. In particular, we want to intensify our actions on the representation of women managers, in particular by creating a welcoming and fulfilling space, allowing the professional and personal development of women at each stage of their career within the company (integration, training, career development, skills development).
3. **Facilitating recruitment and onboarding**: To attract the talent needed for Forsee Power's growth and competitiveness and to develop long-term relationships, we have put in place structured tools and processes applicable to all our activities covering the key stages of recruitment and integration. We are mobilizing our efforts to strengthen the integration process of our new employees based on a high level of support and linked to the Group's activity and its organization. At Forsee Power, employees are encouraged to participate in the development of teams through participatory recruitment, also known as co-optation, for all open positions on permanent contracts.
4. **Promoting employee development**: Employee development and fulfillment, a key lever for attraction and retention, is based on the skills assessment integrated into our digital HR tools. It allows managers to assess the performance of employees as well as their potential with the aim of offering them the best career plan at Forsee Power, while taking into account their short and medium-term expectations: training, internal mobility. In a context of growth and at a time when the electromobility sector is facing challenges in terms of employee availability and qualifications, Forsee Power deploys an adapted annual training plan, based on the needs raised in the context of performance evaluations. In addition, the company offers career prospects to employees by allowing them to project themselves, develop new skills and contribute to their employability through internal mobility: geographical, functional, hierarchical. These opportunities are governed by a mobility charter (see below).
5. **Maintaining social relations**: the Group integrates social relations into its strategy to allow our employees to express themselves and to develop a regular close dialogue and attentive listening

between management, employees and social partners. Forsee Power has been assessing employee engagement and satisfaction every year since 2017. This survey, managed by Great Place to Work since 2021, covers topics relating to working conditions, good understanding of the strategy, communication, management methods and makes it possible to define action plans aimed at improving the general satisfaction of employees.

6. **Supporting managers in their role and responsibilities**: We know that the role of manager is key within companies because it allows us to support employees – as individuals and within a team – on the path to success. To carry out this mission, the HR teams support all managers in their role and responsibilities through training by expert firms and we ensure that we provide them with all the necessary support internally to best carry out their mission as managers.

7. **Develop tools and processes adapted to HR needs**: The effectiveness of the human resources function within the Group requires the use of appropriate tools and processes throughout the HR cycle (recruitment, integration, training, HRIS/payroll, career management, compensation, risk prevention, etc.) in order to attract, manage and retain our talent. These tools have been adapted according to the structure of the Group, our working methods and our needs.

8. **Ensuring health, well-being and working conditions**: We are committed to providing a workspace that guarantees the health and safety of our employees, in particular by preventing and reducing risks through the deployment of HSE programmes on all sites, supported by poster campaigns. Employees carry out technical, and sometimes physical, jobs. Their posture and work tools are key elements of their well-being. As such, and to support this approach, Forsee Power has set up a Quality of Life at Work commission in France aimed at improving the well-being of employees at their home site.

These pillars are anchored in essential human values, thus promoting a professional environment based on respect, diversity, and individual and collective fulfillment. They shed light not only on how the company works, but also on the commitment to its employees, supporting their vision of building a sustainable and successful business.

Career Management Policy

Forsee Power places the professional development of each employee as an essential lever for performance, fulfillment and loyalty. In a sector undergoing major transformation, where skills are key, the Group is committed to supporting everyone in building their career, through a career management policy based on listening, fairness and the development of talent.

The principles of action of this policy, which are annexed to the human resources policy:

- **Continuous skills assessment:** Each employee is regularly evaluated on the basis of a skills matrix specific to his or her business, integrated into our digital HR tools. This assessment makes it possible to visualise the achievements, the areas for improvement and the potential for development.

- **Taking into account individual aspirations:** Professional interviews are privileged times of exchange to collect the wishes for development, preferences and projects of each person. Employees can also request a career interview with an HR referent at any time.

- **Transparent performance evaluation:** Clear individual objectives are defined and monitored via adapted indicators, making it possible to highlight successes and identify support needs. These elements feed the dialogue between the employee, his manager and HR.
- **Personalized career plans:** From these assessments, career development plans are built, aligning the employee's aspirations with the needs of the company. Each plan has milestones, measurable goals, and timelines.
- **Targeted training actions:** An annual training plan is drawn up in response to the needs identified during the interviews. Each employee can access internal, external or certifying training, depending on their project.
- **Concrete opportunities for development:** Forsee Power offers its employees the opportunity to get involved in cross-functional projects, extended missions, or mentoring programs, promoting learning and skills development.
- **Fair development prospects:** the Group ensures that promotion criteria are clear, fair and transparent, based on performance, skills and potential. Recognition levers (bonuses, benefits, valuation) support commitment and loyalty.
- **Clear communication on the outlook:** the Group regularly shares the company's projects and orientations to allow everyone to project themselves. Transparency on emerging professions, possible bridges or strategic projects feeds a shared vision of possible developments. Forsee Power's career management policy aims to create an environment where each employee can develop, project themselves and actively contribute to collective success. It is based on a relationship of trust, co-construction and shared responsibility

Internal mobility charter

Mobility is an act that testifies to the employee's commitment and willingness to build a progressive career path within the company. This is why Forsee Power wishes to promote internal mobility, whether vertical, horizontal within a team or geographical, and to support each employee in his or her career development project.

An internal mobility charter, an annex to the HR policy, defines the guiding principles of internal mobility:

- **Social responsibility:** All applications, internal or external, are guaranteed equal consideration and treatment. The selection is based exclusively on criteria of professional competence assessed by appropriate and transparent methods.
- **Internal applications are studied as a priority:** For positions open to mobility, the Group's employee benefits from a priority examination of the application compared to external applications. The company will assess the adequacy of the skills with regard to the position to be filled.
- **Shared rules of confidentiality and transparency:** the commitment to confidentiality prevails in the context of the first meeting with the Human Resources Department.
- **Easier access for all employees to the Group's offers:** Positions open to internal mobility are posted on the Group's intranet site (Watt's On).

- **A response within one month:** The HR department will take the utmost care with internal applications and the application will be responded to within a maximum of one month.
- **A minimum of 18 months' seniority in the position held:** A minimum of 18 months' experience in the position held in the company is necessary before considering a mobility process.
- **A period of release:** In the event that a candidate is selected, the start of the position is done within a maximum period of 4 months.
- **Status and conditions:** The conditions of mobility – level of responsibility and remuneration – are defined in a global and fair manner, taking into account the rules and practices of the host structure and in agreement with the employee.
-

The Group's policies are available on the website, under the heading *Sustainable Development > Governance*. They are communicated to all employees during the integration process and are also available on the Group's intranet site.

5.3.1.3 S1-2: Dialogue process with company employees and their representatives about impacts

Reporting to the Group Vice President in charge of Human Resources Europe and a member of the Executive Committee, the management team attaches particular importance to the quality of life at work and strives to maintain effective industrial relations by promoting attentive listening and encouraging regular social dialogue.

Information meetings are held at all sites every quarter to inform them about the Group's commercial performance, and various topics related to the organization, and a monthly meeting with production employees.

France

A social calendar is drawn up, setting out the content, frequency and participants of the meetings. This includes the Mandatory Annual Negotiations (NAO) in accordance with the regulations, which led to the signing of 2 collective agreements in 2024 for all employees.

In addition to these events, weekly bilateral meetings and monthly meetings with the CSE are organized and supervised by the HR function. These initiatives aim to maintain an open and constructive dialogue within the company.

Poland

In Poland, official employee representation is not mandatory because the workforce is less than 50 people. However, the management wants a regular exchange. Two employees are elected by the employees to represent them and meetings bringing together all employees are scheduled two to three times a year.

China

In China, elections are held every three years to elect employee representatives and meetings are held quarterly. These elections are organized by the China Labor Trade Union Organization.

In order to meet the expectations expressed by employees following the results of the Great Place to Work satisfaction survey (see below), previously presented, the communication and human resources teams are developing an action plan on the following themes:

- Strengthening human resources policy
- Clarify the organizational structure
- Supporting managers
- Encouraging a culture of feedback
- Actively involve employees in internal actions

Several information meetings were organised throughout the year, covering a variety of topics such as human resources policy, internal mobility and the new metallurgy agreement.

Digital signage screens installed at all sites regularly broadcast news about the Group. At the same time, a programme of information sessions called "coffee & learn" offers employees the opportunity to participate in interactive meetings on site and online. These meetings aim to deepen their knowledge of the company, its different markets, its products, as well as topics related to the environment, health and safety.

Since 2021, the Group has implemented improvement plans, in particular through the creation of the Quality of Life at Work (QWL) Commission in France. This commission meets quarterly to discuss internal issues and formulate solutions via an action plan validated by the Executive Committee. An annual action plan is put in place and in 2024, the commission focused on the Chasseneuil-du-Poitou site and the establishment of an outdoor living space (catering and rest) for employees' breaks.

In 2024, various communication actions were undertaken to inform about organizational changes, as well as team-building and team-building activities at all Group sites (in partnership with the CSE for France), and support for managers in the management of positive and negative feedback was put in place (as part of Forsee Power's policy of training managers throughout their careers).

Satisfaction Survey – Great Place to Work

The Great Place to Work approach is a valuable opportunity for Forsee Power to assess the quality of its professional environment and the satisfaction of its employees.

During the 3rd quarter of 2024, Forsee Power submitted a questionnaire consisting of 60 closed-ended questions, according to the Great Place To Work® standards applied to all the companies surveyed, to which they added 8 organization-specific questions and two open-ended questions. The survey had an excellent participation rate with 599 employees responding, representing 86% of the 697 people invited to participate.

This initiative collects employees' opinions, expectations and feedback regarding

their experience within Forsee Power and allows us to draw the roadmap to improve

continually. The result in 2024 was a confidence rate of 71% (+4pts vs 2023) and an overall perception of 74% (+7pts vs 2023).

Forsee Power certified Great Place To Work ® all over the world

Forsee Power has been awarded the 'Great Place to Work' label for all of its eligible sites in terms of workforce (minimum 10 employees on site). This certification confirms the relevance of the actions put in place to make Forsee Power an "employer of reference" on an international scale, both for its current talents and for its future employees.

5.3.1.4 S1-3: Process for remedying negative impacts and channels for company's workfoce to voice concerns

Since 2022, the Group has integrated a new outsourced whistleblowing procedure via a dedicated platform, WhistleBee, accessible internally via the Company's intranet for employees and via a website for customers, suppliers and third parties.

This dedicated and secure solution allows everyone to express themselves in complete confidence, facilitating the reception and processing of alerts in an environment of trust and transparency. The solution ensures the confidentiality of the facts reported and the personal data of the perpetrators and the people involved. (see section below)

5.3.1.5 S1-4: actions and resources related to the company's workforce

Important actions are listed below and some actions related to working conditions are described in other sections.

Key actions	Materiality	Description and target date	Scope	Defined objective	Progress 2024
Conduct an annual compensation audit	***Adequate salaries***	Conduct an annual compensation audit to identify any imbalances	Own activities	Yes, annual	Audit carried out
Obtain 45001 certification	***Health and Safety***	Implement the ISO 45001 standard at all Group sites	Own activities	Yes, 2030	Certification of French sites
Implement behavioral safety training	***Health and Safety***	Provide non-regulatory empowerment training to reduce accidents in the workplace	Own activities	Yes, for 2030	Definition of the 2030 goal
Raising managers' awareness of the recruitment of women	***Gender equality and equal pay for work of equal value***	Train managers on the benefits of a diverse team for a better representation of women within the group with a target of 30 to 70% of women managers by 2025.	Own activities	Yes	No training in 2024, planned for 2025 26% of women managers in 2024
Promoting internal mobility	***Gender equality and equal pay for work of equal value*** ***Training and skills development***	Recruit internally in order to offer development opportunities to employees and contribute to a better representation of women within the group, knowing that it is difficult to recruit female profiles	Own activities	Yes for 2030	Definition of the 2030 target at 10%
Improve internal satisfaction	***All the elements relating to S1***	Act in a cross-functional manner and at all levels of the organization for better internal satisfaction, on an annual basis	Own activities	Yes for 2030	Definition of the 2030 target at 80%

Overall, the effectiveness of actions is evaluated through ongoing engagement with employees and all leaders are expected to look after the well-being of their employees.

Resources allocated to managing the impacts and risks related to one's own work, the conditions are managed by the human resources department as well as by the local management teams.

Adequate salaries

As part of its remuneration policy, the company implements a system based on objective criteria in order to guarantee fairness and transparency. Compensation levels are defined according to the experience, skills, seniority and performance of employees.

In order to ensure a better understanding of the prospects for development, the criteria for salary increases are communicated to employees through dedicated Coffee & Learn sessions. In addition, an annual audit is carried out in France to identify any imbalances and readjust unjustified pay gaps. All the positions have been re-evaluated according to the criteria of know-how and interpersonal skills. The company favours a policy of increase based on skills rather than seniority alone, thus guaranteeing an evolution more in line with individual performance and contributions.

In a logic of value sharing, a profit-sharing agreement has been signed and a system of free shares has been set up to reward key talents. Regular communication is also ensured regarding the allocation of bonuses and bonuses, thus increasing the transparency and understanding of financial recognition schemes.

In order to guarantee the competitiveness of remuneration, a comparative analysis is regularly carried out between internal and market salary scales, confirming Forsee Power's best practices. In France, in addition, various social benefits are offered to employees, including an advantageous health insurance plan, meal vouchers beyond the regulatory obligation, mobility aids and teleworking schemes. The company also provides employee savings solutions aimed at strengthening the financial security of employees.

The commitment to equal pay is reflected in the monitoring of a specific indicator guaranteeing gender parity.

Health and Safety

Since 2021, the Group has developed an internal prevention plan for the handling of handling equipment such as pallet trucks and stackers, which are often involved in various types of accidents.

The Group has set itself two ambitious objectives to be achieved by 2025: to maintain an absenteeism rate equal to or below 3.8%, a goal already achieved since 2021, and to reduce the accident severity rate to zero.

Job security

The company is committed to guaranteeing job stability by favouring, as far as possible, permanent contracts (CDI) over temporary or fixed-term contracts (CDD). In this dynamic, many temporary workers and service providers benefit from tenure pathways, thus offering them prospects for sustainable integration within the organization. In 2024, permanent contracts represent 91.2% of jobs.

Skills development is at the heart of Forsee Power's HR policy. We offer continuous training to support employees in acquiring new expertise and adapting to market developments. These training courses are adapted to the very varied needs of the Group's employees, based on adaptations of technical skills and interpersonal skills. In addition, we encourage internal mobility, thus promoting promotions and career development. This approach is reflected in an internal mobility rate of 10.34%, demonstrating its commitment to the professional development of our employees.

Talent retention is also based on a stable and healthy work environment, where each employee can evolve in conditions that promote his or her well-being and performance. Finally, we attach great importance to social dialogue and collaboration with trade unions and employee representatives. We make sure to maintain a constructive and regular exchange, ensuring that employees' expectations are taken into account and that working conditions are continuously improved.

Social dialogue

The company maintains a social dialogue, promoting continuous communication with employee representatives. This dynamic makes it possible to proactively address issues related to working conditions, remuneration and strategic developments in the organization.

In this context, regular exchanges are organised to ensure that employees' expectations are effectively taken into account. In France, for all sites in the country, the Social and Economic Committee (CSE) meets every month, allowing for in-depth monitoring of social and economic issues. In addition, the Health, Safety and Working Conditions Committee (CSSCT) meets every three months, ensuring increased vigilance on the prevention of occupational risks and the improvement of working conditions. In addition, weekly bilateral meetings with staff representatives reinforce this dynamic by providing increased responsiveness on specific subjects.

The year 2024 was marked by the signing of two major agreements, illustrating the ability of the company and the social partners to reach concerted decisions that are beneficial to all employees:

- The agreement on the Mandatory Annual Negotiations (NAO), which aims to ensure a consistent and fair wage evolution, while integrating measures to improve working conditions.
- The profit-sharing agreement, which formalises a value-sharing mechanism, allowing employees to benefit directly from the company's economic performance.

Working time and work/life balance

The company has implemented several initiatives to strengthen this balance:

- Supervision of working time in order to ensure compliance with working hours and to avoid excessive overtime: working time organisation agreement, defined in 2020
- Development of teleworking, offering office workers greater flexibility and time savings on commuting.

Employment and Inclusion of Persons with Disabilities / Diversity

The company affirms its commitment to inclusive employment and diversity, considering these values as essential levers of performance and social cohesion. The promotion of equal opportunities and the integration of people with disabilities are an integral part of its HR policy, with actions aimed at ensuring an accessible working environment that respects the uniqueness of each person.

To promote the inclusion of people with disabilities, the company is rolling out several initiatives:

- Adaptation of workstations and implementation of accessibility solutions to ensure an inclusive working environment.
- Raising awareness among teams through training and communication actions to encourage a better understanding of disability issues.
- In addition, the company values a culture of diversity, ensuring that equal opportunities are promoted at all stages of the professional career: recruitment, training, career development. It is committed to fighting against all forms of discrimination and to promoting inclusive management, guaranteeing everyone equitable access to professional opportunities.

- This proactive approach to employment and inclusion makes it possible to strengthen employee engagement and contribute to a more open, innovative and representative organization of diverse talent.

Gender equality and equal pay for work of equal value

The Group has implemented several initiatives to foster an inclusive and diverse environment. Forsee Power supports women's empowerment by encouraging their professional development and providing them with equal opportunities for advancement.

As part of the inclusion and diversity approach, Forsee Power has set parity objectives at all levels of the company. The 2025 target of 40 to 60% representation of women on the Board of Directors has been achieved since 2021 and represents 40% in 2024. On the other hand, the objective of parity in management (40-60% of women managers in 2025) is at risk despite the initiatives in place, with the rate being 26% in 2024. This objective will be reviewed for the 2030 roadmap.

In 2024, within Forsee Power, the professional equality index is 84/100. Although the commitment to professional equality remains strong, Forsee Power is still working to attract more female profiles at the highest salaries, in particular by integrating a career development policy.

The satisfaction survey carried out by Great Place To Work showed that equity was a strong point of the company. Indeed, 83% of employees consider themselves to be a full member regardless of their position, 89% regardless of their ethnic origin, 86% regardless of their gender, 93% regardless of their sexual orientation, a continuous progress since 2022.

The internal recruitment policy is open to all people, regardless of gender, ethnicity, sexual orientation, or any other aspect of their identity.

In addition, the company regularly conducts training and awareness sessions for staff on the importance of diversity, equity, and inclusion, creating an environment where everyone feels valued and respected. In 2024, awareness-raising sessions on sexism in the workplace took place in France.

Measures against violence and harassment in the workplace

The company places a high priority on preventing violence and harassment in the workplace, putting in place concrete measures to ensure a safe and respectful working environment for all its employees.

With this in mind, an internal training course dedicated to the prevention of moral and sexual harassment has been deployed in the form of Coffee & Learn. This interactive format makes it possible to raise awareness among teams in a participatory way, by encouraging exchanges and providing clear benchmarks on unacceptable behaviour, legal obligations and available whistleblowing systems.

The company is also working to strengthen its zero-tolerance policy on harassment and violence, through several complementary actions:

1 Anonymous whistleblowing and reporting systems, guaranteeing each employee the possibility of reporting any risk situation confidentially via the Whistle B platform.

2 Accompaniment and support for victims, with identified referents and appropriate care to ensure a rapid and effective processing of reports.

3 Training and awareness of managers, in order to give them the necessary tools to detect problematic behaviors and act accordingly.

By adopting a prevention and support approach, the company reinforces its commitment to a respectful, ethical and caring working environment, where everyone can evolve in complete safety.

Training and skills development

Employee development remains a key focus for attracting and retaining talent within the company. The assessment of skills, carried out through annual interviews, is a central pillar of this approach. These processes aim to assess, identify and develop the individual skills of employees, while aligning with organizational objectives.

Forsee Power has formalised a mobility charter that meets the challenges of skills development, offering a dedicated space on the intranet to list job offers within the group. In 2024, 650 employees benefited from a performance evaluation, and 18 employees had opportunities related to internal mobility, thus filling 10.34% of open positions through internal mobility.

This annual assessment is part of a broader strategy of Forward-Looking Management of Jobs and Skills (GPEC), based on a regularly updated map of the company's professions. This approach aims to anticipate future needs, adapt the workforce, and promote skills development. Since 2023 in France, after the annual evaluations, managers have been conducting talent reviews to identify Expert, Top Talent, and High Potential profiles.

A job ranking allows for better mapping and evaluation of positions, providing a clear and balanced view of the different roles within the company. As well as regularly updating employee representatives on the progress of the project, communicating evaluations to employees increases transparency and understanding of changes.

Training and professional development schemes

The training program is closely linked to performance evaluations, thus offering a targeted response to the identified needs. In 2024, the Group devoted a budget of €262,381.14 to training, for a total of 20,660 hours, allocated to 95.65% of employees. This training plan is designed to keep up with changing regulations, the emergence of new technologies and to meet the growing expectations of various stakeholders.

This initiative was marked by the implementation of training courses in 2024 addressing operational topics such as carbon footprint, management, moral harassment, security, disability, cybersecurity, among others.

In order to facilitate the integration of the many newcomers and by meeting the needs already presented by employees previously, the Group has deployed an action plan in 2024 to offer training on batteries and Forsee Power products, at beginner, intermediate and advanced levels.

Working conditions – Health, health and safety

When it comes to health and safety at work, Forsee Power promotes a strong Health, Safety and Environment (HSE) culture.

The Group acts on several strategic aspects to prevent and reduce risks related to health and safety at work:

- For Forsee Power, the reduction of occupational diseases among employees in technical professions, in particular musculoskeletal disorders (MSDs) and psychosocial risks such as stress. To meet these challenges, the company remains vigilant and strives to improve the prevention of any form of suffering at work.

- Ergonomic improvements to trolleys and lifting equipment, as well as workstations.
- Programs to promote well-being at work are implemented at Group level and adapted locally according to the specific needs of each site and country. These programs include measures such as establishing equipment safety standards at all sites and strengthening a safety culture among employees.
- Forsee Power provides regulatory monitoring in order to assess their impact on its activities and to detect possible deviations between its practices and legal requirements and to make adjustments.
- In the event of an accident, the company carries out an in-depth analysis of the causes in order to implement corrective and preventive actions.
- Each site deploys an HSE (Health, Safety, Environment) program including monthly actions and poster campaigns.
- Audits are also regularly conducted at all locations to ensure compliance.
- Since 2021, the Group has developed an internal prevention plan for the handling of handling equipment such as pallet trucks and stackers, which are often involved in various types of accidents.
- At the Chasseneuil-du-Poitou site, Forsee Power is stepping up its fire prevention efforts by working closely with the SDIS 86 (Vienne Departmental Fire and Rescue Service), a reference in emergency intervention on vehicles, particularly battery-powered vehicles.

According to the 2024 Great Place to Work survey, 86% of employees say that the safety requirements are met.

Ensuring the health and safety of employees remains Forsee Power's top priority, which relentlessly pursues its continuous improvement efforts in this area.

The Group has set itself two ambitious objectives to be achieved by 2025: to maintain an absenteeism rate equal to or below 3.8%, a goal already achieved since 2021, and to reduce the accident severity rate to zero.

5.3.1.6S1-6: characteristics of the company's workforce

Description of Forsee Power's own workforce

For 2024 and for previous years, Forsee Power considers as its own workforce employees who have a direct contractual relationship with it, which excludes contracts with third parties (casual/temporary workers).

Forsee Power's workforce includes:

- permanent **employees** : employees who have entered into a contract directly with Forsee Power without an expiry date. This contract can be terminated by resignation at the initiative of the employee, by dismissal at the initiative of the company, by mutual agreement or by retirement.
  - Top **management** refers to the members of the Executive Committee and their directly attached employees who have at least one director status.
  - Managers designate the employees responsible for one or more individuals.
- Temporary **employees** : employees who have entered into a contract directly with Forsee Power with a specific expiry date. This contract can either expire at the end of the period or be renewed for an additional period according to local law, if Forsee Power and the employee so agree.
- full-time **employees** : employees who have entered into a fixed-term or permanent contract directly with Forsee Power, providing for a specific number of working hours.
- part-time **employees** : employees who have entered into a fixed-term or permanent contract directly with Forsee Power, providing for a number of hours of work less than what is considered full-time.
- Forsee Power defines **self-employed workers** as subcontractors hired by Forsee Power to perform regular work that would otherwise be performed by an employee.
- temporary **/casual workers** : these offer their assistance on a temporary basis to replace employees on leave or to cope with a peak in activity.

Forsee Power does not hire employees on non-guaranteed hourly contracts.

	Unit	Ivry-sur-Seine, France	Chasseneuil-du-Poitou, France	Dardilly, France	Zhongshan, China	Yokohama, Japan (lab)	Wroclaw, Poland	Pune, India	Ohio, USA	TOTAL
S1 – 50a										
Men	number	96	124	30	107	6	15	23	11	412
Wives	number	51	46	6	135	2	35	1	1	277
Other*	number	0	0	0	0	0	0	0	0	0
Not specified**	number	0	0	0	0	0	0	0	0	0
Total Employees	**number**	**147**	**170**	**36**	242	**8**	**50**	**24**	**12**	**689**
S1 – 66 (a)										
Number of Top Management Employees	number	**18**	**4**	**1**	**5**	**1**	**1**	**1**	**4**	35
of which men	number	13	3	1	4	1	1	1	4	28
of which women	number	5	1	0	1	0	0	0	0	7
Rate of male top management employees	%	72%	75%	100%	80%	100%	100%	100%	100%	80%
Top management employee rate	%	28%	25%	0%	20%	0%	0%	0%	0%	20%
S1 – 51										
Total Number of Employees (FTEs)	number	**144,08**	**164,29**	**35,94**	**242,00**	**8,00**	**35,00**	**24,00**	**12,00**	**665,31**
of which men	number	94,08	119,94	29,94	107,00	6,00	32,00	23,00	11,00	**422,96**
of which women	number	50,00	44,35	6,00	135,00	2,00	3,00	1,00	1,00	242,35
Number of permanent employees (FTEs) CDI	number	**132,96**	**153,35**	**35,00**	**210,00**	**7,00**	**33,00**	**24,00**	**12,00**	**607,31**
of which men	number	87,96	109,97	29,00	89,00	5,00	31,00	23,00	11,00	385,93
of which women	number	45,00	43,38	6,00	121,00	2,00	2,00	1,00	1,00	221,38
Temporary Permanent Employees (FTEs) Fixed-Term Contracts	number	**2,40**	**1,00**	**0,00**	**32,00**	**1,00**	**2,00**	**0,00**	**0,00**	**38,40**
of which men	number	0,40	1,00	0,00	18,00	1,00	1,00	0,00	0,00	21,40
of which women	number	2,00	0,00	0,00	14,00	0,00	1,00	0,00	0,00	17,00
Number of employees on unsecured hours for FTEs	number	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**
of which men	number	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
of which women	number	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
S1 – 52										
Number of full-time employees (FTEs)	number	**143,08**	**162,75**	**33,94**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**339,77**
of which men	number	94,08	118,40	27,94		0,00	0,00	0,00	0,00	240,42
of which women	number	49,00	44,35	6,00		0,00	0,00	0,00	0,00	99,35
Number of part-time employees (FTEs)	number	**1,00**	**1,54**	**2,00**	**0,00**	**1,00**	**0,00**	**0,00**	**0,00**	5,54
of which men	number	0,00	1,54	2,00		0,00	0,00	0,00	0,00	3,54
of which women	number	1,00	0,00	0,00		0,00	0,00	0,00	0,00	1,00
S1 – 50 (c)										
Total number of employees who left the company voluntarily or as a result of dismissal, retirement or death in the course of employment	number	31	23	4	53	1	8	6	0	126
Voluntary employee turnover rate	%	22%	14%	11%	22%	13%	23%	25%	0%	19%

5.3.1.7 S1-8: Collective Bargaining Coverage and Social Dialogue

Collective Bargaining Coverage and Social Dialogue 2024	France	Poland	**Total Europe**	**India**	**China**	**Japan**	**USA**
Percentage of total employees covered by collective agreements	100%	0%	87,59%	0%	100%	100%	0%
Percentage of self-employed persons whose working conditions and conditions of employment are determined or influenced by collective agreements	100%	0%	87,59%	0%	100%	100%	0%
Percentage of total employees covered by representation at the workplace	100%	100%	100%	100%	100%	100%	0%

Forsee Power in France depends on the collective agreement for the metallurgy industry.

In order to ensure that the voices of employees are heard and taken into account in the decision-making processes, the following bodies are in place:

1. The Social and Economic Committee (CSE): In France, the CSE meets every month, allowing for in-depth monitoring of social and economic issues. In addition, the Health, Safety and Working Conditions Committee (CSSCT) meets every three months, ensuring increased vigilance on the prevention of occupational risks and the improvement of working conditions.
2. Staff representatives in Poland, India, China and Japan: regular meeting and dialogue with management to ensure two-way communication.

These initiatives aim to strengthen employee participation and engagement, ensuring that their concerns and contributions are taken into account in the development and implementation of the Group's strategy.

5.3.1.8 S1-9: Diversity Indicators

Employees by managerial function and gender

Employees by managerial function and gender as of December 31, 2024 (H1-66a)	number	percentage
Members of the Executive Committee	10	
of which women	1	10%
of which men	9	90%
Top management employees (1)	35	
of which women	28	20%
of which men	7	80%
Managers	117	
of which women	30	26%
of which men	87	74%
Total employees	689	
of which women	277	40%
of which men	412	60%

(1) Top management employees are the members of the Executive Committee and their direct reports with a title of Director

Employees by age and gender (FTE)

Employees by age and gender 2024 (H1-66b)	number	percentage
Employees aged 30 or under	**112,35**	**17%**
of which women		

of which men		
Employees aged 31 to 50	**446,56**	**67%**
of which women		
of which men		
Employees aged 50 or over	**106,40**	**16%**
of which women		
of which men		

5.3.1.9 S1-10: Living wages

All employees in the company receive a living wage, in accordance with the applicable national benchmarks, which is above the minimum wages in each country. (S1-70)

5.3.1.10 S1-11: Social protection

Forsee Power offers social protection to all its employees, in all the countries where the Group operates. These benefits, through public programs or benefits offered by the company, cover the loss of income due to one of the following major life events:

- Illness
- Unemployment from the time the employee works for the company
- Accident at work and acquired disability
- Parental leave
- Retirement

5.3.1.11 S1-12: Persons with disabilities

	2024	
S1 - 79	**Number**	**Percentage**
Employees with disabilities	21	2,8%

5.3.1.12 S1-13: Training and Skills Development Indicators

	Unit	Ivry-sur-Seine, France	Chasseneuil-du-Poitou, France	Dardilly, France	Zhongshan, China	Yokohama, Japan (lab)	Wroclaw, Poland	Pune, India	Ohio, USA	TOTAL
S1 – 83 (a)										
Number of employees who participated in regular performance and career development interviews	number	147	170	36	242	8	11	24	12	650
of which men	number	96	124	30	107	6	9	23	11	406
of which women	number	51	46	6	135	2	2	1	1	244
Rate of employees who have participated in regular performance and career development interviews	%	100%	100%	100%	100%	100%	22%	100%	100%	94%
of which men	%	65,31%	72,94%	83,33%	44,21%	75%	81,82%	95,83 %	91,67%	62,46%
of which women	%	34,69%	27,06%	16,67%	55,79%	25,00%	18,18%	4,17%	8,33%	37,54%
Total number of hours of employee training	hours	1876	4625	797	9154,25	199	284	848	5760	23543,25
Average number of hours of training per employee	hours	12,76	27,21	22,14	37,83	24,88	5,68	35,33	480,00	34,17
S1 – 85 (a)										
Number of non-employees who participated in regular performance and career development interviews	number	0	0	0	0	0	0	0	0	
Rate of non-employees who participated in regular performance and career interviews (%)	%	0	0	0	0%	0	0	0		0
Total number of hours of training for non-employees	hours	27	2	0	283,5	0	0	2054	0	2366,5
Average number of hours of training per non-employee	hours	4,1	8,3	0	9,45	0	0	70,83	0	35,86

5.3.1.13 S1-14: Health and Safety Indicators

	Unit	Ivry-sur-Seine, France	Chasseneuil-du-Poitou, France	Dardilly, France	Zhongshan, China	Yokohama, Japan	Wroclaw, Poland	Pune, India	Ohio, USA	TOTAL
S1 – 88										
Number of deaths due to accidents at work and occupational diseases - employees	number	0	0	0	0	0	0	0	0	0
Number of deaths due to accidents at work and occupational diseases - self-employed	number	0	0	0	0	0	0	0	0	0
Number of reportable accidents at work with lost time - employees	number	0	1	0	2	0	0	0	0	3
Number of reportable lost-time accidents at work - self-employed	number	0	0	0	0	0	0	0	0	0
Reportable Accident Frequency Rate - Employees		0	2,6	0	5,13	0	0	0	0	2,71
Reportable Occupational Injury Frequency Rate - Self-employed		0	0	0	0	0	0	0	0	0
Number of cases of reportable occupational diseases - employees	number	0	4	0	0	0	0	0	0	4
Number of cases of reportable occupational diseases - self-employed	number	0	0	0	0	0	0	0	0	0
Number of days lost due to injuries and deaths related to occupational accidents, occupational diseases and deaths due to occupational diseases - employees	number	0	584	0	90	0	0	0	0	674
Number of days lost due to injuries and deaths related to work-related accidents, occupational diseases and deaths due to occupational diseases self-employed workers	number	0	0	0	0	0	0	0	0	0
S1 – 90 (a)										
Rate of internal workers covered by an internally audited and/or externally certified health and safety management system (e.g., ISO 45001).	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Rate of self-employed workers covered by an internally audited health and safety management system and/or certified by an external body (e.g. ISO 45001).	%	100%	100%	100%	100%	100%	100%	100%	100%	100%

5.3.1.14 S1-15: Work-life balance indicators

All employees of the company are entitled to family leave under social policy or collective agreements.

	Unit	Ivry-sur-Seine, France	Chasseneuil-du-Poitou, France	Dardilly, France	Zhongshan, China	Yokohama, Japan	Wroclaw, Poland	Pune, India	Ohio, USA	TOTAL
S1 – 93										
Number of men entitled to leave for family reasons	number	95	124	30	107	6	15	23	11	396
Number of women entitled to leave for family reasons	number	51	46	6	135	2	3	1	1	245
Rate of men entitled to leave for family reasons	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Rate of women entitled to leave for family reasons	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Number of men entitled to leave for family reasons who took this leave	number	1	2	2	4	3	0	0	1	13
Number of women entitled to leave for family reasons who have taken this leave	number	1	1	0	6	1	3	0	0	12

5.3.1.15 S1-16: Compensation Indicators

	2024 Group
S1 – 96 (b)	
Gender pay gap	12,0
S1 – 97	
Wage gap between the highest and median salary	18,8

For the calculations of the gender pay gap and the wage gap between the highest and median salaries, the Group took into account the difference in the cost of living in the countries where it is present according to World Bank data [Price level ratio of PPP conversion factor (GDP)).

5.3.1.16 S1-17: Cases, Complaints and Serious Human Rights Impacts

No serious human rights incidents were recorded.

	Unit	Ivry-sur-Seine, France	Chasseneuil-du-Poitou, France	Dardilly, France	Zhongshan, China	Yokohama, Japan	Wroclaw, Poland	Pune, India	Ohio, USA	TOTAL
S1 – 103										
Number of incidents of discrimination, including harassment	number	1	3	1	0	0	0	0	0	5
Number of complaints lodged through the different channels and, where applicable, with the OECD National Contact Points for Multinational Enterprises, excluding those already reported in point (a) above	number	0	0	0	0	0	0	0	0	0
Total amount of fines, penalties and compensation for damages resulting from complaints	number	0	0	0	0	0	0	0	0	0
S1 – 104										
Number of serious human rights incidents related to company employees	number	0	0	0	0	0	0	0	0	0
Total fines, penalties and compensation for damages resulting from serious human rights incidents	number	0	0	0	0	0	0	0	0	0

5.3.2 ESRS S2: Value Chain workforce

5.3.2.1SBM-3: Material Impacts, Risks and Opportunities for Value Chain workforce

Theme	Sub-theme	IRO	Horizon Short-term	Medium term	Long-term
Working conditions and supply chain	**Workplace Practices and Supply Chain Safety**	(-) The lack of safety measures in the supply chain endangers the health of workers, increasing accidents and fatalities. This affects not only workers, but also their families and communities, exacerbating financial hardship and social inequality.	X		
		(R) Inadequate working conditions in the value chain can lead to significant legal and financial risks (legal liabilities, fines and reputational damage due to non-compliance with labour laws and regulations by suppliers and partners).	X		
	Equal treatment and labour rights in the supply chain	(-) Failure to comply with labour ethics and fairness in the supply chain can harm workers' well-being and safety, affecting their families as well. Forced labour and modern slavery are among the most serious violations.	X		
		(A) Some raw materials come from high-risk countries (such as the Democratic Republic of Congo for cobalt). A scandal involving a raw material supplier working with Forsee Power could lead to a major reputational and legal compliance risk.	X		

(+): positive impact (-): negative impact (R): risk (O): Opportunity

5.3.2.2 S2-1: Policies for Value Chain workfoce

The double materiality analysis has brought out these two new challenges for Forsee Power. To date, we have put in place two policies to limit the negative impacts on workers in the value chain and ensure social standards throughout its value chain. These policies also aim to ensure a level of well-being at work within its value chain in the same way as among its employees.

To date, the company has not yet defined a structured roadmap to address all the IROs identified. Nevertheless, initial initiatives have been put in place to prevent risks related to human rights abuses, including child labour, forced labour and modern slavery within its value chain. These initiatives include supplier audits by a third party, Bureau Veritas, to audit the ESG policies, actions and performance of key suppliers.

Supplier Code of Conduct

The Supplier Code of Conduct sets out our fundamental expectations of suppliers to comply with environmental, social and legal criteria. It is aligned with international standards, including the United Nations Global Compact. Forsee Power requires its suppliers to sign the Code, attesting to its proper consideration in the conduct of business. The Code explicitly prohibits trafficking in human beings, forced or compulsory labour and child labour.

Responsible purchasing policy

The Responsible Procurement Policy describes how we implement its Supplier Code of Conduct through risk assessment, management systems, traceability, audits, reporting and transparency. It defines the three key objectives of its Responsible Sourcing Program: accountable, transparent and traceable. This policy applies to Forsee Power's suppliers.

Whistleblowing procedure

Since 2022, the Group has integrated a new outsourced whistleblowing procedure via a dedicated platform accessible internally via the Company's intranet for employees and via a website for customers, suppliers and third parties. This dedicated and secure solution allows everyone to express themselves in complete confidence, facilitating the reception and processing of alerts in an environment of trust and transparency.

The Supplier Code of Conduct and the Responsible Purchasing Policy are available on the website, under the heading *Sustainable Development > Governance*.

Forsee Power will continue its analysis work in order to establish an action plan consistent with its commitments in this area.

5.3.2.3S3: Affected communities

5.3.2.3.1 SBM-3: Material Impacts, Risks and Opportunities for Affected Communities

Theme	Sub-theme	IRO	Horizon Short-term	 Medium term	 Long-term
Economic, social, cultural, civil and political rights of communities	**Respect for the fundamental rights of the affected communities**	**(+)** Contributing to economic dynamism can promote job creation for local communities. In addition, these communities are free to express their opinions on Forsee Power's activities.		X	
		Forsee Power has the potential to negatively impact the fundamental rights of affected communities, particularly within its supply chain, where opportunities for control are reduced.	X		
		(R) Reputational risk in the event of non-compliance with the fundamental rights of local communities and **financial risks** related to possible legal sanctions.	X		
	Pressure on local natural resources and nuisances	**(-)** Potential negative impact on local natural resources and nuisances to local communities, both in **Forsee Power**'s direct production activities and in its supply chain (including **cobalt** and **lithium mining** from mines).	X		
		(R) Reputational risk in the event of non-compliance with environmental regulations or the fundamental rights of local communities, as well as **financial risks** associated with possible legal sanctions.	X		
Specific rights of indigenous communities	**Rights of Indigenous communities**	**(-)** Forsee Power can potentially have a negative impact by infringing on the specific rights of indigenous communities within its value chain (non-respect of cultural rights, impact on the values and identity of indigenous communities).	X		
		(R) Reputational risk in the event of non-compliance with the human rights of indigenous communities and **financial risks** associated with possible legal sanctions.	X		

(+): positive impact (-): negative impact (R): risk (O): Opportunity

The analysis of double materiality has brought out these three new challenges for Forsee Power. To date, the Group has not put in place policies to limit the negative impacts on communities. The company has not yet defined a structured roadmap to address all the IROs identified. Nevertheless, initial initiatives have been put in place to prevent the risks associated with human rights abuses, including child labour, forced labour and modern slavery within the value chain.

Forsee Power plans to implement an adapted policy within 3 years of the publication of this report.

In addition, the Group maintains a regular dialogue with local authorities and collaborates in order to integrate itself into the economic, social and environmental landscape in all the communities where it operates.

Whistleblowing procedure

Since 2022, the Group has integrated a new outsourced whistleblowing procedure via a dedicated platform accessible internally via the Company's intranet for employees and via a website for customers, suppliers and third parties.

This dedicated and secure solution allows everyone to express themselves in complete confidence, facilitating the reception and processing of alerts in an environment of trust and transparency.

The Supplier Code of Conduct and the Responsible Purchasing Policy are available on the website, under the heading *Sustainable Development > Governance*.

Forsee Power will continue its analysis work to establish an action plan consistent with its commitments in this area.

5.3.2.4 S4: Consumers and End Users

5.3.2.4.1 SBM-3: Material Impacts, Risks and Opportunities for Consumers and End Users

Scope: Forsee Power + downstream value chain			Horizon		
Theme	**Sub-theme**	**IRO**	**Short-term**	**Medium term**	**Long-term**
Information-related impacts for consumers and/or end-users	**Privacy**	**(-)** In the event of loss of information or data by Forsee Power, the customer may be affected by identity or financial data theft.	X		
		(R) Legal risk in the event of non-compliance with the GDPR regulation. Financial risk associated with legal sanctions.	X		
	Informing End Users	**(-)** Potential negative impact related to the lack of transparent and clear information for customers and end-users on products, in particular with regard to safety aspects.	X		
		(R) Legal risk related to compliance with end-users' information rights. Financial risks related to potential economic sanctions.	X		
		(+) Forsee Power's contribution to transparent and quality information for the end user.	X		
		(O) Opportunity for Forsee Power to communicate transparently with its customers and differentiate itself from the competition.	X		
Personal safety of consumers and/or end users	**Product Safety**	**(-)** Battery failures can cause fires and fatal accidents, but protection systems can mitigate these risks. Smaller scooter batteries are more vulnerable due to their frequent handling.	X		
		(R) Legal risk in the event of an incident resulting from non-compliance with safety measures for electric batteries. Financial risk related to potential economic sanctions.	X		
Social inclusion of consumers and/or end-users	**Product accessibility**	**(+)** Improvement of accessibility to electric batteries thanks to the development of battery rental.	X		
		(O) Opportunity for Forsee Power to develop new business models and stand out from the competition.	X		

(+): positive impact (-): negative impact (R): risk (O): Opportunity

5.3.2.4.2 S4-1: Consumer and End-User Policies

R&D policy

The Group's R&D policy is based on a collaborative international organization of nearly 160 multidisciplinary engineers, spread over 3 R&D centers. This policy covers consumers and end users by addressing the sustainability of Forsee Power's products, the Group's policy for more repairability and reuse as well, and all efforts to ensure the safety and reliability of battery systems:

Sustainability: Reduced carbon footprint and integration of more recycled materials, better repairability, recyclability.

System security and reliability: ISO 26262 compliance; robust system architectures, in-depth FMEA studies, non-functional security, robustness of product design.

QHSE Policy

The Group's QHSE policy pays particular attention to product quality to ensure reliable, safe and high-performance batteries by involving all employees in continuous improvement and collaborating with carefully selected suppliers. This involves:

- Customer satisfaction is at the heart of the approach. To ensure safe and efficient battery systems,

- Maintain a quality management system that complies with ISO 9001 standards and beyond, incorporating industry best practices.
- Involve all our employees in the continuous improvement of our processes and products.
- Regularly train our employees to strengthen their skills and awareness of the importance of quality in every task they perform.
- Working closely with our suppliers to ensure the quality of raw materials and components, fostering long-term partnerships.

The R&D policy and the QHSE policy are available on the website, under the heading *Sustainable Development > Governance*.

5.3.2.4.3 S4-2: Process for engaging with consumers and end-users on impacts

Forsee Power maintains a regular dialogue with its customers, vehicle manufacturers, and with public and private transport fleet operators at several levels in the organization, in particular through the sales department and the after-sales department.

An annual customer satisfaction survey is conducted in order to better understand the expectations and level of satisfaction of each water company, via their representatives.

5.3.2.4.4 S4-3: Process to address adverse impacts and channels for consumers and end-users to raise concerns

Forsee Power publishes on its website technical sheets on each of its products, accessible to all. In addition, as part of the commercial proposals, further technical information is provided, including the usage profiles of its battery systems.

As mentioned below, an annual satisfaction survey is sent to the representatives of client companies which allows for the inclusion of remarks. However, the most common way to receive customer feedback and concerns is through the Commercial Account Manager at Forsee Power.

Forsee Power's after-sales department is in regular contact with the Group's customers and an international organization allows all customers, regardless of location, to contact a Forsee Power representative.

Since 2022, the Group has integrated a new outsourced whistleblowing procedure via a dedicated platform accessible internally via the Company's intranet for employees and via a website for customers, suppliers and third parties.

This dedicated and secure solution allows everyone to express themselves in complete confidence, facilitating the reception and processing of alerts in an environment of trust and transparency. The solution ensures the confidentiality of the facts reported and the personal data of the perpetrators and the people involved.

5.3.2.4.5 S4-5: Targets related to the management of material adverse impacts, the promotion of positive impacts and the management of material risks and opportunities

The Group is currently working on defining indicators related to consumers and end-users as part of its 2030 roadmap.

5.4 GOVERNANCE

5.4.1 ESRS G1: Business Conduct

5.4.1.1SBM-3: Material Impacts, Risks and Opportunities in Doing Business

Theme	Sub-theme	Description	perimeter
Corporate Culture	**Responsible Leadership and Governance**	(+) Positive impact related to a robust and transparent governance system: in particular, constructive communication and effective implementation of the strategy, positive partnerships and employee well-being.	Direct activity Value Chain
		(O) Financial opportunity related to the attractiveness of Forsee Power in the event of responsible and transparent governance.	Direct activity Value Chain
Whistleblower protection	**Whistleblower protection**	(-) Potential negative impacts for employees in the event of a failure of the whistleblower protection whistleblower system.	Direct activity Value Chain
		(R) Legal risk related to non-compliance with human rights regulations. Financial risks associated with possible legal sanctions.	Direct activity Value Chain
Political engagement and lobbying activities	**Political engagement and lobbying activities**	(+) Development of relations with the government and regional authorities to promote eco-mobility and to favour local rather than foreign solutions.	Direct activity Value Chain
		(O) Financial opportunity linked to enhanced cooperation with economic actors, public actors and institutions.	Direct activity Value Chain
Supplier relationship management, including payment practices	**Responsible purchasing**	(-) Potential negative impacts on the relationship between Forsee Power and its suppliers in the event of late payments (loss of supplier confidence).	Value Chain
		(R) Financial and operational risk related to shortages in the event of supplier default or bankruptcy.	Value Chain
Corruption and bribery	**Ethics and Compliance**	(-) Ethics violations, fraud, or tax misappropriation under the company's code of conduct by employees.	Direct activity Value Chain
		(R) Financial risk to Forsee Power associated with payment fraud.	Direct activity Value Chain

5.4.1.2G1-1: Business Conduct Policies and Corporate Culture

Corporate Culture

Sustainability is an integral part of Forsee Power's corporate culture, reinforced by values that have been redefined at the end of 2024. Forsee Power wants its employees to participate in its mission to make a positive contribution to the planet and society by bringing to market battery systems that enable the decarbonization of transport. The management wants his sincere and transparent management, creating a healthy, focused and cooperative work culture. Since its creation, Forsee Power has striven to develop an international presence as close as possible to its markets (see history chapter 1)

Forsee Power's vision: The future of mobility is electric. Manufacturers are looking to simplify and accelerate the electrification of their applications.

Forsee Power's mission: To democratize the electrification of mobility applications by offering complete, modular and intelligent battery systems.

The Group's values

"Contribution: We believe that every individual, every group and every company has the ability to contribute positively to the common good.

Integrity: We conduct our business with honesty, transparency, respect and solidarity.

Ambition: We are opening new avenues to serve the industry through battery systems that accelerate the transition to clean energy.

Agility: We serve our clients diligently and efficiently. In a constantly changing market, we respond quickly to new needs and opportunities.

Excellence: We strive for excellence. We are proud of what we do and pursue our goals with determination and discipline.

Working at and with Forsee Power means making a positive contribution to the planet and society. The management is sincere and transparent, fostering a healthy, engaged and cooperative work culture. Forsee Power's values and vision are shared with all international employees from the employee onboarding process, during employee meetings, through the internal magazine *Watt's up* or during collaborative sessions. The employee recognition program launched in 2024 includes the *value awards*, an initiative that rewards employees or teams who have demonstrated the Group's values outside their usual scope of work.

The internal satisfaction survey conducted each year makes it possible to evaluate the elements of the corporate culture. (see section S1-2 on the Great Place to Work satisfaction survey).

Supplier and internal code of conduct, whistleblowing and whistleblowing system

A code of conduct establishes ethical standards and guidelines for all stakeholders involved in the company's activities, whether internal employees or external partners, including suppliers. It aims to ensure that all stakeholders adhere to common principles of integrity, regulatory compliance, respect for human rights, environmental protection, and fair business practices. Forsee Power has set up two separate codes of conduct, one for employees and the other for its suppliers. Both codes represent a fundamental element of business ethics at Forsee Power. They have been developed to reflect the Group's values and commitments to ethics and responsibility. By integrating this code into its sustainable development strategy, Forsee Power is committed to raising awareness, training, and enforcing these ethical principles, thus ensuring consistency and compliance in all its professional interactions. The two Forsee Power codes of conduct encompass the safeguarding of company resources and information as well as the prevention of conflicts of interest.

The Code of Conduct, which is an integral part of the Internal Regulations, is automatically applicable to all employees of Forsee Power SA, and does not require an individual signature for each update.

Business ethics play a central role in Forsee Power's vision and operations. As a player in the sustainable mobility sector, the company recognizes the crucial importance of integrating ethical practices into all of its activities. Based on the values of transparency, integrity and accountability, business ethics at Forsee Power is much more than just a component of its strategy. It is an essential pillar that guides its interactions with stakeholders, its internal policies, its commitments to its employees, its suppliers and society as a whole. This ethical approach is rooted in the desire to create a positive impact, not only economically, but also socially and environmentally. In this chapter, the various practices and policies related to business ethics at Forsee Power will be presented, highlighting its ongoing commitment to responsible business conduct.

Tax and legal obligations

Forsee Power complies with its tax and legal obligations in all the territories where the Group operates. In particular, the company undertakes to carry out its commercial activities, ensuring compliance with anti-corruption rules as well as the legal provisions in force, in particular the French law for transparency, action against corruption and the modernisation of economic life known as "Sapin II" of 9 December 2016.

With this in mind, Forsee Power promotes the honest and lawful conduct of its employees in the market. The Group's commercial practice is based on ethical criteria, based on the quality and price of the products, as well as on the relationships maintained with its customers.

The Code of Conduct sets strict guidelines for compliance with the law and fair competition in the marketplace. Forsee Power prohibits any agreement with competitors or any action likely to restrict free competition. The company undertakes not to obtain confidential information from a competitor without its consent and to scrupulously respect intellectual property rights. In addition, it formally prohibits any unfair, deceptive or misleading commercial practices, committing to communicate in a factual, honest and informative manner on its products and services. In addition, Forsee Power prohibits the disclosure of sensitive information to competitors, such as prices, costs or strategy, in order to avoid any manipulation or distortion of competition.

Employees are also required to reject any practice of market abuse or the dissemination of false or misleading information that could unfairly disadvantage an investor.

Training for the person at risk (see section below "**Training on the fight against corruption and bribery")** makes it possible to assess the good understanding of these codes.

Since 2022, the Group has integrated an outsourced whistleblowing procedure via a dedicated platform accessible internally via the Company's intranet for employees and via a website for customers, suppliers and third parties. This dedicated and secure solution allows everyone to express themselves in complete confidence, facilitating the reception and processing of alerts in an environment of trust and transparency. The solution ensures the confidentiality of the facts reported and the personal data of the perpetrators and the people involved.

SUSTAINABLE DEVELOPMENT GOALS

As part of its operations, the Group contributes to several United Nations Sustainable Development Goals (SDGs):

ODD	Targets	ODD	Targets
3 GOOD HEALTH AND WELL-BEING	**3.8**: Universal Health Coverage **3.9**: Health and Environment	11 SUSTAINABLE CITIES AND COMMUNITIES	**11.3**: Sustainable Urbanization **11.6** : Environmental Impact
5 GENDER EQUALITY	**5.1**: Fight against discrimination **5.5** : Participation and Access to Management Positions **5.c**: Equality policies	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	**12.5** : Reduce waste generation through a high rate of recyclability of our products.
7 AFFORDABLE AND CLEAN ENERGY	**7.2**: Renewable energies **7.3**: Energy Efficiency **7.a**: Research and investment **7.b**: Energy supply	13 CLIMATE ACTION	**13.1**: Resilience and Adaptation **13.2** : Climate Policies **13.3**: Education and Empowerment
8 DECENT WORK AND ECONOMIC GROWTH	**8.2**: Economic Productivity **8.8**: Rights and safety at work	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	**16.5**: Corruption **16.6**: Exemplary Institutions **16.7**: Inclusive Decision-Making
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	**9.1**: Sustainable, Resilient and Accessible Infrastructure **9.2**: Socio-economically sustainable industrialization **9.4**: Modernisation and sustainability of industrial sectors **9.5**: Innovation, Research and Development	16 17 PARTNERSHIPS FOR THE GOALS	**17.6**: Scientific and technological cooperation **17.7**: Targeted Technology Transfers **17.9**: Capacity Building **17.14**: Policy Coherence

The UN Global Compact

The Global Compact is a United Nations initiative launched in 2000 to encourage companies around the world to adopt a socially responsible attitude by committing to integrate and promote several principles relating to human rights, international labour standards, the environment and the fight against corruption. The signing of the Global Compact is a voluntary step on the part of Forsee to commit to making progress each year by defining the priority objectives for its field. Since 2022, the Group has been communicating its progress in the COP annual report, explaining the progress made during the year and adding quantitative and qualitative indicators.

The Group's policies are available on the website, *under the heading Sustainable Development > Governance*. They are communicated to all employees during the integration process and are also available on the Group's intranet site.

5.4.1.3G1-2: Supplier Relationship Management

To ensure a responsible attitude at all levels of the supply chain, a responsible purchasing policy has been drafted and is based on ten bilateral commitments applicable to the Group and its partners.

Ensuring competitiveness: We are committed to maintaining and strengthening our competitiveness in the market by continuously optimizing our processes, integrating industry best practices and investing in innovation, while complying with regulatory changes.

Through resource management, continuous adaptation to the latest technological advances and a culture of continuous improvement, we ensure that we offer products and services that meet the expectations of our customers and partners.

In this dynamic, we deploy all the necessary levers to optimize costs and guarantee our competitiveness in the long term, as close as possible to our customers.

Guaranteeing product quality: The satisfaction of our customers is based on the quality of our products. We set up controls at each stage of production on the lines and upstream, with the management of a small panel of suppliers and loyal customers who are audited before their qualification by a Forsee Power team who go on site after having previously received written answers on performance criteria, quality and ESG, and then every three years.

We favor the integration of suppliers from the design phase of our battery systems, while ensuring rigorous management of their quality, cost and time performance.

Promote a climate of loyalty and transparency, while respecting the confidentiality of information and intellectual property rights: Forsee Power and its partners ensure that no confidential information is revealed, transmitted or used outside of their business relationships.

Confidentiality agreements are signed between Forsee Power and its partners as soon as sensitive information is communicated. Confidential information, after termination of commercial relations, retains this character in accordance with the applicable laws and agreements, for a minimum period of three years.

In accordance with applicable laws and agreements, Forsee Power respects the intellectual property rights of its partners and undertakes, in particular, unless otherwise agreed, not to use the name, trademarks, protected designs and models of the latter, and to avoid any illegal exploitation of their software provided and their protected artistic or literary works.

Respect financial commitments: In accordance with the applicable legislative and regulatory provisions, Forsee Power and its partners undertake to honour payment deadlines, and not to ask for unjustified reductions.

Fight against money laundering and corruption: Forsee Power refrains from granting or accepting acts of convenience, gratuities or gifts of excessive value from its partners.

Forsee Power and its partners are committed to fighting all types of corruption, in every country where they operate.

They undertake not to pay any form of remuneration for services rendered if such payments are intended to remunerate a member of the government or any other public official with a view to bringing about a favourable decision or obtaining an undue advantage for society. They also pledge to avoid any extortion, fraud or bribery, as well as to fight money laundering.

Comply with national and international laws and regulations: Forsee Power and its partners comply with all laws and regulations, including export-related regulations (e.g. REACH regulations), applicable to their activity, in each country where they carry out their business. In the absence of these standards, they must respect and ensure compliance, as far as possible, with the ESG commitments set out in the Code of Conduct.

Ensuring compliance with labour and human rights rights: Forsee Power and its partners comply with all laws and regulations applicable to their activities in each country where they operate. They respect and ensure respect for human rights and ensure that the working conditions of its employees are dignified and in accordance with applicable local and international legislation (excluding all forms of servitude, forced or threatened labour, human trafficking or slavery). They do not employ persons who are under the minimum age required by the law of the country. They respect the right of employees to receive legal remuneration from the country, to benefit from working hours and days off in accordance with the laws and regulations of the country where they work.

They shall respect the right of association and trade union activity provided for in the applicable national and international laws and regulations. They do not discriminate, promote diversity and ensure that their employees are treated with dignity and humanity. They provide employees with the appropriate personal and collective protective equipment.

Avoid any conflict of interest: Forsee Power expects everyone to ensure that their personal activities and interests, direct or indirect, do not conflict with those of the Company. Partners must avoid any situation, actual or potential, that could jeopardize the interests and reputation of Forsee Power.

Fight against anti-competitive practices: Forsee Power and its partners take all measures to avoid anti-competitive practices. In particular, they undertake not to participate in cartels and/or abuse of dominant position. They refrain from sharing any sensitive information (customer files, marketing plans, business strategies, purchase and sale prices, etc.) with third parties, and in particular with competitors. They are also invited to familiarize themselves with the laws and regulations applicable to competition in each country where they operate and to consult a professional in the field if necessary.

Respect the environment: Forsee Power and its partners are committed to respecting national or international legislative and regulatory constraints in terms of environmental law. They adopt the precautionary principle: they detect, identify and assess potential environmental risks and take all appropriate measures to mitigate or eliminate them. On the basis of a voluntary approach, they are committed to minimising their impact on the environment:

- By contributing to the fight against the climate crisis.
- By reducing their energy consumption, CO2 emissions and water consumption.
- By limiting their impact on biodiversity through the use of raw materials and the production of waste and waste.
- By reducing the use of non-renewable resources or environmentally friendly products.

Forsee Power invites its partners to communicate the carbon footprint of their products. Finally, Forsee Power is committed to using carbon-free transport and to favouring transport by sea and land at the expense of air transport.

Forsee Power has integrated an ESG audit of suppliers into its practices, a practice that is constantly evolving within the Group to ensure the proper management of relationships with its external partners.

Carried out since 2022 for certain suppliers, this audit approach aims to assess suppliers' compliance with the ethical, environmental and social standards defined by the company and makes it possible to identify, measure and monitor supplier performance.

Forsee Power undertakes these ESG audits to ensure that its business partners share the same values and implement responsible practices.

The first audited supplier was CALB in 2022, a Chinese module supplier, with great green innovation capabilities. The audit aimed to confirm the compliance of the ESG management system with the Group's standards, as well as to verify its compliance with legal, regulatory and contractual requirements. It also assessed the implementation of the provisions and its ability to achieve the objectives of its ESG policies. The audit identified potential areas for improvement, with a particular focus on safety, material traceability and product carbon footprint calculation. Confirming a high level of social, environmental and governance practices, this audit is particularly important in the context of the strong demand for battery cells linked to the acceleration of electromobility on a global scale.

In 2024, Forsee Power audited its Well-tech casing provider. A corrective action plan has been produced to ensure that the supplier fully meets Forsee Power's expectations.

Forsee Power strives to collaborate with the world's best producers to secure supplies, ensure customer deliveries and keep the Group's ESG performance at an optimal level.

5.4.1.4G1-3: Prevention and detection of corruption and bribery

The fight against corruption

Forsee Power is committed to this fight by respecting the law for transparency, action against corruption and the modernization of economic life known as Sapin II, promulgated on December 9, 2016. This law aims to strengthen economic transparency and to establish mechanisms for detecting and sanctioning acts of corruption, whether they take place in France or internationally. As part of its anti-corruption strategy, Forsee Power has set up a specific annual online training course for all its executive employees. This training is integrated into the sustainability strategy and is a key tool in actively promoting a culture of compliance and integrity within the company's senior levels. The Group has a whistleblowing platform managed by the legal department, already presented, which not only allows for the reporting of various internal issues but also for denouncing cases of corruption, thus strengthening the internal mechanisms for monitoring and detecting unethical practices, mainly in regions where the risks of corruption may be higher. These initiatives are part of the desire to preserve ethical business practices, in compliance with the law, and to promote a culture of integrity within the company.

Anti-Corruption and Anti-Bribery Training

In fiscal year 2024, Forsee Power conducted mandatory ethics and compliance training to its at-risk workers in accordance with its policy. Details of this training provided during the year are presented hereafter.

Risky Functions	the Group considers that people with a "managerial" status in the broad sense of the term have high-risk functions, including individual contributors and managers in this category of position	
Participants	All staff in at-risk positions in France and abroad. 306 participants out of 318 eligible for the training in 2024, i.e. a participation rate of 96.2% (the 12 people who did not participate had left the company during the training period)	
Format, duration and frequency	• Computer-based online training • Duration of 3 hours • Annual Training	
Topics covered in the training	• Fight against corruption • Anti-Money Laundering • Competition Law • Confidential Information • Conflict of interest • Data Privacy • discrimination • Diversity, Equity and Inclusion • Environmental Health and Safety • ESG • Financial Integrity • Gifts, entertainment and hospitality • Human trafficking and modern slavery	• insider trading • intellectual property • Political activities • Protecting our organization's assets • Social Media • Speaking on behalf of our organization • Trade regulations • UK Criminal Finance Act • Working with third parties • Workplace harassment • Workplace Violence and Abusive Conduct • Reporting and retaliation

5.4.1.5G1-4: Cases of bribery or bribery

	2024
Number of confirmed incidents of corruption or bribery	0
Number of confirmed incidents related to contracts with business partners that were terminated or not renewed due to corruption or bribery-related violations	0
Fines for violating anti-corruption and anti-corruption laws in euro	0
Number of confirmed incidents in which workers were dismissed or sanctioned for corruption or corruption-related incidents	0
Number of convictions for violating anti-corruption and anti-bribery laws	0

5.4.1.6 G1-5: Political influence and lobbying activities

Political influence and lobbying activities are under the responsibility of Sophie Tricaud, Vice-President Corporate Affairs and member of the Executive Committee of Forsee Power.

Forsee Power is involved in European issues such as the Net Zero Industry Act, European battery regulations, international investments in Ukraine, the competitiveness of the battery and automotive sector in Europe. These involvement take the form of participation in working groups within sectoral associations such as RECHARGE in Brussels, the Strategic Committee of the New Systems Sector

The Group makes no political, financial or in-kind contributions and has no political commitments.

Amounts (in thousands of euros)	**2024**
Political financing provided	0
Funding for QRP	0
Financing for EFG	0
Total	**0**

To the best of its knowledge, the Group does not have any member of the Board of Directors who has held a comparable position in a public administration (including in a regulatory body) during the two years prior to the appointment during the current reporting period. (G1-5-30)

5.4.1.7 G1-6: Payment Practices

In accordance with the applicable legislative and regulatory provisions, Forsee Power and its partners undertake to honour payment deadlines, and not to request unjustified discounts.

	2024
the average time (in number of days) it takes for the company to pay an invoice from the date on which the contractual or statutory payment period begins to run	430
Standard company payment terms (in number of days)	30
percentage of payments made within these deadlines	100%
Number of ongoing legal proceedings concerning late payments	**0**

5.4.1.8G1-5: Key Governance Objectives

MDR-T: objectives	IRO	Material issues	Politics	2024 KPIs	objective
Ensuring transparent and accountable governance	(-) Potential negative impacts for employees in the event of a failure of the whistleblower protection whistleblower system.	**Whistleblower protection**	Code of Conduct	100% of employees aware of the code of conduct 100% employees having signed the conduct	100% of employees aware of the code of conduct 100% employees having signed the conduct
	(R) Legal risk related to non-compliance with human rights regulations. Financial risks associated with possible legal sanctions.				
Preventing corruption and ensuring ethical business conduct	(-) Potential negative impacts on the relationship between Forsee Power and its suppliers in the event of late payments (loss of supplier confidence).	**Responsible purchasing**	Supplier Code of Conduct	45-day payment term	100% of payments are made within 45 days
	(R) Financial and operational risk related to shortages in the event of supplier default or bankruptcy.		Supplier Code of Conduct Responsible purchasing policy	98.4% of suppliers have signed the Code of Conduct	100% of suppliers have signed the Code of Conduct
	(-) Ethics violations, fraud, or tax misappropriation under the company's code of conduct by employees.		Code of Conduct		100% of employees aware of the code of conduct 100% employees having signed the conduct
	(R) Financial risk to Forsee Power associated with payment fraud.	**Ethics and Compliance**	Code of Conduct Supplier Code of Conduct Responsible purchasing policy	0 payment fraud	100% of employees aware of the code of conduct 100% employees having signed the conduct 100% of suppliers have signed the Code of Conduct

5.5 APPENDICES

5.5.1 Table of concordance of the Corporate Sustainability Reporting Directive (CSRD)

Some elements were not available at the date of publication of the sustainability report. Forsee Power is committed to communicating on these elements for next year's report.

DR	Section
DR BP-1: General basis for preparation for sustainability reporting	ESRS2 BP-1
DR BP-2: Information to be provided in specific circumstances	ESRS2 BP-2
DR GOV-1: Role of the Administrative, Management and Supervisory Bodies	ESRS2 GOV-1
DR GOV-2: Information provided to the company's administrative, management and supervisory bodies and sustainability issues addressed by them	ESRS2 GOV-2
DR GOV-3: Integration of Sustainability Performance into Incentive Systems	ESRS2 GOV-3
DR GOV-4: Due Diligence Statement	ESRS2 GOV-4
DR GOV-5: Risk Management and Internal Controls over Sustainability Reporting	ESRS2 GOV-5
DR SBM-1: SBM-1 - Strategy, business model and value chain	ESRS2 SBM-1
RM SBM-2: Stakeholder Interests and Opinions	ESRS2 SBM-2
DR SBM-3: Significant impacts, risks and opportunities and their interaction with strategy and business model	ESRS2 SBM-3
DR IRO-1: Description of the processes for identifying and assessing significant impacts, risks and opportunities	ESRS2 IRO-1
DR IRO-2: Disclosure Requirements Covered by the Corporate Sustainability Statement	ESRS2 IRO-2
RD E1-1: Climate Change Mitigation Transition Plan	E1-1
RD E1-2: Climate Change Mitigation and Adaptation Policies	E1-2
DR E1-3: Actions and resources related to climate change policies	E1-3
RM E1-4: Climate Change Mitigation and Adaptation Objectives	E1-4
DR E1-5: Energy Consumption and Energy Mix	E1-5
RD E1-6: Gross GHG emissions from scopes 1, 2, 3 and total GHGs	E1-6
RD E1-8: Internal Carbon Pricing	Not applicable
RM E1-9: Anticipated Financial Effects of Physical and Transition Risks and Potential Climate-Related Opportunities	Not applicable
RD E2-1: Pollution Policies	E2-1
RD E2-2: Pollution Actions and Resources	Not available at the date of publication
RM E2-3: Pollution Objectives	Not available at the date of publication
RD E2-4: Air, Water and Soil Pollution	E2-4
RD E5-1: Resource Use and Circular Economy Policies	E5-1
RM E5-2: Actions and Resources Related to Resource Use and the Circular Economy	E5-2
RM E5-3: Resource Use and Circular Economy Objectives	E5-3
RM E5-4: Resource Entries	E5-4
RM E5-6: Expected financial effects of resource use and impacts, risks and opportunities related to the circular economy	Not available at the date of publication
RM S1-1: Corporate Workforce Policies	S1-1
CD S1-2: Process for engaging with workers and worker representatives on impacts	S1-2
RM S1-3: Process for remediating negative impacts and channels for company workers to raise concerns	S1-3
RM S1-4: Take action on material impacts on its own workforce, approaches to mitigate significant risks and seize material opportunities related to its own workforce, and the effectiveness of these actions	S1-4
RD S1-5: Objectives related to the management of significant adverse impacts, the enhancement of positive impacts, and the management of risks and opportunities	S1-5

DR S1-6: Characteristics of the company's employees	S1-6
DR S1-7: Characteristics of the company's self-employed workers	S1-7
DR S1-8: Collective Bargaining Coverage and Social Dialogue	S1-8
RD S1-9: Measuring Diversity	S1-9
RM S1-14: Health and Safety Indicators	S1-14
RD S1-15: Work-Life Balance Measures	S1-15
DR S1-17: Serious Human Rights Incidents, Complaints and Impacts	S1-17
CD S2-1: Policies for Value Chain Workers	S2-1
RM S2-2: Process for engaging with value chain workers on impacts	S2-2
RM S2-3: Process to address negative impacts and channels for value chain workers to raise concerns	Not available at the date of publication
RM S2-4: Measures to be taken in case of material impacts on value chain workers on value chain workers, and approaches to manage material risks and seize material opportunities related to value chain workers, as well as the effectiveness of these actions	Not available at the date of publication
RD S2-5: Objectives related to the management of negative impacts, the improvement of positive impacts and the management of risks and opportunities	S2-5
CD S4-1: Consumer and End-User Policies	S4-1
RD S4-2: Process for engaging with consumers and end-users regarding impacts	S4-2
RM S4-3: Process to address negative impacts and channels for consumers and end-users to raise concerns	S4-3
RM S4-4: Measures to be taken in the event of material impacts on consumers and end-users, and approaches to managing physical risks and pursuing material opportunities related to consumers and end-users, and the effectiveness of these actions	Not available at the date of publication
RD S4-5: Objectives related to the management of significant adverse impacts, the enhancement of positive impacts and the management of risks and opportunities	S4-5
RM G1-1: Corporate Culture and Business Conduct and Culture Policies	G1-1
DR G1-3: Prevention and Detection of Corruption and "Bribery"	G1-3

5.5.2 Report on the certification of sustainability information and verification of the disclosure requirements under Article 8 of Regulation (EU) 2020/852, year ended December 31, 2024

This is a translation into English of the statutory auditor's report on the certification of sustainability information and verification of the disclosure requirements under Article 8 of Regulation (EU) 2020/852 of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This report should be read in conjunction with, and construed in accordance with, French law and the H2A guidelines on "*Limited assurance engagement - Certification of sustainability reporting and verification of disclosure requirements set out in Article 8 of Regulation (EU) 2020/852*".

To the Shareholders,

This report is issued in our capacity as statutory auditor of FORSEE POWER. It covers the sustainability information and the information required by Article 8 of Regulation (EU) 2020/852, relating to the year ended December 31, 2024 and included in section 5 in the group management report (hereinafter the "Sustainability Report").

Pursuant to Article L. 233-28-4 of the French Commercial Code, FORSEE POWER is required to include the above mentioned information in a separate section of the group management report. This information has been prepared in the context of the first time application of the aforementioned articles, a context characterized by uncertainties regarding the interpretation of the laws and regulations, the use of significant estimates, the absence of established practices and frameworks in particular for the double-materiality assessment, and an evolving internal control system. It enables an understanding of the impact of the activity of the group on sustainability matters, as well as the way in which these matters influence the development of its business, performance and position. Sustainability matters include environmental, social and corporate governance matters.

Pursuant to Article L.821-54 paragraph II of the aforementioned Code, our responsibility is to carry out the procedures necessary to issue a conclusion, expressing limited assurance, on:

- compliance with the sustainability reporting standards adopted pursuant to Article 29 b of Directive (EU) 2013/34 of the European Parliament and of the Council of December 14, 2022 (hereinafter ESRS for *European Sustainability Reporting Standards*) of the process implemented by FORSEE POWER to determine the information reported;
- compliance of the sustainability information included in the Sustainability Report with the requirements of Article L. 233-28-4 of the French Commercial Code, including ESRS and compliance with the requirement to consult the social and economic committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labor Code; and
- compliance with the reporting requirements set out in Article 8 of Regulation (EU) 2020/852.

This engagement is carried out in compliance with the ethical rules, including independence, and quality control rules prescribed by the French Commercial Code.

It is also governed by the H2A guidelines on "*Limited assurance engagement - Certification of sustainability reporting and verification of disclosure requirements set out in Article 8 of Regulation (EU) 2020/852*".

In the three separate sections of the report that follow, we present, for each of the sections of our engagement, the nature of the procedures that we carried out, the conclusions that we drew from these procedures and, in support of these conclusions, the elements to which we paid particular attention and the procedures that we carried out with regard to these elements. We draw your attention to the fact that we do not express a conclusion on any of these elements taken individually and that the procedures described should be considered in the overall context of the formation of the conclusions issued in respect of each of the three sections of our engagement.

Finally, where deemed necessary to draw your attention to one or more disclosures of sustainability information provided by FORSEE POWER in the group management report, we have included an emphasis of matter paragraph hereafter.

Limits of our engagement

As the purpose of our engagement is to express limited assurance, the nature (choice of techniques), extent (scope) and timing of the procedures are less than those required to obtain reasonable assurance.

Furthermore, this engagement does not provide guarantees regarding the viability or the quality of the management of FORSEE POWER, in particular it does not provide an assessment of the relevance of the choices made by FORSEE POWER in terms of action plans, targets, policies, scenario analyses and transition plans, which would go beyond compliance with the ESRS reporting requirements.

It does, however, allow us to express conclusions regarding the entity's process for determining the sustainability information to be reported, the sustainability information itself, and the information reported pursuant to Article 8 of Regulation (EU) 2020/852, as to the absence of identification or, on the contrary, the identification of errors, omissions or inconsistencies of such importance that they would be likely to influence the decisions that readers of the information subject to this engagement might make.

Any comparative information is not covered by our engagement.

Compliance with the ESRS of the process implemented by FORSEE POWER to determine the information reported, and compliance with the requirement to consult the social and economic committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labor Code

Nature of procedures carried out

Our procedures consisted in verifying that:

- the process defined and implemented by FORSEE POWER has enabled it, in accordance with the ESRS, to identify and assess its impacts, risks and opportunities related to sustainability matters, and to identify the material impacts, risks and opportunities, that led to the publication of information disclosed in section 5 of the group management report, and
- the information provided on this process also complies with the ESRS.

We also checked the compliance with the requirement to consult the social and economic committee.

Conclusion of the procedures carried out

On the basis of the procedures we have carried out, we have not identified any material errors, omissions or inconsistencies regarding the compliance of the process implemented by FORSEE POWER with the ESRS.

Concerning the consultation of the social and economic committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labor Code, we inform you that as of the date of this report, this consultation has not yet been held.

Elements that received particular attention

We set out below the elements that have been the subject of particular attention in relation to our assessment of compliance with the ESRS of the process implemented by FORSEE POWER to determine the information reported.

Concerning the identification of stakeholders

The information related to stakeholder identification is mentioned in section SBM-2 "Interests and views of stakeholders" of the Sustainability Report.

We have spoken with management and individuals whom we deemed appropriate and have inspected the available documentation. Our procedures have particularly focused on assessing the consistency of key stakeholders identified by the entity with the nature of its activities and its geographical location, taking into account its business relationships and value chain.

Concerning the identification of impacts, risks and opportunities

The information related to the identification of impacts, risks, and opportunities is mentioned in section SBM-3 "Impacts, Risks, and Opportunities (IRO) of FORSEE POWER and their Interaction with Strategy and Business Model" of the Sustainability Report.

We familiarized ourselves with the process implemented by the entity to identify the impacts (negative or positive), risks, and opportunities ("IRO"), actual or potential, related to the sustainability issues mentioned in paragraph AR 16 of the "Application Requirements" of ESRS 1.

In particular, we assessed the approach implemented by the entity to determine its impacts and dependencies that could be sources of risks or opportunities.

We familiarized ourselves with the mapping performed by the entity of the identified IROs, including, in particular, the description of the split between the entity's own activities and the value chain, as well as their time horizon (short, medium, or long term), and assessed the consistency of this mapping with our knowledge of the group and with the risk analyses conducted by the group.

We have:

- assessed how the entity considered the list of sustainability matters set out in ESRS 1 (AR 16) in its analysis;
- assessed the consistency of the current and potential impacts, risks, and opportunities identified by the entity with our knowledge of the entity, especially those specific to it, as they are not covered or are insufficiently covered by ESRS standards;
- assessed how the entity considered the different time horizons, particularly concerning climate issues;
- assessed whether the entity considered risks and opportunities that could arise from both past and future events due to its own activities or business relationships, including actions taken to manage certain impacts or risks;
- assessed whether the entity considered its dependencies on natural, human, and/or social resources in identifying risks and opportunities.

Concerning the assessment of impact materiality and financial materiality

The information related to the assessment of impact materiality and financial materiality is mentioned in section IRO-1 "Description of the processes to identify and assess material IROs" of the Sustainability Report.

We familiarized ourselves, through meetings with management and inspecting available documentation, with the process for assessing impact materiality and financial materiality implemented by the entity and assessed its compliance with the criteria defined by ESRS 1.

In particular, we assessed how the entity established and applied the information materiality criteria defined by ESRS 1, including those related to the setting of thresholds, to determine the material information published in respect of indicators concerning identified material IROs in accordance with the relevant topical ESRS standards.

Compliance of the sustainability information included in the Sustainability Report with the requirements of Article L. 233-28-4 of the French Commercial Code, including the ESRS

Nature of procedures carried out

Our procedures consisted in verifying that, in accordance with legal and regulatory requirements, including the ESRS:

- the disclosures provided enable an understanding of the general basis for the preparation and governance of the sustainability information included in the Sustainability Report, including the basis for determining the information relating to the value chain and the exemptions from disclosures used;
- the presentation of this information ensures its readability and understandability;
- the scope chosen by FORSEE POWER for providing this information is appropriate; and
- on the basis of a selection, based on our analysis of the risks of non-compliance of the information provided and the expectations of users, that this information does not contain any material errors, omissions or inconsistencies, i.e. that are likely to influence the judgement or decisions of users of this information.

Conclusion of the procedures carried out

Based on the procedures we have carried out, we have not identified any material errors, omissions or inconsistencies regarding the compliance of the sustainability information included in the Sustainability Report, with the requirements of Article L. 233-28-4 of the French Commercial Code, including the ESRS.

Emphasis of matter

Without qualifying the conclusion expressed above, we draw your attention to the information provided in paragraphs "5.1.1.1. BP-1: Basis for preparation of the Sustainability Report" and "5.1.1.2. BP-2: Disclosures in relation to specific circumstances" in the Sustainability Report, which highlight the uncertainties inherent to the first-time application of Article L. 233-28-4 of the French Commercial Code, particularly concerning certain datapoints required by the ESRS that are either not disclosed, disclosed for a partial scope, or estimated.

Elements that received particular attention

Information provided in application of the standards relating to general requirements and general disclosure (ESRS 1 and ESRS 2)

The information published regarding climate change (ESRS E1) is mentioned in paragraph "5.2.2. E1: Climate Change" of the Sustainability Report.

We set out below the elements that have been the subject of particular attention in relation to our assessment of the compliance of this information with the ESRS.

Our procedures particularly involved assessing the appropriateness of the information presented in paragraphs "5.2.2.2. E1-1: Transition plan for climate change mitigation" and "5.2.2.3. E1-2: Policies related to climate change mitigation and adaptation" in the environmental section of the sustainability information included in the Sustainability Report, and its overall consistency with our knowledge of the group.

Regarding the information published with respect to the greenhouse gas emissions assessment:

- We familiarized ourselves with the internal control and risk management procedures implemented by the entity to ensure the compliance of the published information;
- We assessed the consistency of the scope considered to assess greenhouse gas emissions with the scope of the consolidated financial statements, activities under operational control, and the upstream and downstream value chain.
- Regarding Scope 3 emissions, we assessed:
    - The justification for the inclusion and exclusion of the different categories and the transparency of the information provided in this regard,
    - The information collection process,
    - The appropriateness of the emission factors used and the calculation of the related conversions, as well as the calculation and extrapolation assumptions, considering the uncertainty inherent to the state of scientific or economic knowledge and the quality of external data used.

Compliance with the reporting requirements set out in Article 8 of Regulation (EU) 2020/852

Nature of procedures carried out

Our procedures consisted in verifying the process implemented by FORSEE POWER to determine the eligible and aligned nature of the activities of the entities included in the consolidation.

They also involved verifying the information reported pursuant to Article 8 of Regulation (EU) 2020/852, which involves checking:

- the compliance with the rules applicable to the presentation of this information to ensure that it is readable and understandable;
- on the basis of a selection, the absence of material errors, omissions or inconsistencies in the information provided, i.e. information likely to influence the judgement or decisions of users of this information.

Conclusion of the procedures carried out

Based on the procedures we have carried out, we have not identified any material errors, omissions or inconsistencies relating to compliance with the requirements of Article 8 of Regulation (EU) 2020/852.

Elements that received particular attention

We did not identify any elements that required particular attention on our part.

Paris-La Défense, April 25, 2025

The statutory auditor

Deloitte & Associés

French original signed by

Thierry QUERON Partner	Hélène DE BIE Partner

6. CORPORATE GOVERNANCE REPORT*

This section is presented in accordance with the provisions of Article L.225-37 paragraph 6 of the French Commercial Code.

To organise its governance, the Company refers to the corporate governance code for small and mid-sized companies as published in its latest version in September 2021 by Middlenext (the "**Middlenext Code**") and approved as a reference code by the French Financial Markets Authority (AMF). It includes recommendations and points of attention that the Appointments and Remuneration Committee and the Board of Directors will review each year.

Since its listing on Euronext Paris, the Company has aimed to comply with all the recommendations of the Middlenext Code regarding corporate governance, as it considers it the most appropriate for its organisation, size, resources and shareholder structure.

In accordance with the "comply or explain" principle, the table below presents, pursuant to articles L.225-37-4 and L.22-10-10 of the French Commercial Code, the Company's position with respect to all the recommendations set out in the Middlenext Code as of the date of this report.

Middlenext Code recommendations	Applied	Not yet applied
Supervisory power		
R1: Ethics of Board members	X	
R2: Conflicts of interest	X	
R3: Composition of the Board - Presence of independent members	X	
R4: Information provided to Board members	X	
R5: Training of Board members	X	
R6: Organisation of Board and committee meetings	X	
R7: Establishment of committees	X(1)	
R8: Establishment of a specialised committee on corporate social responsibility (CSR)	X	
R9: Establishment of internal rules for the Board	X	
R10: Selection of each Board member	X	
R11: Term of office of Board members	X	
R12: Compensation of Board members in respect of their offices	X	
R13: Establishment of an assessment of the Board's work	X	
R14: Relationship with the shareholders	X	
Executive power		
R15: Company diversity and equity policy	X	
R16: Definition and transparency of compensation of executive corporate officers	X	
R17: Preparation of management succession	X	
R18: Combination of employment contract and corporate office	X	
R19: Severance pay	X	
R20: Supplementary pension schemes	X(2)	
R21: Share subscription options and free share grants	X	
R22: Review of points of attention	X	

(1) Cette recommandation est appliquée depuis la réorganisation des comités avec la création d'un comité Stratégie Durable et la suppression des comités Stratégie et ESG, qui a eu lieu suite à l'Assemblée Générale du 21 juin 2024. Le nouveau comité Stratégie Durable est bien présidé par un administrateur indépendant.

(2) Aucun mandataire social dirigeant du Groupe ne bénéficie d'un régime de retraite supplémentaire

6.1 Board of Directors

6.1.1 Information on the composition and members of the Board of Directors

6.1.1.1 Members of the Board of Directors

As of April 9, 2025, the date of preparation of the report on corporate governance by the Board of Directors, the Board of Directors is composed of ten members, including four women and five independent members, as well as a non-voting member. The composition of the Executive Board is described in the tables below.

Recommendation No. 11 of the Middlenext Code is applied, the term of office of directors is set at three (3) years. This duration is adapted to the specificities of the company, within the limits set by law. Following the changes in the composition of the Board of Directors validated by the Shareholders' Meeting deciding on the financial statements ended December 31, 2023, the term of office of the directors has been staggered.

Surname, first name, title or position of the members of the Council	"Members of the Council" Independent Specify (Yes / No)	Year First Appointment	Maturity Of the Mandate	Committees			Experience and expertise provided
				Appointments and Remuneration Committee	Audit and Risk Committee	Sustainable Strategy Committee	
Christophe Gurtner Chairman and Chief Executive Officer Administrator	No	2021	Shareholders' Meeting approving the financial statements for the year ended December 31, 2026			X	Management, reorganization, mergers and acquisitions, business and strategic development
Bpifrance Investissement, represented by Eric Lecomte Administrator	No	2021	Shareholders' Meeting to approve the financial statements for the year ended December 31, 2024		X		Investment in semi-public companies, investments in local energy distribution companies, structuring and investments in renewable energy production projects, structuring and investments in innovation industrialization projects
EURAZEO GLOBAL INVESTOR represented by Matthieu Bonamy Administrator	No	2023	Shareholders' Meeting to approve the financial statements for the year ended December 31, 2024	X			Venture capital, growth capital, energy transition, green technologies, electric mobility, new mobility, industry of the future
Shinichi Ban Administrator	No	2023	Shareholders' Meeting to approve the financial statements for the year ended			X	24 years of experience at Mitsui & Co. Ltd, one of the world's leading investment and trading companies in the leasing, finance and infrastructure sectors of the development of the mobility industry (automotive and rail)

			December 31, 2024				
Pierre Lahutte Administrator	No	2021	Shareholders' Meeting approving the financial statements for the year ended December 31, 2026			X	25 years of experience in agricultural machinery, mobility and transport with a strong focus on sustainability and the introduction of disruptive decarbonization solutions (electric, biomethane, hydrogen)
Joerg Ernst Administrator	Yes	2021	Shareholders' Meeting approving the financial statements for the year ended December 31, 2026	X		X	More than 30 years of experience in electric propulsion systems for different sectors such as rail, electric cars, commercial vehicles, electric aircraft, mining and construction, as well as infrastructure and logistics / Knowledge of technology and processes from strategy to manufacturing / Long-term relationships with customers and industry on a global level
Corinne Jouanny Administrator	Yes	2021	Shareholders' Meeting approving the financial statements for the year ended December 31, 2026			X	Innovation Management / Business Strategy / Research & Development
Marie Cros Administrator	Yes	2024	Shareholders' Meeting to approve the financial statements for the year ended December 31, 2025		X		25 years of experience in finance functions in the international industrial sector
Aurélie Picart Administrator	Yes	2024	Shareholders' Meeting to approve the financial statements for the year ended December 31, 2025			X	15 years of professional experience related to industry and tech with a strong orientation towards the energy transition with a dual experience both industrial and institutional (at regional and national level)
Florence Triou Teixeira Administrator	Yes	2024	Shareholders' Meeting to approve the financial statements for the year ended December 31, 2025	X	X		More than 30 years of experience in corporate and market finance, marketing and then in general management of business units and/or companies (with organizational transformation and business development) within large industrial groups operating in the chemical, construction and energy transition or technology sectors
BALLARD POWER SYSTEMS Inc. represented by Nicolas Pocard Censor	-	2024	Shareholders' Meeting approving the financial statements for the year ended December 31, 2026				More than 25 years of experience in sales, business development, marketing, management and corporate strategy. Mastery of the electromobility market with in-depth knowledge of the European, North American and Asian markets

6.1.1.2 Changes in the Board of Directors between 2024 and 2025

In consideration of the 2024 term of office, the Board of Directors has initiated a recruitment process for new Independent Directors in 2023 based on the expertise of an external recruitment firm. At the end of this selection process, and after an in-depth examination of the applications submitted for its approval, the Board of Directors decided, at its meeting of April 23, 2024, to recommend the General Meeting of Shareholders on June 21, 2024:

- the renewal of the terms of office of Mr. Christophe Gurtner, Eurazeo Global Investor represented by Mr. Mathieu Bonamy, Mr. Shinichi Ban, Bpifrance Investissement represented by Mr. Eric Lecomte, Mr. Pierre Lahutte, Mr. Joerg Ernst and Ms. Corinne Jouanny.
- the appointment of three new independent Directors: Mrs. Marie Cros, Mrs. Aurélie Picart and Mrs. Florence Triou-Teixeira.
- the appointment of Ballard Power Systems Inc., represented by Mr. Nicolas Pocard, as a non-voting member.

These renewal and appointment proposals were ratified by the decisions of the General Meeting of Shareholders held on June 21, 2024.

In 2025, the terms of office of Directors of (i) Eurazeo Global Investor, represented by Mr. Mathieu Bonamy, (ii) Mr. Shinichi Ban and (ii) Bpifrance Investissement, represented by Mr. Eric Lecomte, expire and the Board of Directors, on the proposal of the Appointments and Appointments Committee, proposes their renewal at the next General Meeting called to approve the financial statements ended December 31, 2024.

After approval by the Shareholders' Meeting of the corresponding resolutions, the Board of Directors will continue to be composed of 10 Executive Directors. Its independence rate is 50%, the proportion of women is 40% and 3 nationalities are represented (Japanese, French, German), excluding censors

6.1.1.3 Presence of independant members on the board

In accordance with Recommendation No. 3 of the Middlenext Code, the Board of Directors has examined on a case-by-case basis the situation of each of its members with regard to the criteria set out in the same Code.

In accordance with the independence criteria defined by the Middlenext Code (updated in September 2021), 5 members of the Board of Directors, namely Joerg Ernst, Corinne Jouanny, Marie Cros, Aurélie Picart and Florence Triou-Teixeira, are independent members of the Board of Directors. Recommendation No. 3 of the Middlenext Code is therefore applied.

Below is the analysis of the Company's independence of each director, with regard to the criteria laid down by the Middlenext Code

Criteria (1)	Christophe Gurtner	Matthieu Bonamy (Eurazeo)	Eric Lecomte (Bpifrance) Investment)	Shinichi Ban (Mitsui &C. Ltd)	Pierre Lahutte	Joerg Ernst	Corinne Jouanny	Marie Cros	Aurélie Picart	Florence Triou Teixeira
Criterion 1: Not have been, in the last five years, and not be an employee or managing corporate officer of the company or a company in its group	✕	✓	✓	✓	✓	✓	✓	✓	✓	✓
Criterion 2: Not have been, in the last two years, and not be in a significant business relationship with the company or its group (customer, supplier, competitor, service provider, creditor, banker, etc.)	✓	✓	✓	✕	✕	✓	✓	✓	✓	✓
Criterion 3: Not be a reference shareholder of the company or hold a significant percentage of voting rights	✕	✕	✕	✕	✓	✓	✓	✓	✓	✓
Criterion 4: Not have a close relationship or close family relationship with a corporate officer or a reference shareholder	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Criterion 5: Not have been the company's auditor in the last six years	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Independent Member (yes/no)	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes

(1) In this table, ✓ represents a criterion of independence met and ✕ represents a criterion of independence not met.

6.1.1.4 Mandates and functions held in any company by each corporate officer during the financial year

The tables below present, for each of the corporate officers, the list of mandates and functions held in any company during the financial year. This list includes both salaried and non-salaried positions held within the Company and the companies of the group as well as those held in third-party companies, French or foreign.

In accordance with recommendation No. 1 of the Middlenext Code, executive directors do not hold more than two (2) other mandates in listed companies, including foreign companies, outside its group.

Christophe Gurtner, Chairman of the Board of Directors

Business address:	Summary of key areas of expertise and experience:
1, boulevard Hippolyte Marques	Management, reorganization, mergers and acquisitions, business and strategic development.
94200 Ivry-sur-Seine	Chairman and CEO of Forsee Power.
Age: 61 years old	Biography:
Nationality: French Date of first appointment: 2021 Date of last renewal: 2024 Expiry date of the term of office: Annual Ordinary General Meeting to approve the financial statements closed on 31 December 2026 Number of shares of the Company held: 2 232 873	A graduate of the Institut Supérieur de Commerce de Paris, he spent the first 13 years of his professional career at Saft Batteries, a subsidiary of the Alcatel-Alstom Group. Since 1993, he has successively held sales management positions in the portable batteries division. In 1995, he took over the general management of the German subsidiary. Then in 1998, he took over the management of the consumer business unit. In 2001, in charge of a reorganization, from a new holding company that he created in France, he bought Uniross Batteries Ltd (United Kingdom), one of the companies he managed and which became the leader in Europe and the world No. 3 in its sector in 2005 through internal and external growth. In 2006, the company was listed on the Paris stock exchange, on the open market. In 2009, he sold the company to the Indian group Eveready Industries Ltd and he continued to manage it until 2012. In 2011, he created Forsee Power, first by buying the Industry division of Uniross Batteries SAS and then by successively buying between 2011 and 2013, ERSE in France, EnergyOne in Poland and Dow Kokam France. He has been President and CEO of the Company since 2013 with the aim of becoming an international leader in the field of battery systems for electromobility.

MANDATES AND FUNCTIONS HELD AT THE DATE OF THE DOCUMENT	OFFICES HELD IN THE LAST FIVE YEARS AND NO LONGER HELD[1]
Chairman of the Board of Directors and Chief Executive Officer of the Company; NeoT Capital: Chairman;	Member of the Supervisory Committee[2] of the Company Foreign Trade Advisor of France (not renewed at the end of 2021).

1 Within and outside the Group/ Including as a general partner.

2 The Company's Supervisory Committee was abolished upon the admission of the Company's shares to trading on the regulated market of Euronext.

Pierre Lahutte, Director

Business address: B13 CHALET JANUS 05100 MONTGENEVRE	Summary of key areas of expertise and experience: 25 years of experience in agricultural machinery, mobility and transport with a strong focus on sustainable development and the introduction of disruptive decarbonization solutions (electric, biomethane, hydrogen).
Age: 53 years old Nationality: French	Main activities carried out outside the Company: Director of FRIEM S.p.A. and member of the Supervisory Board of the Berto Group. Member of the Strategic Board of Sterne Group on behalf of Tikehau Capital. Chairman of Fayat Cleantech – Fayat Group (since 30/06/2023). President Mathieu SAS. IHEDN National Session Auditor 2023-2024.
Date of first appointment: 2021 Date of last renewal: 2024 Expiry date of the term of office: Annual Ordinary General Meeting to approve the financial statements closed on 31 December 2026 Number of shares of the Company held (by AMILU, headed by Mr. Pierre Lahutte): 180 000	Biography: Reserve Officer of the Cavalry Armoured Arm, graduate of NEOMA ESC Rouen and holder of an MBA from the Isenberg School of Management of UMass Amherst. After starting an international career with New Holland Agriculture in 1997, Pierre Lahutte became global head of the agricultural tractor product line in 2007. In 2012, he joined IVECO to take charge of the IrisBus Business Unit. Following the merger of Case New Holland Global and Fiat Industrial, he was promoted in 2014 to Group Executive Council of CNH Industrial in charge of IVECO Trucks and Bus and also joined the Board of Directors of the European Automobile Manufacturers' Association. Following his 5 years at the head of IVECO, he joined, in 2020, the boards of directors of FRIEM S.p.A. (current rectifiers for electrolysis) and the Berto Group (rental of trucks with drivers) as well as the supervisory committee of Forsee Power. From June 2020 to September 2022, Pierre was Chief Development and Strategy Officer of NAVYA (autonomous driving) for which he was Chairman of the Management Board from June 2021 to January 2022. In June 2022, he joined the strategic board of Sterne Group on behalf of Tikehau Capital. Pierre Lahutte is also the founder and president of AMILU SAS, a consulting company in sustainable transport and regenerative agriculture. Since June 30, 2023, he has joined the Fayat Group as President of the FAYAT Cleantech Activity and President of the Mathieu Company. Appointed in July 2023, by decree of the Prime Minister, he is Auditor of the IHEDN 2023-2024 national session.

MANDATES AND FUNCTIONS HELD AT THE DATE OF THE DOCUMENT	MANDATES AND FUNCTIONS HELD IN THE LAST FIVE YEARS AND NO LONGER HELD
FORSEE POWER Member of the Board of Directors FRIEM S.p.A.: Director Berto Group: Member of the Supervisory Board	FORSEE POWER: Member of the Supervisory Committee NAVYA (listed company): Interim Chairman of the Management Board from June 28, 2021 to January 5, 2022

AMILU SAS: President. Member of the Strategic Board of the Sterne Group on behalf of Tikehau Capital FAYAT Cleantech – Fayat Group: President Mathieu SAS: Chairman	NAVYA (listed company): Member of the Management Board SOFVIA SAS: Chairman of the Board of Directors CNH Industrial NV: Member of the Group Executive Council European Automobile Manufacturers' Association: Member of the Board of Directors IVECO France SAS: Chairman of the Board of Directors IVECO Irisbus Italia S.p.A.: Chairman of the Board of Directors IVECO Orecchia S.p.A: Chairman of the Board of Directors IVECO Czech Republic a. s.: Chairman of the Supervisory Board IVECO MAGIRUS AG: Member of the Supervisory Board NAVECO Ltd.: Director SAIC IVECO Commercial Vehicle Investment Co. Ltd.: Director

Corinne Jouanny, independent director

Business address: Capgemini 147 President Roosevelt's Wharf 92130 ISSY LES MOULINEAUX Age: 59 years old Nationality: French Date of first appointment: 2021 Date of last renewal: 2024	Summary of key areas of expertise and experience: Innovation Management / Business Strategy / Research & Development. Main activities carried out outside the company: Executive Vice President at Capgemini. Biography: A graduate of the Ecole des Mines de Paris, she holds a PhD in materials science and engineering, has more than 30 years of experience at Altran, then Capgemini Engineering, a global leader in outsourced Research & Development (R&D), and Capgemini, which offers end-to-end services and solutions to support its clients in their business and technological transformation. She has led numerous R&D and performance and innovation management projects for many international clients in different sectors and the development of consulting activities related to innovative approaches to innovation management. It has developed new service offerings and implemented them in projects that catalyze major innovations. Her achievements earned her the Trophy for Woman of Innovation of the Year by L'Usine Nouvelle in 2014. As Director of

Expiry date of the term of office: Annual Ordinary General Meeting to approve the financial statements closed on 31 December 2026 Number of shares of the Company held: 0	Innovation at Altran France and then at the Altran Group, she deployed 6 Research and Innovation programs responding to new market challenges, then she was in charge of the management of Altran's global service lines, bringing together a team and international communities. After Altran became part of the Capgemini Group, she became Executive Vice President, in charge of the Portfolio and Industrial Centers of Excellence for the Capgemini Engineering Global Business Line. Since January 2024, she has been in charge of the deployment of the Capgemini Group's portfolio for the France and Southern Europe region.

MANDATES AND FUNCTIONS HELD AT THE DATE OF THE DOCUMENT	MANDATES AND FUNCTIONS HELD IN THE LAST FIVE YEARS AND NO LONGER HELD
FORSEE POWER: Member of the Board of Directors – Independent Director Capgemini: Vice President	Balyo: Member of the Board of Directors – Independent Director Altran Lab: Managing Director

Joerg Ernst, Independent Director

Business address: EUCO Rail AG Schochenmühlenstrasse 4 6300 Baar/Swiss Age: 58 years old Nationality: German Date of first appointment: 2021 Date of last renewal: 2024 Expiry date of the term of office: Annual Ordinary General Meeting to approve the financial statements closed on 31 December 2026	Summary of key areas of expertise and experience: More than 30 years of experience in electric propulsion systems for different sectors such as rail, electric cars, commercial vehicles, electric aircraft, mining and construction, as well as infrastructure and logistics / Knowledge of technology and processes, from strategy to manufacturing / Long-term relationships with customers and industry on a global level. Main activities carried out outside the company: Industrial missions in the associations "Verband Deutscher Verkehrsunternehmen" (Association of German Transport Companies), the International Association of Public Transport, "Swiss Rail Association". Mentoring for continuous learning and sharing of business expertise. Sales coach for different industries. Biography: Holds an MBA from the Lake Constance School of Business and several other degrees from business and business schools and universities. He has more than 30 years of in-depth knowledge and successful experience in the rail and infrastructure sector. He started his career in 1986 at AEG AG, Konstanz. Subsequently, he held various management positions, including management in the Infrastructure Division of Daimler Benz Industries, including general management, before joining Siemens AG. He has carried out several assignments up to the position of Managing Director of the Infrastructure Division of Siemens AG. From 2005 to 2009, he held international positions in the United States, including in Cincinnati and Atlanta, as Managing Director and Head of a business unit, followed by more than 15 years of experience as Executive Vice President of Siemens AG and

Number of shares of the Company held: 2 000	then Siemens Mobility GmbH. He has know-how and in-depth knowledge in different sectors such as railways, electric cars, electric trucks, electric construction machinery, electric aircraft, wind energy, infrastructure and industrial applications.

MANDATES AND FUNCTIONS HELD AT THE DATE OF THE DOCUMENT	MANDATES AND FUNCTIONS HELD IN THE LAST FIVE YEARS AND NO LONGER HELD
FORSEE POWER: Member of the Board of Directors EUCO Rail AG (Switzerland): Founding President EUCO Rail Next (Switzerland): Founding President	CNA e.V Bahntechnik, Nuremberg (Germany): Member of the Supervisory Board TMH International AG (Switzerland): Chief executive officer Siemens Mobility, Nuremberg: Executive Vice President ZongXi Siemens Motor JV Beijing (CN): Member of the Board of Directors ZDRE Siemens Gearbox JV Taijuan (CN): Member of the Board of Directors

Marie CROS, independent director

Business address: Idverde 25 quai du Président Paul Doumer 92400 Courbevoie Age: 48 years old Nationality: French Date of first appointment: 2024 Expiry date of the term of office: Annual Ordinary General	Summary of key areas of expertise and experience: 25 years of experience in finance functions in the international industrial sector Main activities carried out outside the company: Administrative and Financial Director, Idverde France Biography: A graduate of INP Grenoble – Phelma, an engineering school in electronics, microelectronics, systems, networks and telecoms, she also holds a certificate of administrator issued by EM Lyon in 2019. She began her career in 1999 at Alstom, as a development engineer at the Villeurbanne electronics center of excellence. She then held various positions in quality and management control and became responsible for standard costs. From 2009 to 2012, after joining the Belfort industrial site, she took over the financial management of the site as well as that of the Locomotives platform internationally. In 2012, Marie Cros was appointed Chief Financial Officer at Alstom's headquarters in Saint-Ouen for all Train and Components platforms after having been Chief Financial Officer of the engineering business within the same product line. From 2014 to 2017, she took the position of Regional

Meeting to approve the financial statements closed on 31 December 2025 Number of Company shares held: 0	Controller for the Europe region where she supervised all planning and financial analyses and brought her expertise of Train platforms to offers and projects. In December 2017, Marie Cros was appointed Vice-President Finance in charge of strategy and digital transformation. She also oversees the Accounting Shared Services Center in Bangalore. In April 2018, she was also named Integration Leader for Finance during the proposed merger between Siemens and Alstom. From February to May 2019, after the failure of the merger, she defined with the CFO the new strategic plan and its orientations for the Finance function within the Alstom group. From 2020 to 2023, Marie Cros held the position of Administrative and Financial Director of BDR Thermea in France, a leading group in the energy transition of heating systems in buildings. She is in charge of Finance, IT and Legal. She also oversaw the acquisition strategy, led the implementation of a new ERP and served as a director of a JV held between Atlantic and BDR Thermea France. In December 2023, Marie Cros joined the Idverde Group as Administrative and Financial Director for France and thus continued her career in the ecological transition sector within the leading company in the landscaping and nature-based care sector.

MANDATES AND FUNCTIONS HELD AT THE DATE OF THE DOCUMENT	MANDATES AND FUNCTIONS HELD IN THE LAST FIVE YEARS AND NO LONGER HELD
Administrative and Financial Director Idverde France	Administrative and Financial Director BDR Thermea France Director JV CiCE VP Transformation Finance Alstom Group

Aurélie Picart, independent director

Business address: 17 rue de l'Amiral Hamelin 75016 Paris Age: 42 years old Nationality: French Date of first appointment: 2024	Summary of key areas of expertise and experience: 15 years of professional experience related to industry and tech with a strong focus on the energy transition with a dual experience both industrial and institutional (at regional and national level). Main activities carried out outside the company: General Delegate for New Energy Systems, Sector Strategic Committee Biography: A graduate of the Ecole Polytechnique (2002), the Corps des Mines and the University of Cambridge (Mphil- 2007), she began her career as economic advisor to the Prefect of the Midi-Pyrénées region (2008-2010), then deputy regional director of the DIRECCTE Midi-Pyrénées (2010-2012) where she merged the economic and employment services. In 2012, she joined ACTIA, an industrial intermediate-sized company that designs and produces electronic solutions for transport. She sat on the Management

Expiry date of the term of office: Annual Ordinary General Meeting to approve the financial statements closed on 31 December 2025 Number of shares of the Company held: 0	Committee as Director of the Development Business Unit (including electric mobility and electronics production) and then Director of Innovation. At the end of 2018, she took over the management, when it was created, of the Strategic Committee of the Industries of New Energy Systems Sector, initiated by EDF, Engie, TotalEnergies and Schneider Electric and the State. It develops the dynamic in close collaboration with the various ministries concerned around a strategic roadmap (sector contract) for the energy transition industry in France, which is regularly updated and signed by industrialists, ministers and trade unions. The last strategic sector contract was signed in February 2025.

MANDATES AND FUNCTIONS HELD AT THE DATE OF THE DOCUMENT	MANDATES AND FUNCTIONS HELD IN THE LAST FIVE YEARS AND NO LONGER HELD
Since 2018: General Delegate of the Strategic Committee of the New Energy Systems Sector Since 2016: Director of the Sogeclair Group Since 2017: Member of the Mines d'Alès School Council Since 2018: Member of the ENSIACET School Council Since 2022: Member of the Investment Committee of Toulouse Tech Transfert.	

Florence TRIOU-TEIXEIRA, independent director

Business address: 6 Avenue de la Durance, 78200 Buchelay Age: 59 years old Nationality: French Date of first appointment: 2024 Expiry date of the term of office: Annual Ordinary General Meeting to approve the financial statements closed on 31 December 2025	Summary of key areas of expertise and experience: More than 30 years of experience in corporate and market finance, marketing and then in general management of business units and/or companies (with organizational transformation and business development) within large industrial groups operating in the chemical, construction and energy transition or technology sectors. Main activities carried out outside the company: Managing Director of Exertis Connect France and Exertis Azenn (subsidiaries of the Irish group DCC) Biography: A graduate of ESCP Europe, she began her career at Rhône-Poulenc as an internal auditor and then became Head of Consolidation, Organization and Accounting Methods. In 1994, she was appointed Director of Financial Communications for the chemical and pharmaceutical group. In 1996, she joined Saint Gobain and held the position of Group Director of Financial Communications for 17 years. In 2013, she was appointed Deputy Director of Marketing and Director of Strategic Marketing of the Group. In particular, it develops commercial synergies by country between the Group's various BUs, sets up digital marketing and develops collaborative projects in

Number of shares of the Company held: 0	conjunction with start-ups (via incubators). In 2017, she was appointed Managing Director France and Director of Digital and Multi-Brand Transformation at Saint Gobain Ceilings. In April 2025, she joined the Irish group DCC as Managing Director France of Exertis Connect and Exertis Azenn. She is also an expert judge at MassChallenge, a Swiss platform for the development of start-ups.

MANDATES AND FUNCTIONS HELD AT THE DATE OF THE DOCUMENT	MANDATES AND FUNCTIONS HELD IN THE LAST FIVE YEARS AND NO LONGER HELD
Forsee Power: Member of the Board of Directors Chief Executive Officer of Exertis Connect France and Exertis Azenn (DCC group)	Managing Director of Saint-Gobain Ceilings France, Belgium and Luxembourg

Ballard Power Systems Inc, non-voting member, represented by Nicolas Pocard

Business address: 9000 Glenglyon Parkway Burnaby, BC V5J 5J8, Canada	Summary of key areas of expertise and experience: More than 25 years of experience in sales, business development, marketing, management and corporate strategy. Mastery of the electromobility market with in-depth knowledge of the European, North American and Asian markets.
Age: 58 years old Nationality: French and Canadian	Main activities carried out outside the Company: Vice President of Marketing and Strategic Partnerships at Ballard Power Systems Inc.
Date of first appointment: 2024 Expiry date of the term of office: Annual Ordinary General Meeting to approve the financial statements closed on 31 December 2026	Biography: An engineer with a degree from the Ecole Supérieure de Chimie Organique et Minérale (ESCOM) in Paris, Mr. Nicolas Pocard also holds a Master of Science in Chemistry from Ohio State University (United States). He has held various management positions in sales, business development and marketing at several high-tech companies in Europe and Asia. Nicolas Pocard joined the fuel cell industry in 2004 and Ballard Power Systems Inc. in 2012. Among other responsibilities, he is responsible for the company's business strategy, marketing activities, government relations and strategic partnerships at Ballard Power Systems Inc.

MANDATES AND FUNCTIONS HELD AT THE DATE OF THE DOCUMENT	MANDATES AND FUNCTIONS HELD IN THE LAST FIVE YEARS AND NO LONGER HELD

Number of shares of the Company held by Ballard Power System Inc.: 5 200 000	Member of the Board of Directors of the Society Vice President of Marketing and Strategic Partnerships at Ballard Power Systems Inc	Member of the Board of Directors of the Canadian Urban Transit Research & Innovation Consortium
Number of shares of the Company held by Nicolas Pocard: 0	Member of the Board of Directors of the Canadian Hydrogen Association Member of the Board of Directors of the California Hydrogen Business Council	

There are no family ties between the members of the Board of Directors.

6.1.1.5 Board Ethics

The provisions in this regard are set out in the Board of Directors' internal regulations adopted on October 15, 2021 and updated on June 25, 2024 by the Company's Board of Directors. It is available on the Company's website.

The rules of procedure set out the ethical obligations of the members and the operating procedures of the Board of Directors and its committees.

In accordance with Recommendation No. 1 of the Middlenext Code, each director is made aware of the responsibilities incumbent on him or her at the time of his or her appointment and is encouraged to observe the rules of ethics relating to his or her mandate, and in particular to:

- adopt a behaviour consistent between words and deeds, a guarantee of credibility and trust;
- comply with the obligations resulting from the status of member of the Council and in particular with the legal rules on the accumulation of mandates;
- sign the Council's rules of procedure;
- formally undertake, by signing the Council's internal regulations, to respect an obligation of confidentiality towards third parties that goes beyond the simple obligation of discretion provided for in the texts;
- inform the Board in the event of a conflict of interest arising after the appointment has been obtained and take the necessary measures if such a situation arises (abstention or even resignation);
- comply with the legal and regulatory requirements in force regarding the reporting of transactions and the period of abstention from intervention in the Company's securities;

- Be attendance at board meetings and attend meetings of the General Assembly;
- Ensure that he has all the necessary information on the agenda of the Board meetings before making any decision.

6.1.1.6 No conviction

To the Company's knowledge, during the last five years:

- no conviction for fraud has been pronounced against a director or officer of the Company,
- no director or officer officer of the Company has been involved in any bankruptcy, receivership, liquidation or placement of companies under administration,
- no formal public challenge and/or sanction has been issued against a director or officer of the Company by judicial or administrative authorities (including designated professional bodies), and
- no director or officer of the Company has been stripped by a court of the right to be a member of any administrative, management or supervisory body of an issuer or to intervene in the management or conduct of the affairs of an issuer.

6.1.2 Organization and functioning of the Board of Directors

6.1.2.1 Conditions for preparing and organising the Board's work

Conditions for the preparation and organization of the Council's work

The functioning of the Board of Directors (convening, meetings, quorum, information of the directors) is in accordance with the legal and statutory provisions of the Company.

The Board meets as often as the corporate interest requires and, in any event, at least four (4) times a year, in compliance with Recommendation No. 6 of the Middlenext Code. In any event, the periodicity and duration of the meetings must be such as to allow for an in-depth examination and discussion of matters falling within the Council's competence.

The Council, in particular:

- determines the orientations of the Company's activity and in particular its strategy and ensures their implementation. Subject to the powers expressly granted to shareholders' meetings and within the limits of the company's purpose, it takes up any question concerning the smooth running of the Company and settles through its deliberations the affairs that concern it,
- appoints the Chairman of the Board, the Chief Executive Officer and the Deputy Chief Executive Officers and sets their remuneration,
- appoints the Secretary General of the Board (who may be chosen from among or outside its members – and including from among the employees of the Company) and sets the duration of his or her term of office,
- authorises the agreements and commitments referred to in Article L. 225-38 of the French Commercial Code,
- proposes to the general meeting of shareholders the appointment of the statutory auditors,
- prepares the Board's report on corporate governance and internal control, and
- prepares the draft resolutions referred to in Article L. 22-10-8 of the French Commercial Code as well

as the related report.

- Implementation of the CSRD Directive for the 2024 consolidated financial statements

It ensures the quality of the information provided to shareholders and the markets.

The members of the Council and the Secretary General may participate in the meeting of the Council by means of videoconference or, failing that, by telecommunication. They are then deemed to be present for the calculation of the quorum and the majority.

This method of participation is not applicable for the adoption of decisions concerning the approval of the annual accounts for the financial year, including the consolidated financial statements, and the adoption of the group's management report.

To the extent possible, the Board of Directors will endeavour to favour the physical presence of directors and, if this is not possible, the use of videoconferencing rather than telephone communication in accordance with Recommendation No. 6 of the Middlenext Code.

In accordance with Recommendation No. 17 of the Middlenext Code, the Company's Appointments and Remuneration Committee has placed the issue of the succession of current executives on the agenda of its work.

During the 2024 financial year, the Board of Directors met 5 times, with an attendance and representation rate of approximately 91% on average.

The purpose of the Board of Directors meetings held during the 2024 financial year was to prepare and/or decide on the following items:

- Review and approval of the 2023 parent company and consolidated financial statements,
- Review and closing of the financial statements and 2024 half-year financial report,
- Review of financial information and forecasts,
- Remuneration conditions of the Chairman and Chief Executive Officer ex-post and ex-anté for the 2024 financial year,
- Allocation of incentive instruments to the Company's key managers and employees,
- Review of the Company's strategic objectives and 2025 budget,
- Review of potential risk factors for the Company,
- Review of the work of the specialized committees.

6.1.2.2 Training of the board members

The Company is surrounded by members of the Board of Directors with first-rate experience and/or who have already held several directorships. The Company takes into consideration all training needs on technical points expressed by the members of the Board of Directors in the performance of their duties. Consequently, the Company will organize, at the request of the Directors, if they deem it necessary, training adapted to their needs in the context of the exercise of their mandate within the Board.

Thus, the members of the Board of Directors mainly expressed their desire to deepen their skills in CSR and to understand more deeply the challenges and strategy of Forsee Power.

The Company applies Recommendation No. 5 of the Middlenext Code, which provides for a three-year training plan adapted to the Company's specific characteristics, intended for "Board members", whether salaried or not, and taking into account the equivalences acquired through experience.

Every year, the Board of Directors reviews the progress of the training plan and reports on it in the Corporate Governance Report.

6.1.2.3 Information to board members

All documents or draft documents shall be sent, delivered or made available to the members of the Council within a reasonable period of time prior to the meeting, which are likely to inform them of the agenda and of any matters submitted to the Council for consideration. In addition, requests from members of the Board of Directors to obtain additional information useful for the performance of their duties are granted, where appropriate.

In addition, the directors are regularly informed between meetings when the Company's current events warrant it.

In accordance with recommendation No. 4 of the Middlenext Code, the rules of procedure provide for the practical procedures for the delivery of this information while setting reasonable deadlines. This period may not be less than three (3) working days, except in cases of urgency or the need to ensure perfect confidentiality, in order to allow the members of the Board to validly carry out their work of control and vigilance. In particular, the members of the Board noted the relevance of the training offered to them, the improvement in access to information, particularly financial information for the completion of their mission, and the quality of the interaction with the company's management committee.

6.1.2.4 Establishment of the board's Rules

In accordance with Recommendation No. 9 of the Middlenext Code, the Board of Directors has adopted internal regulations that were last updated on June 25, 2024.

These rules of procedure specify in particular the rules and/or procedures relating to:

- the powers of the Board of Directors;
- the rules applicable to directors;
- the composition of the Board/criteria for the independence of members;
- the functioning of the Council (frequency, convening, information of members, use of videoconferencing and telecommunication means, minutes, censors, etc.);
- the setting of the remuneration of the members of the Board of Directors;
- the evaluation of the Council's work;
- the preparation of the succession of managers;
- the definition of the role of any specialized committees set up (Audit and Risk Committee, Appointments and Remuneration Committee, Sustainable Strategy Committee);
- the terms and conditions of protection for corporate directors: civil liability insurance for corporate officers (RCMS).

The rules of procedure of the Board of Directors provide for the possibility of appointing a Secretary General of the Board, who is in charge of coordinating the meetings and work of the Board of Directors and the specialized committees presented below. A Secretary General of the Council was appointed on 6 April 2022.

In accordance with recommendation No. 9 of the Middlenext Code, the internal rules are available on the Company's website.

6.1.2.5 Establishment of committees

In accordance with recommendation No. 7 of the Middlenext Code, the company's choice of specialized committee is presented below.

The latest versions of the internal regulations of Forsee Power's specialized committees were adopted by the Board of Directors on April 23, 2024 and June 25, 2024.

Audit and Risk Committee

Composition

The Audit and Risk Committee is composed of at least three (3) members, two (2) of whom are appointed from among the independent members of the Board of Directors after consultation with the Appointments and Remuneration Committee. The composition of the Audit and Risk Committee may be changed by the Board of Directors, and is in any event necessarily modified in the event of a change in the general composition of the Board of Directors.

The members of the Audit and Risk Committee must have specific financial and/or accounting skills.

The term of office of the members of the Audit and Risk Committee shall coincide with their term of office as members of the Board of Directors. It may be renewed at the same time as the latter.

The Chairman of the Audit and Risk Committee is appointed by the Board of Directors on the proposal of the Appointments and Remuneration Committee from among the independent members, after having undergone a special examination. Recommendation No. 7 of the Middlenext Code is therefore applied in that the chairmanship of the Audit and Risk Committee is entrusted to an independent member of the Board. The Audit and Risk Committee may not include any executive officers.

The Audit and Risk Committee is composed of Marie Cros (as Chair of the Audit and Risk Committee), Eric Lecomte, and Florence Triou-Teixeira.

It should be noted that Ms. Florence Triou-Teixeira is also Chair of the Appointments and Remuneration Committee.

Missions

The Audit and Risk Committee is in charge of:

- monitoring the process of preparing financial information, including the examination, prior to their presentation to the Board of Directors, of the parent company and consolidated, annual or half-yearly and, where applicable, quarterly financial statements and the relevance and permanence of the accounting policies used to prepare these financial statements and/or presentations, the appropriateness of any changes to accounting policies, with particular attention to unusual or significant transactions and the formulation of recommendations, in particular to ensure the integrity of the financial reporting process. The Audit and Risk Committee will review material transactions in which a conflict of interest may have arisen and will examine any conflict of interest situation that may affect a member of the Board of Directors and propose measures to remedy it; In general, the Audit and Risk Committee ensures the quality of the financial information provided to shareholders;

- monitor the effectiveness of internal control, internal audit and risk management systems, in particular with regard to procedures relating to the preparation and processing of accounting, financial and non-financial information, monitor financial and accounting information without prejudice to its independence in this context; As such, the Audit and Risk Committee proposes to the Board of Directors the implementation of a whistleblowing process open to employees, shareholders or third parties in terms of accounting treatment, internal control and auditing and ensures that the procedure is monitored and must be informed by the Board of Directors, the Chief Executive Officer, the Deputy Chief Executive Officers and/or the Statutory Auditors:

    i. any event exposing the group to a significant risk;

    ii. any material internal control failures or weaknesses and material fraud;

- ensuring the follow-up of the statutory audit of the annual accounts and, where applicable, the consolidated financial statements by the statutory auditors;
- to issue a recommendation on the statutory auditors proposed for appointment or renewal by the general meeting and to review the conditions of their remuneration;
- monitoring the independence of the statutory auditors and monitoring the performance of the statutory auditors' mission;
- periodically review the status of major disputes;
- to approve the provision of certain services other than the certification of accounts that may be provided to the Company or its affiliates by the auditor (or members of the network to which he belongs) who certifies the Company's accounts, after having analysed the risks to the independence of the auditor and the safeguards applied by the auditor;
- to report regularly to the Board of Directors on the performance of its missions and to report on the results of the audit mission, on the way in which this mission has contributed to the integrity of financial information and the role it has played in this process, and to inform it without delay of any difficulties encountered; and
- in general, to provide any advice and make any appropriate recommendations in the above areas.

The Audit and Risk Committee meets as necessary and, in any event, at least twice a year when preparing the annual and half-yearly financial statements.

Appointments and Remuneration Committee

Composition

The Appointments and Remuneration Committee is composed of three (3) members, two (2) of whom are independent members of the Board of Directors. They are appointed by the latter from among its members and in particular in consideration of their independence and their competence in the remuneration of the executive officers of listed companies.

The term of office of the members of the Appointments and Remuneration Committee shall coincide with the term of office of the members of the Board. It may be renewed at the same time as the latter. The Appointments and Remuneration Committee is chaired by an independent member of the Board of Directors.

The Appointments and Remuneration Committee is composed of Florence Triou-Teixeira (as Chair of the Appointments and Remuneration Committee), Matthieu Bonamy and Joerg Ernst. Recommendation No. 7 of the Middlenext Code is therefore applied in that the chairmanship of the Appointments and Remuneration Committee is entrusted to an independent member of the Board. In addition, in accordance with the same recommendation, the Appointments and Remuneration Committee does not include any executive corporate officers.

Missions

The Appointments and Remuneration Committee is in charge of:

In terms of appointments:

- to make reasonable recommendations to the Board of Directors on the composition of the Board of Directors and its committees, guided by the interests of shareholders and the Company. The Appointments and Remuneration Committee shall strive to reflect a diversity of experiences and points of view, while ensuring a high level of competence, internal and external credibility and stability of the Company's corporate bodies;
- to propose annually to the Board of Directors the list of its members who may be qualified as "independent members" in accordance with the criteria defined by the Middlenext Corporate Governance Code as updated in September 2021 to which the Company refers;
- to establish a succession plan for the Company's officers and to assist the Board of Directors in the selection and evaluation of the members of the Board of Directors;
- prepare, in collaboration with the Chair of the Board of Directors, the list of people who may be recommended for appointment as members of the Board of Directors, taking into account the following criteria:
    1. the desirable balance of the composition of the Board of Directors in view of the composition and evolution of the Company's shareholding,
    2. the desirable number of independent members,
    3. the proportion of men and women required by the regulations in force,

iv. the desirability of reappointment and
v. the integrity, competence, experience and independence of each candidate;

- to organise a procedure for selecting future independent members and to carry out its own studies on potential candidates before any approach to them;
- ensuring the implementation of structures and procedures for the application of good governance practices within the Company;
- preparing, in collaboration with the Chairman of the Board of Directors, the list of members of the Board of Directors whose appointment as members of a committee of the Board may be recommended; and
- to implement the Board of Directors' evaluation procedure,

In terms of compensations :

- review management's proposed key objectives for the compensation of the Company's key non-executive officers, including free share plans and stock option plans;
- to examine the main objectives proposed by management with regard to any free share plan whose implementation would be envisaged for the benefit of the Company's employees;
- make recommendations and proposals to the Board of Directors concerning:
    i. remuneration, including in respect of a specific mission, the pension and provident scheme, benefits in kind, other pecuniary rights, including in the event of cessation of activity, of corporate officers. The Committee shall propose remuneration amounts and structures and, in particular, rules for setting variable components taking into account the Company's strategy, objectives and results as well as market practices, and
    ii. free share plans, stock options and any other similar incentive scheme and registered allocations to corporate officers eligible for this type of scheme,
- examine the total amount of the remuneration awarded to directors and its distribution system among the directors, taking into account in particular the attendance of the directors and the time they devote to their duties, including, where appropriate, within committees set up by the Board of Directors, as well as the conditions for the reimbursement of any expenses incurred by the members of the Board of Directors;
- preparing and presenting the reports, if any, provided for in the rules of procedure of the Board of Directors; and
- to prepare any other recommendations that may be requested by the Board of Directors with respect to compensation.

In general, the Appointments and Remuneration Committee will provide any appropriate advice and recommendations in the above areas.

The Appointments and Remuneration Committee meets as necessary.

Sustainable Strategy Committee

Composition

In accordance with Recommendation No. 8 of the Middlenext Code, the Company's Board of Directors has set up a specialized CSR committee.

The Sustainable Strategy Committee will be composed of at least three (3) members, two (2) of whom must, to the extent possible, be independent members of the Board of Directors. The composition of the Sustainable Strategy Committee may be modified by the Board of Directors, and in any event, is mandatory in the event of a change in the general composition of the Board of Directors.

The term of office of the members of the Sustainable Strategy Committee coincides with that of their term as members of the Board of Directors. It may be renewed at the same time as the latter.

The Sustainable Strategy Committee is composed of Corinne Jouanny (in her capacity as Chair of the Sustainable Strategy Committee), Christophe Gurtner, Shinichi Ban, Joerg Ernst, Pierre Lahutte and Aurélie Picart. Recommendation No. 8 of the Middlenext Code is therefore applied in that the chairmanship of the Sustainable Strategy Committee is entrusted to an independent member of the Board.

Missions

As part of its missions, the Sustainable Strategy Committee carries out the following missions:

study and discuss the strategy prepared by the general management;

study and prepare structuring investment decisions;

- to review the Company's corporate social responsibility and sustainability strategy and policy, to ensure the achievement of the defined objectives, and to ensure the gradual and increasing implementation of this policy;
- ensure the monitoring and control of the Group's main environmental, social and societal risks;
- Reviewing reports written in accordance with legal and regulatory obligations in the field of CSR.
- to pursue the missions provided for in Article L. 821-67 of the French Commercial Code concerning the monitoring of issues relating to the preparation and control of sustainability information, including:
    1. monitoring the sustainability reporting process and the process for determining what disclosures should be made in accordance with the sustainability reporting standards. Where appropriate, the Sustainable Strategy Committee makes recommendations to ensure the integrity of these processes;
    2. monitoring the effectiveness of internal control and risk management systems, as well as where appropriate internal audit, with regard to the procedures for the preparation and processing of sustainability reporting, without prejudice to its independence;

iii. monitoring compliance with the conditions of independence required of stakeholders to carry out sustainability information assurance missions;

iv. reporting to the Board of Directors on the results of the sustainability assurance engagement and how these engagements have contributed to the integrity of sustainability reporting and the role played by the Sustainability Strategy Committee in this process.

In general, the Sustainable Strategy Committee will provide any advice and make any appropriate recommendations in the above areas.

The Sustainable Strategy Committee meets as necessary and, in any case, at least two (2) times a year.

Collaboration between committees

Meetings between the Audit and Risk Committee, the Appointments and Remuneration Committee and the Sustainable Strategy Committee are planned in order to collaborate on cross-cutting themes and issues.

6.1.2.6 Assessment of the board's work

In accordance with Recommendation No. 13 of the Middlenext Code, the Board of Directors has set up a regular evaluation of the work of the Board of Directors.

Once a year, the Board reviews the modalities of its operation and, at least every three years, it carries out a formalized evaluation with the assistance of an external consultant, if necessary. The purpose of that evaluation is also to verify that important issues are properly prepared and debated and to measure the contribution of each member to the work of the Council, having regard, in particular, to its competence and involvement.

A self-assessment procedure was carried out in order to understand the functioning of the Council during the 2024 financial year. This evaluation was carried out through questionnaires prepared and shared by the Appointments and Remuneration Committee, to which the vast majority of members responded. The Board of Directors was able to take note of the results ahead of the Board of Directors meeting held on April 9, 2025. This constructive evaluation welcomed the progress made in 2024, particularly in terms of the structuring and functioning of the boards and the transmission of documents a little further in advance of the boards, as well as the commitment of the directors and the quality of the debates. It has also already made it possible to implement additional areas for improvement in the organisation of the boards for even better governance.

6.1.2.7 Board Review of negative votes at nformation on the composition and members of the Board of Directors

In accordance with Recommendation No. 14 of the Middlenext Code, the Board pays particular attention to negative votes by analysing the reasons for and the expression of the votes of minority shareholders. In this context, the Council will consider whether it is appropriate to change what may have led to negative votes and whether a communication on this subject should be changed with a view to a future meeting.

At its meeting held on April 9, 2025, the members of the Board therefore questioned the negative votes of the shareholders at the general meeting which was called to approve the financial statements for the financial year ended December 31, 2023.

6.2 Information on corporate officers

6.2.1 General management

Choice of methods of exercising general management

The Board of Directors of the Company, at its meeting of October 15, 2021, decided to combine the functions of Chairman of the Board of Directors and Chief Executive Officer.

Name and business address	Mandate	Other Positions in the Company	Date of appointment	End date of term
Christophe Gurtner 1 boulevard Hippolyte Marques, 94200 Ivry-sur-Seine	Managing director	Chairman of the Board of Directors	October 15, 2021	Shareholders' Meeting approving the financial statements for the year ended December 31, 2026

The terms of office of Mr. Christophe Gurtner as Director, Chairman of the Board of Directors and Chief Executive Officer expired at the end of the Annual General Meeting to approve the financial statements closed on December 31, 2023, i.e. at the last Annual General Meeting held on June 21, 2024. It was proposed at the Company's Annual General Meeting of June 21, 2024 to renew the term of office of Mr. Christophe Gurtner as a director for a period of three years ending at the end of the Ordinary General Meeting of Shareholders to approve the financial statements for the past financial year in 2027. In view of the renewal of Mr. Christophe Gurtner's term of office as a director, he was appointed as Chairman and Chief Executive Officer of the Company at the Board of Directors meeting on June 25, 2024.

It was considered that the combination of the functions of Chairman and Chief Executive Officer was appropriate to the stage of development of the Company, which requires a high level of responsiveness in decision-making.

Limitations by the Board of Directors on the powers of the Chief Executive Officer

Under the terms of its rules of procedure, the Board of Directors sets the limits on the powers of the Chief Executive Officer, targeting operations for which the prior authorization of the Board of Directors is required.

In addition to the powers conferred by law on the Board of Directors, decisions concerning:

i. the transfer of the Company's registered office outside France;

ii. the transformation of the Company into a European company when the resulting entity is registered outside France;

iii. the cross-border merger of the Company with another entity in the event that the entity resulting from such an operation has its registered office outside France;

iv. the relocation of the Company's main research and development centre outside France (in any way whatsoever); and

v. the amendment of the internal regulations of the Company's Board of Directors concerning items i., ii., iii. and iv. above.

6.2.2 Combining employment contract and corporate office

As of the date of this report, no corporate officer has an employment contract within the Group's companies.

6.2.3 Conflicts of interests

To the best of the Company's knowledge and subject to the relationships described in Section 6.5 below and as described below, there is no actual or potential conflict of interest as of the date of this report between the duties of each member of the Board of Directors and the Executive Management with respect to the Company in their capacity as corporate officers and the private interests and/or duties of the persons making up the board of directors and management bodies.

It is nevertheless specified that:

Mr. Pierre Lahutte, Director of the Company, has been Chairman of Fayat Cleantech and Mathieu SA (Fayat Group) since June 30, 2023. The Fayat Group has a commercial relationship as a client with Forsee Power.

In this regard, Mr. Pierre Lahutte has undertaken, in accordance with his obligations resulting in particular from the Board of Directors' rules of procedure, to withdraw from the part of the meeting during which the Board of Directors deliberates and votes on a situation that reveals or may reveal a conflict of interest between the Company's corporate interest and his personal interest, direct or indirect.

An agreement concerning the distribution of seats on the Company's Board of Directors was entered into on September 27, 2021 between (i) the Company, (ii) Mitsui & Co., Ltd., (iii) the SPI Fund – Industrial Project Companies, (iv) FCPI Objectif Innovation Patrimoine n°9, FCPI Idinvest Patrimoine n°6, FCPI Idinvest Patrimoine 2016, FPCI Electranova Capital – Idinvest Smart City VF, Idinvest Innov FRR France, Idinvest Expansion 2016, FIP Régions & Industries, FCPI Idinvest Patrimoine 2015 and INDINVEST GROWTH SECONDARY S.L.P and (v) Mr. Christophe Gurtner.

Each director has the duty and obligation to spontaneously inform the Board of Directors of any situation of conflict of interest, even potential or future, with the Company, or one of its subsidiaries, in which he or she is or is likely to find himself. He must abstain from participating in the debates and in the vote on the corresponding deliberation(s).

The Chairman of the Board of Directors or half of the directors present may also decide that the director must abstain from the debates and vote on the corresponding deliberation(s). In this case, the director also undertakes to leave the meeting of the Board of Directors for the duration of the debates and vote on the deliberation(s) concerned.

In general, the Board of Directors takes preventive action to raise awareness among directors with regard to conflicts of interest, in particular by asking them to regularly update their declarations.

With regard to statutory auditors, except for certificates and services rendered pursuant to legal and regulatory texts, the Company entrusts services other than the certification of accounts to a firm other than that of the Company's statutory auditor.

Finally, the Board of Directors ensures that conflicts of interest are disclosed by directors each year. As of the date of this report, to the best of the Company's knowledge, there are no restrictions accepted by the members of the Board of Directors regarding the sale of their stake in the Company's share capital, with the exception of:

rules on the prevention of insider trading;

the lock-up commitments applicable to the shares allocated free of charge to Mr. Christophe Gurtner during the 2022 and 2024 financial years, which are subject to (i) a lock-up period applicable at the end of the vesting period, in accordance with the terms of the law, as well as (ii) a lock-up commitment relating to 20% of the definitively acquired free shares, which must be held in registered form by Mr. Christophe Gurtner until the end of his duties as corporate officer of the Company;

the lock-up commitments applicable to the shares that would be held by Mr. Christophe Gurtner, following the exercise of the stock options of Plan No. 1 and No. 2, described below.

For regulated agreements, the agreements referred to in Article L.225-38 of the French Commercial Code must be subject to the prior authorization of the Board of Directors and the person directly or indirectly interested in the agreement may not take part in the deliberations or the vote on the authorization requested. The Council may call on an independent expert opinion when it deems it relevant.

Recommendation No. 2 of the Middlenext Code is therefore applied.

6.2.4 Diversity and equity policy within the company

In accordance with Recommendation No. 15 of the Middlenext Code and Article L.22-10-10 2° of the French Commercial Code, fairness and respect for gender balance at each hierarchical level of the Company are principles that the Company implements.

Diversity policy applied to board members

The Board of Directors has implemented a diversity policy aimed at having a composition that seeks a good balance and a fair distribution of experience, qualifications, cultures, ages, nationalities and seniority, in line with the needs of the Company. The search for this diversity results in a balanced composition within the Board of Directors taking into account the following elements: (i) the desirable balance of the composition of the Board of Directors in view of the composition and evolution of the Company's shareholding, (ii) the desirable number of independent members, the proportion of men and women required by the regulations in force and (iv) integrity, the competence, experience and independence of each candidate.

It should be noted that to date, the number of independent directors is five (5), in accordance with the number recommended by the Middlenext Code, and that the chairmanship of the specialized committees is carried out by independent directors.

This policy includes a requirement for gender diversity in the composition of the Board of Directors and its committees. Indeed, the Council currently has 40% women (4 women and 6 men). The Audit and Risk Committee is made up of a majority of women. The Sustainable Strategy and Appointments and Remuneration committees are made up of a majority of men. The Group ensures that the representation ratio of women and men is maintained at least in line with the legal requirements and that the composition of the specialised committees is mixed.

The balanced representation of women and men is discussed annually within the Board of Directors, and one meeting per year of the Appointments and Remuneration Committee includes an item on diversity policy on its agenda. The diversity policy also takes into account the varied and complementary skills of the directors. Indeed, some have strategic skills, others financial or more specific skills (legal, managerial experience, engineering). Most of the directors have extensive professional experience in various sectors of activity and in high-level positions, most of whom hold or have already held positions as directors or corporate officers in other French or foreign companies, some of which are listed on the stock exchange. These diversified profiles result in a complementarity of the expertise and experience of the members of the Board of Directors, allowing them to quickly and thoroughly understand the Company's development challenges and to make well-thought-out and quality decisions.

The diversity of experience and viewpoints as well as the independence of the directors ensure that the Board of Directors has the necessary objectivity and independence from senior management and from a particular shareholder or group of shareholders.

The duration of the terms of office and the staggered date of their expiry date also contribute to the proper functioning of the Company's corporate bodies. These elements allow the directors to have a quality of judgment and a capacity for anticipation, allowing them to act in the corporate interest of the Company and to face the challenges facing the Group.

The Board of Directors also has an international character, particularly regarding the presence of Mr. Shinichi Ban, a Japanese national, and Mr. Joerg Ernst, a German national. In addition, several directors have international experience.

To date, directors range from 42 to 61, with an average age of 48.

Balanced representation of men and women on the Executive Committee

The representation of women on the Executive Committee is 9%. As part of the implementation of the recent governance, the Group wishes to promote access to women within management bodies by promoting the following actions:

the search for gender diversity from the recruitment phase,

raising management's awareness of the recruitment of women,

the representation of women in the talent development and promotion phases.

Compared to the Company's sector of activity, in which women are less present on the labour market, the rate of feminization remains relatively low. Nevertheless, the Company aims to reach the share of women in management roles of 28% by 2025.

Results in terms of gender diversity in the 10% of positions with the highest responsibility

As at 31 December 2024, women accounted for 39 per cent of the total workforce of the Unit and 26 per cent of managerial positions, as defined in paragraph S1-9 of chapter 5.

The Group continues to make its efforts and also ensures a satisfactory gender distribution and a great diversity both in terms of background and nationality (35 nationalities).

The Company is continuing to implement its commitment to gender diversity and balanced representation of women and men with the aim of maintaining this trend by aiming to improve the figures.

6.2.5 Remuneration of corporate officers

The information in this paragraph is established with reference to the Middlenext Corporate Governance Code as published in September 2021 and validated as a reference code by the AMF. The tables under the AMF Recommendation Position DOC-2021-02 are presented below.

6.2.5.1 Remuneration policy for corporate officers

The Company refers in general, and in particular in terms of remuneration, to the recommendations of the Middlenext Code and the recommendations of the AMF contained in particular in its guide for the preparation of universal registration documents (position-recommendation 2021-02), as well as in its latest report on corporate governance and executive compensation of listed companies.

In particular, the principles underlying the Chairman and Chief Executive Officer's remuneration policy, on which the Board of Directors and the Appointments and Remuneration Committee base their reflections, are as follows:

- **Completeness**: each company is free to determine the components of the remuneration of the executive officers. The communication to shareholders of the remuneration of the executive officers must be exhaustive: fixed part, variable part (bonus), stock options, free shares, remuneration for the term of office of "member of the Board", exceptional remuneration, retirement conditions and special benefits, others, etc. In the case of variable remuneration, the assessment of the achievement of performance takes into account quantitative criteria – financial and non-financial – as well as qualitative criteria.

- **Balance** between the elements of the remuneration: each element of the remuneration must be motivated and correspond to the interest of the company.
- **Benchmark:** this remuneration must be assessed, as far as possible, in the context of a business and the reference market and proportionate to the company's situation, while paying attention to its inflationary effect.
- **Consistency**: the remuneration of the executive officer must be determined in line with that of the other directors and employees of the company.
- **Readability**: the rules must be simple and transparent. The performance criteria used to establish the variable part of the remuneration or, where applicable, for the allocation of options or free shares must be in line with the company's performance, correspond to its objectives, be demanding, explainable and, as far as possible, sustainable. They must be detailed without however calling into question the confidentiality that may be justified for certain elements.
- **Measure**: the determination of remuneration and the allocation of options or free shares must strike a fair balance and take into account the general interest of the company, market practices and the performance of managers.
- **Transparency**: In accordance with the law, companies whose shares are admitted to trading on a regulated market must publish all components of the remuneration of corporate officers in the Corporate Governance Report. In the case of variable remuneration, the weighting of the various criteria is communicated to the shareholders.

In accordance with Articles L. 22-10-8 and R. 22-10-14 of the French Commercial Code, the compensation policy for corporate officers established by the Board of Directors, on the proposal of the Appointments and Remuneration Committee, is the subject of draft resolutions submitted to the Shareholders' Meeting for approval.

In accordance with the above-mentioned provisions, the remuneration policy for corporate officers is submitted to the general meeting of shareholders for approval each year, and at the time of each significant change.

The Corporate Governance Report was reviewed by the Appointments and Remuneration Committee on 20 March 2025. At this meeting, the Appointments and Remuneration Committee reviewed the variable compensation elements of the Chairman and Chief Executive Officer, so that the report on corporate governance could be approved by the Board of Directors on April 9, 2025.

In accordance with the applicable legal and regulatory requirements, the remuneration policy for corporate officers must include: (i) information relating to all corporate officers and (ii) elements specific to each category of corporate officers.

The table below presents the information relating to the remuneration policy applied to all corporate officers in accordance with Article R.22-10-14 I of the French Commercial Code.

Criteria defined in Article R. 22-10-14 I. of the French Commercial Code	
Respect for the social interest, contribution to the Company's commercial strategy and sustainability	The Appointments and Compensation Committee takes into account the Company's profitability projections to develop its compensation policy, with a significant variable component.
Decision-making process for its determination, review and implementation, including measures to avoid or manage conflicts of interest and, where appropriate, the role of the remuneration committee or other relevant committees	The Appointments and Remuneration Committee develops a remuneration policy with regard to the maturity of the Company, and benchmarks of comparable companies. The Board of Directors decides on the remuneration policy on the recommendations of the Appointments and Remuneration Committee and will submit this policy to the Annual General Meeting for approval. In order to guard against any risk of conflicts of interest in the development of the remuneration policy, the corporate officers concerned do not take part in the vote on the resolutions that concern them, if any.
Taking into account the remuneration and employment conditions of the Company's employees in the process of determining and revising the remuneration policy	The Appointments and Remuneration Committee shall ensure that the remuneration policy put in place is not disproportionate, in particular with regard to fairness criteria. The Appointments and Remuneration Committee envisages that the remuneration policy be reviewed at least every year, in order to take into account the conditions of remuneration and employment of employees.
Methods for assessing the achievement of the performance criteria for variable compensation and share-based compensation for corporate officers	The performance criteria used on which the variable remuneration of corporate officers is set are objective criteria. The Appointments and Remuneration Committee endeavours to contact the other specialised committees and/or the competent bodies of the Company in order to obtain the audit evidence to conclude whether or not the corporate officer concerned has met these performance criteria. The Appointments and Remuneration Committee will report on this evaluation to the Board of Directors, so that it can decide on the variable remuneration of the corporate officers.
Criteria for the distribution of the annual fixed sum allocated by the general meeting to the directors	In accordance with the decisions of the General Meeting of June 21, 2024, it has been decided to allocate an annual budget of €405,000 for the 2024 financial year, until the Ordinary General Meeting of Partners decides otherwise. The Appointments and Remuneration Committee endeavours to propose a distribution with a significant proportion of variable taking into account the actual presence of directors at the meetings of the Board and the specialised committees. The allocation of the allocation among the directors is set out in paragraph 6.2.5.2.1 for the financial year 2024, and the proposed allocation of the amount allocated among the directors for the financial year 2025 is set out in paragraph 6.2.5.2.3.

Clarifications to be made in the event of a change in the remuneration policy	The remuneration policies for corporate officers applied during the 2024 financial year are renewed for the 2025 financial year, subject to the provisions described in paragraphs 6.2.5.2.3 and 6.2.5.4.
Procedures for applying the provisions of the remuneration policy to newly appointed corporate officers or those whose term of office is renewed, pending the approval, if necessary, by the general meeting of significant changes to the remuneration policy	If a new corporate officer is appointed during the financial year, the current remuneration policy of the corporate officer with the same mandate will apply to the new corporate officer. Nevertheless, the Board of Directors may, on the proposal of the Appointments and Remuneration Committee, take into account the particular situation of the new Trustee, with regard to the specific missions and objectives that may be assigned to him.
Procedural conditions relating to deviations from the application of the remuneration policy provided for by the Council and elements of the policy from which derogations may be made	In accordance with the legal provisions, the Board of Directors may, on the proposal of the Appointments and Remuneration Committee, derogate from the application of the remuneration policy proposed below. This possibility, if it were to be implemented, should be carried out in a transparent manner and in a very exceptional manner, while respecting the Company's social interest.

6.2.5.2 Compensation of non-executive corporate officers

6.2.5.2.1 Remuneration policy for non-executive corporate officers for 2024

General principles and criteria for the distribution of the amount allocated by the general meeting to the members of the board of directors

In accordance with the resolution voted by the shareholders at the Combined General Meeting of June 21, 2024, the annual budget for the remuneration of the members of the Board of Directors has been set at €405,000.

Only independent directors receive remuneration, which includes a fixed part and a variable part, the amount of which depends on their actual participation in the meetings of the Board of Directors. Independent directors who are members of committees of the Board also receive variable remuneration in this capacity according to their effective participation in the meetings of the committees of which they are members. Independent directors who chair board committees also receive a fixed fee.

This remuneration policy applies to all independent members of the Board of Directors. The Board of Directors may, in addition, remunerate the non-voting members by deduction from the amount of the remuneration allocated by the General Meeting to the directors, it being specified that on the date of the report, the non-voting member who was appointed by the Company's Combined General Meeting of June 21, 2024, is not remunerated.

Compensation policy for the financial year 2024

The Board of Directors has decided that the compensation package allocated to the members of the Board of Directors set at €405,000 gross per year by the Company's Combined General Meeting held on June 21, 2024.

This overall envelope has been distributed among the members of the Board of Directors according to the following principles:

- A fixed part of the remuneration awarded in respect of membership of the Board of Directors, €20,000 on a pro rata basis for the Board of Directors appointed until the 2023 Annual General Meeting to approve the financial statements, then €10,000 on a pro rata temporis basis for the new Board of Directors appointed at the end of the same Annual General Meeting;
- A special fixed part of remuneration corresponding to (i) the remuneration of the Chairmen of the four Committees and (ii) the remuneration of the Lead Independent Director until the 2023 Annual General Meeting to approve the financial statements;
- Then a special fixed part of remuneration corresponding to the remuneration of the Chairs of the Committees, appointed at the end of the General Meeting of June 21, 2024;
- A variable part of remuneration depending on the attendance of the Directors, allocated by presence at each meeting of the Board of Directors and the Committee.

The total amount of remuneration awarded to the directors for the exercise of their duties as directors for the 2024 financial year amounted to €366,500 and represents approximately 90.5% of the total amount authorised by the shareholders.

It is specified that after the allocation of the annual remuneration package to the directors, the distribution rate is (i) 38.8% for the fixed part and (ii) 61.2% for the variable part, broken down as follows:

- 30.1% of the budget was allocated to the fixed part (exercise of the functions of director),
- 8.7% of the budget was allocated to the special fixed part (performance of the functions of chairmen of specialised committees or lead director),
- 61.2% of the budget was allocated to the variable part (depending on the attendance of the directors).

As this distribution key is out of step with the distribution of the envelope estimated in the 2023 Universal Registration Document (i.e. (i) a fixed part of approximately 28% (including 20% for the fixed part and 8% for the special fixed part) and (ii) a variable part of 72%), we propose to the next general meeting of shareholders to be held on May 16, 2025, to approve, as necessary, this clarification concerning the distribution of the envelope allocated to the directors

6.2.5.2.2 Elements of remuneration paid or awarded in respect of the 2023 financial year (Ex-post vote)

Table n°3: Table on the remuneration received by non-executive corporate officers for the term of office of "member of the Board" (and other remuneration)

Non-executive corporate officers	Amounts allocated for the financial year 2023	Amounts paid in fiscal year 2023	Amounts allocated for the financial year 2024	Amounts paid in fiscal year 2024
Eurazeo Global Investor, Director, represented by Matthieu Bonamy				
Remuneration of the activity	-	-	-	-
Other remuneration	-	-	-	-
Total	-	-	-	-
Mr. Shinichi Ban, Director				
Remuneration of the activity	-	-	-	-
Other remuneration	-	-	-	-
Total	-	-	-	-
Bpifrance Investissement, Director, represented by Eric Lecomte				
Remuneration of the activity	-	-	-	-
Other remuneration	-	-	-	-
Total	-	-	-	-
Mr. Pierre Lahutte, Director				
Remuneration of the activity	-	-	36.000€	0€
Other remuneration	€120,000(1)	€120,000(1)		
Total	€120,000(1)	€120,000(1)	36.000€	0 €
Mr. Joerg Ernst, Director				
Remuneration of the activity	38 000€	€32,500	43.000€	38.000€
Other remuneration	-	-		
Total	€38,000	€32,500	43.000€	38.000€
Mrs. Isabelle Tribotté, Director				
Remuneration of the activity	38 000€	€25,000	17.500 €	55.500 €
Other remuneration	-	-		
Total	38 000€	€25,000	17.500 €	55.500 €
Mrs. Sylvie Bernard-Curie, Director				
Remuneration of the activity	68.500€	49.500€	42.500 €	111.000 €
Other remuneration	-	-		

Non-executive corporate officers	Amounts allocated for the financial year 2023	Amounts paid in fiscal year 2023	Amounts allocated for the financial year 2024	Amounts paid in fiscal year 2024
Total	68.500€	49.500€	42.500 €	111.000 €
Mrs. Corinne Jouanny, Director				
Remuneration of the activity	38.000€	25.000€	39.000 €	38.000 €
Other remuneration	-	-		
Total	38.000€	25.000€	39.000 €	38.000 €
Mrs. Sonia Trocmé – Le Page, Director				
Remuneration of the activity	66.500€	47.500€	36.500 €	103.000 €
Other remuneration	-	-		
Total	66.500€	47.500€	36.500 €	103.000 €
Mrs. Véronique Staat, Director				
Remuneration of the activity	72.500€	47.500€	44.500 €	117.000 €
Other remuneration	-	-		
Total	72.500€	47.500€	44.500 €	117.000 €
Mrs. Florence Didier-Noaro, Director				
Remuneration of the activity	64.500€	45.500€	35.500 €	100.000 €
Other remuneration	-	-		
Total	64.500€	45.500€	35.500 €	100.000 €
Mrs. Marie Cros, Director				
Remuneration of the activity			22.500 €	0 €
Other remuneration				
Total			22.500 €	0 €
Mrs. Aurélie Picart, Director				
Remuneration of the activity			20.000 €	0 €
Other remuneration				
Total			20.000 €	0 €
Mrs. Florence Triou-Teixeira, Director				
Remuneration of the activity			29.500 €	0 €
Other remuneration				
Total			29.500 €	0 €
Ballard Power Systems Inc, Censor, represented by Nicolas Pocard				
Remuneration of the activity	-	-	-	-
Other remuneration	-	-	-	-

Non-executive corporate officers	Amounts allocated for the financial year 2023	Amounts paid in fiscal year 2023	Amounts allocated for the financial year 2024	Amounts paid in fiscal year 2024
Total				
Total remuneration received by directors in respect of their function as directors(2)	386.000€	272.500€	366.500 €	562.500 €
TOTAL(3)	506.000€	392.500€	366.500 €	562.500 €

(1) Remuneration awarded or paid to AMILU under the strategy and development consulting agreement entered into by AMILU with the Company (presented in section 6.5 of the 2023 Universal Registration Document). As this remuneration is independent of the performance of the Company's duties as a director of the Company by Mr. Pierre Lahutte, it is not part of the remuneration package decided by the collective of partners which is allocated to the directors and is therefore not subject to the ex-post vote of the shareholders. This strategy and development consulting agreement has been terminated by mutual agreement between the parties with effect from 1 January 2024.

(2) Subtotal corresponding to the remuneration of all directors in respect of the performance of their duties as directors, i.e. excluding the remuneration awarded to AMILU, under the strategy and development consulting agreement, as described in note (1) above.

(3) Total amount, including the remuneration paid to AMILU, said remuneration not being part of the remuneration package decided by the collective of shareholders which is allocated to the directors in respect of the performance of their duties. In accordance with the procedures applicable to regulated agreements, the agreement concluded with AMILU is nevertheless subject to prior authorization by the Board of Directors and is submitted to the vote of the General Meeting.

Non-executive corporate officers do not receive any other remuneration from the Company or the Group companies.

The total amount of remuneration paid to the directors during the 2024 financial year, in respect of their function as directors, therefore amounted to €562,500.

The total amount of remuneration awarded to the directors for the exercise of their duties as directors for the 2024 financial year therefore amounted to €366,500 and represents approximately 91.6% of the total envelope authorised by the shareholders.

The variable part of the remuneration allocated to directors for the 2024 financial year represents: €224,500, i.e. 61.2% of the total remuneration allocated to directors for the 2024 financial year.

In accordance with Article L.22-10-34 I of the French Commercial Code, these elements of remuneration must be the subject of a draft resolution submitted for approval to the General Meeting of June 20, 2025 called to approve the financial statements for the 2024 financial year as part of the ex-post vote of the whole.

6.2.5.2.3 Remuneration policy for non-executive corporate officers for 2025

After consulting the Appointments and Remuneration Committee, the Board of Directors submits to the General Meeting of Shareholders for approval an annual sum to be allocated to the directors in accordance with the rules described below. The Board of Directors has decided to submit to shareholders for approval the allocation of a maximum annual envelope of €268,000 gross, to be distributed among the eligible members of the Board of Directors. This significant reduction in compensation proposal will be put to the vote at the Company's Annual General Meeting to be held on May 16, 2025.

The Board of Directors envisages, subject to the approval of the General Meeting of Partners, that the said envelope be divided between a fixed part (31%) and a variable part (69%) (depending on the attendance of the directors at the meetings).

- Approximately 22% of the budget would be distributed among the eligible members according to the Board's rules of procedure, in respect of their function as members of the Board of Directors,
- Approximately 9% of the budget would be divided between the chairs of the eligible specialised committees and the lead administrator in accordance with the Board's internal regulations,
- Approximately 69% of the envelope would be distributed among eligible directors, depending on the number of effective participation of the member concerned in the meetings of the Board of Directors or the committee to which he or she belongs.

Thus, the Board of Directors proposes that for the 2025 financial year, the annual budget of €268,000 gross be distributed according to the following principles:

- A fixed part of the remuneration awarded for membership of the Board of Directors (€10,000);
- A special fixed part of remuneration corresponding to (i) the remuneration of the members of the Committees, (ii) the remuneration of the Chairman of the Committees and (iii) the remuneration of the Lead Director.
- A variable part of remuneration depending on the attendance of the Directors, allocated by presence at each meeting of the Board of Directors and the Committee.

The significant variable share in the allocation of the envelope with regard to the number of meetings attended by eligible directors contributes in part to the promotion of attendance by members of the Board of Directors.

In accordance with Article L.22-10-8 II of the French Commercial Code, the 2025 remuneration policy for the members of the Board of Directors must be the subject of a draft resolution submitted for approval to the Shareholders' Meeting of June 20, 2025 called to approve the financial statements for the 2024 financial year on an ex ante basis.

6.2.5.3 Remuneration of the Executive Corporate Officer

6.2.5.3.1 Remuneration policy for the executive corporate officer for the 2024 financial year

Mr. Christophe Gurtner was appointed Director by decision of the General Meeting of October 15, 2021, the date of the Company's transformation into a public limited company, and then Chairman and Chief Executive Officer of the Company by decision of the Board of Directors on the same day, for the duration of his term of office as a director. Prior to the date of the Company's transformation, Mr. Christophe Gurtner was Chairman of the simplified joint-stock company since his appointment on April 26, 2013 by the General Meeting of Shareholders.

The fixed remuneration of Mr. Christophe Gurtner that the Board of Directors has decided to award for the year 2024 is in line with the remuneration paid to him in respect of previous years.

In his term as Chief Executive Officer of the Company, Mr. Christophe Gurtner's fixed and variable remuneration has been determined in accordance with the principles summarized below.

6.2.5.3.2 Fixed, variable and exceptional items making up the total remuneration and benefits of any kind paid during the 2024 financial year or granted in respect of the same financial year to the executive corporate officer

On the proposal of the Appointments and Remuneration Committee, the Board of Directors on April 23, 2024, had recorded that the remuneration of Mr. Christophe Gurtner, in his capacity as Chairman and Chief Executive Officer of the Company, for the year ended December 31, 2024, would be composed as follows:

- Fixed annual remuneration of up to €300,000 gross per year;
- Variable remuneration consisting of a bonus payment of 60% of the amount of his annual fixed remuneration (i.e. a maximum of 180,000 euros gross), conditional on the achievement of objectives;
- Long-term variable remuneration in the form of free allocation of shares, the definitive acquisition of which will be subject to performance conditions. This remuneration may represent up to 100% of the annual fixed remuneration of the Chairman and Chief Executive Officer.
- The provision, as a benefit in kind, of a company car.

The application of the performance criteria concerning the compensation policy of the Chairman and Chief Executive Officer, led the Board of Directors on April 9, 2025, on the recommendation of the Appointments and Remuneration Committee, to decide on the achievement of the performance criteria and to decide to grant for the benefit of Mr. Christophe Gurtner:

the payment of a bonus of 120,164 euros gross, according to the following criteria:

	Nature	Percentage of the indicator if the target is 100% achieved	Achievement rate	Total target value	Assigned Value
	Turnover - budget 2025	25%	0%	€36,000	- €
Financial criteria	Firm orders reached as of December 31, 2024 (for budget 2025)	20%	52%	€28,800	€15,044
	Cash position as at 31 December 2024 - 2024 budget	20%	100%	€28,800	€28,800
	Accident: Frequency rate < 6		100%	10 080 €	10 080 €
	Accident: Severity rate< 0.05		100%	10 080 €	10 080 €
Non-financial criteria	*Rate of women Managers - Group Level > or = 27%*	35%		10 080 €	- €
	EcoVadis indicator> or = 74%		100%	10 080 €	10 080 €
	Employee satisfaction rate> 65%		100%	10 080 €	10 080 €
Quantitative targets for 80% (i.e. a maximum of €144,000)				***€144,000***	***€84,164***
Qualitative targets for 20% (i.e. a maximum of 36,000 euros)				***€36,000***	***€36,000***
Total				***180 000 €***	***€120,164***
Exceptional compensation					***- €***
Total				***180 000 €***	***€120,164***

the acquisition of 42,345 shares of the Company allocated free of charge on July 30, 2024, provided that Mr. Christophe Gurtner fulfills the acquisition conditions as defined in the plan regulations adopted by the Board of Directors on June 25, 2024 (i.e. in particular the condition of presence). Of the three performance criteria adopted by the Board for the 2024 financial year, namely (a) the achievement of EBITDA, (b) the implementation of a financing plan and (c) the achievement of a rate greater than or equal to 75 on the EcoVadis criterion, only the last performance criterion was achieved, so that one third of the 127,035 shares allocated free of charge to Mr. Christophe Gurtner would be acquired.

In accordance with the remuneration policy, the Chairman and Chief Executive Officer does not receive any remuneration related to his or her term as a director.

In accordance with Article L.22-10-34 I and II of the French Commercial Code, the remuneration items set out above must be the subject of a draft resolution submitted for approval to the Shareholders' Meeting of June 20, 2025 called to approve the financial statements for the 2024 financial year in respect of the ex-post votes of the whole and individual. The payment of the variable or exceptional portion, regardless of its form or nature, will be subject to a positive individual ex-post vote of the shareholders.

6.2.5.3.3 Tables relating to the remuneration of the executive corporate officer and other information

The tables below detail the compensation awarded and paid to Mr. Christophe Gurtner, Chairman and Chief Executive Officer, by the Company and by any company of the Group, during the financial years ended December 31, 2023 and 2024.

Table 1: Summary table of the remuneration of each executive officer (Middlenext nomenclature)

	Fiscal year 2023		Fiscal year 2024	
Mr. Christophe Gurtner, Chairman of the Company since April 26, 2013 and Chairman and Chief Executive Officer as of 2021	Amounts awarded	Amounts paid	Amounts awarded	Amounts paid
Fixed remuneration	270.000 €	270.000 €	300.000 €	285.000 €
Annual variable remuneration	132.098 €	73.521 €	120.164 €	132.098 €
Exceptional compensation	30.000 €			30.000 €
Remuneration for the term of office of "member of the board"				
Stock options				
Free share allocations	€808,356(1)		36.416 €(3)	
Benefits in kind (2)	1.677 €	1.677 €	4.148 €	4.148 €
Total	€1,242,131	345.198 €	460.728€	451.246 €

Corresponds to amounts recognised in 2023 in accordance with IFRS 2, in respect of the 282,616 AGAs allocated. The charge is spread over 2 years from October 15, 2021 on a pro rata basis. However, it should be noted that the total value of these AGas amounts to €2,048,958 (see note 7.9.3.3 of the notes to the consolidated financial statements for the year ended 31 December 2021).

It should be noted that the 282,616 free shares were formally allocated to Mr. Christophe Gurtner during the 2022 financial year. Nevertheless, the principle of free allocation of these shares had been approved by decisions of the Board of Directors on October 15, 2021, subject to the achievement of performance criteria. These 282,616 free shares were definitively acquired on October 16, 2023.

The benefit in kind corresponds to the provision of a company car.

Corresponds to amounts recognised in 2024 in accordance with IFRS 2, in respect of the 127,035 AGas granted in July 2024.

However, it should be noted that the total value of these AGAs amounts to €109,248.87 and that only one performance criterion out of 3 was achieved in 2024, which is taken into account by the valuation of the shares allocated free of charge (42,345 shares).

The total variable remuneration paid during the financial year ended 2024, in respect of the 2023 financial year, i.e. €162,098, was validated at the Annual General Meeting of June 21, 2024.

Table 1: Summary table of remuneration and options and shares granted to each executive officer (AMF nomenclature)

	Fiscal year 2023	Fiscal year 2024
Mr. Christophe Gurtner, Chairman of the Company since April 26, 2013 and Chairman and Chief Executive Officer as of 2021		
Remuneration awarded for the financial year	€433,775(1)	424.312 € (1)
Valuation of multi-year variable remuneration awarded during the financial year		
Valuation of options granted during the year		
Valuation of shares allocated free of charge	€808,356(2)	11.492 €(3)
Total	€1,242,131	435.804 €

Includes benefits in kind awarded for an amount of €1,677 in 2023 and €4,148 in 2024.

Corresponds to amounts recognised in 2023 in accordance with IFRS 2, in respect of the 282,616 AGAs allocated.

The charge is spread over 2 years from October 15, 2021 on a pro rata basis. However, it should be noted that the total value of these AGMs amounts to €2,048,958 (see note 7.9.3.3 of the notes to the consolidated financial statements for the year ended 31 December 2021).

It should be noted that the 282,616 free shares were formally allocated to Mr. Christophe Gurtner during the 2022 financial year. Nevertheless, the principle of free allocation of these shares had been approved by decisions of the Board of Directors on October 15, 2021, subject to the achievement of performance criteria.

Corresponds to amounts recognised in 2024 in accordance with IFRS 2, in respect of the 127,035 AGMs granted in July 2024.

The charge is spread over 3 years from the 2024 financial year on a pro rata temporis basis. However, it should be noted that the total value of these AGAs amounts to €109,248.87 and that only one performance criterion out of 3 was achieved in 2024, which is taken into account in the valuation of the shares allocated free of charge (42,345 shares)

Table 2: Summary table of the remuneration of each executive officer (AMF nomenclature)

	Fiscal year 2023		Fiscal year 2024	
	Amounts awarded(1)	Amounts paid(2)	Amounts awarded(1)	Amounts paid(2)
Mr. Christophe Gurtner, Chairman of the Company since April 26, 2013 and Chairman and Chief Executive Officer as of 2021				
Fixed remuneration	270.000€	270.000€	300.000€	300.000€
Annual variable remuneration (3)	132.098 €	€72,721	120.164 €	132.098 €
Multi-year variable compensation				
Exceptional compensation	30.000 €	800 €(4)		30.000 €
Remuneration of the activity				
Benefits in kind	1.677 €	1.677 €	4.148 €	4.148 €
Total	433.775 €	345.198 €	424.312 €	451.246 €

Remuneration due to the corporate officer during the financial year, the amount of which is not likely to change regardless of the date of payment.

Remuneration paid during the financial year to the corporate officer.

Variable remuneration for which the quantum and conditions of allocation are delegated to the Board of Directors, on the proposal of the Appointments and Remuneration Committee, subject to the achievement of quantitative and qualitative criteria.

Corresponds to the value-sharing bonus paid to all employees in 2023.

Table 11 (AMF nomenclature)

The following table provides details on the conditions of remuneration and other benefits granted to the executive corporate officers

Executive officers	Employment contract		Supplementary pension scheme		Allowances or benefits due or likely to be due by reason of termination or change of duties		Indemnities relating to a non-competition clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Mr. Christophe Gurtner, Chairman of the Company since April 26, 2013 and Chairman and Chief Executive Officer as of the completion of the transformation		X		X		X		X
Start date of mandate:	26 April 2013 (appointment as Chairman of the Company, in the form of a simplified joint-stock company) and 15 October 2021 (appointment as Chief Executive Officer in the form of a public limited company)							
End date of term:	At the end of the Annual General Meeting to approve the financial statements for the year ended December 31, 2026							

6.2.5.4 Remuneration policy for the executive corporate officer for the 2025 financial year

General principles

Mr. Christophe Gurtner, founder of the Company, has held the position of Chairman since 2013. He was appointed Chairman and Chief Executive Officer of the Company on October 15, 2021, following the transformation of the Company into a public limited company.

It is recalled that Mr. Gurtner is not bound by any employment contract with the Company and is recognizable at any time from his position by decisions of the Board of Directors.

The objective of the Chairman and Chief Executive Officer's compensation policy is to align the Company's objectives with those of the Chairman and Chief Executive Officer by favouring a significant proportion of variable compensation, based on objective, precise and easily qualified or quantifiable criteria.

The compensation policy of the Chairman and Chief Executive Officer applies to the current Chairman and Chief Executive Officer as well as to any new executive officer who may be appointed.

Dictated by the guiding principles set out below, it aims to support the company's strategy and align the interests of the Chairman and Chief Executive Officer with those of shareholders and the expectations of stakeholders.

Remuneration policy for the financial year 2024

In accordance with Article L.22-10-8 II of the French Commercial Code, the compensation policy of the Chairman and Chief Executive Officer must be the subject of a draft resolution submitted for approval to the Shareholders' Meeting of June 20, 2025 called to approve the financial statements for the 2024 financial year on an ex-ante basis.

On the recommendation of the Appointments and Remuneration Committee and after market and benchmark studies have been carried out by external advisors on the remuneration of the executives of comparable issuers, the Board of Directors has decided to renew the principles of Mr Gurtner's remuneration policy for the 2025 financial year, with a view to gradually achieving remuneration in line with market standards in this area.

In this respect, the Board of Directors has decided for 2025 to award a:

i. **Fixed annual remuneration of 300,000 euros gross per year**. This remuneration has been subject to an annual review. It serves as a reference base for the calculation of the annual variable remuneration in cash.

ii. **Variable remuneration (cash) in the form of the payment of a bonus of up to 60% of the amount of their annual fixed remuneration (i.e. a maximum of €180,000 gross),** subject to the achievement of the objectives set out below:

	Nature	Percentage of the indicator if the target is 100% achieved
Financial criteria	Turnover - budget 2025	25%
	Firm orders reached as of December 31, 2025 (for budget 2026)	20%
	Cash position as of 31 December 2025 - 2025 budget	20%
Non-financial criteria	*Accident: Frequency rate < 5* *Accident: Severity rate< 0.05* *Rate of women Managers - Group Level > or = 28%* *Waste per KWh product (in kg) - Group Level < to 0.58 kg/kWh* *"Ethics and compliance" training: 100% of eligible and present people*	35%
Quantitative targets for 80% (i.e. a maximum of €144,000)		
Qualitative targets for 20% (i.e. a maximum of €36,000) (1)		

(1) This objective will take into account the monitoring of the multi-year ESG roadmap, the quality monitoring process put in place in connection with production growth (after-sales service monitoring) and the agility demonstrated during major events in the life of the company in 2025

iii. **Long-term variable compensation in the form of a free allocation of**

shares, up to a limit of 110,000 shares, the definitive acquisition of which will be subject to performance conditions to be set by the Board of Directors on the proposal of the Appointments and Remuneration Committee.

In addition, the Chairman and Chief Executive Officer of the Company will continue to benefit, as a benefit in kind, from a company car.

6.2.5.5 Stocks options and free shares allocation

6.2.5.5.1 Principles adopted

Pursuant to the provisions of Articles L.225-184 and L. 225-197-4 of the French Commercial Code, you will find below the required information relating to the transactions carried out during the 2024 financial year concerning stock options or stock options and free share allocations.

The incentive policy implemented within the Company aims to retain the Company's key managers and executives, through the adoption of free share allocation plans and/or stock option grants, in order to ensure the Company's sustainability and growth.

6.2.5.5.2 Stocks options

Table 4: Stock options granted during the financial year to each executive officer by the Company or any company in its Group (AMF nomenclature)

No option to subscribe for or purchase shares of the Company was granted to the executive officers during the financial year ended December 31, 2024.

Table 5: Stock options exercised during the financial year by each executive officer (AMF nomenclature)

No option to subscribe for or purchase shares of the Company was exercised by any executive officer during the financial year ended December 31, 2024.

Table 8: History of stock option grants (AMF nomenclature)

Meeting Date	Plan n°1	Plan n°2(1)
Date of the Extraordinary General Meeting	December 20 and 21, 2018	August 5, 2021
Date of President's Decisions (allocation)	April 2, 2019 January 28, 2020 November 13, 2020	August 12, 2021
Total number of shares that may be subscribed for or purchased, including the number that may be subscribed for or purchased by corporate officers and employees(2)	1 713 700	1 500 000
including total number of stock options granted to the Chairman	225 000	1 500 000

and Chief Executive Officer of the Company(2)		
Starting point for exercising options	Exercisable since the admission of the Company's shares to the Euronext regulated market	At the end of a period of 2 years following the date of allocation, unless special events are carried out as provided for in the Plan's regulations allowing an accelerated exercise(3)
Expiration Date	December 20, 2033	August 5, 2036
Subscription or purchase price(2)	€3.40 for options already granted	€6.50
Exercise procedures (when the plan has several tranches)	-	- Tranche 1: 1,000,000 SO exercisable in the event of conversion of convertible bonds defined in Plan 2 - Tranche 2: 500,000 SO exercisable in the event of conversion of convertible bonds and the completion of an acquisition defined in Plan n°2
Number of shares subscribed as of the date of this document	0	0
Cumulative number of cancelled or lapsed stock options(2)	75 000	0
Stock options already granted as of the date hereof (2)	855 000	1 500 000
Options to purchase or purchase remaining shares to be granted as of the date hereof	0	0

It is also specified that the share option plan, decided by the Company's General Meeting on July 22, 2020, has never been the subject of an option grant and has been replaced by Plan No. 2.

The number of stock options and the exercise price of these options have been adjusted in light of the division of the par value of the Company's shares which was decided by the Company's Combined General Meeting, held on October 15, 2021.

The stock options of Plan No. 2 will be exercisable before the 2-year lock-up period, in the event of the occurrence of (i) a change of control of the Company or (ii) a 100% sale of the Company.

In accordance with the terms of the decisions of the Company's Annual General Meeting of December 20 and 21, 2018, the Chairman decided on April 2, 2019 that Mr. Christophe Gurtner shall hold 1,000 shares in registered form until the date of termination of his duties, resulting from the exercise of the stock options of the above-mentioned Plan No. 1.

In accordance with the terms of the decisions of the Company's Annual General Meeting of August 5, 2021, the Chairman decided on August 12, 2021 that Mr. Christophe Gurtner shall hold 1,000 shares in registered form until the date of termination of his duties.

Table 9: Stock options granted to the first ten non-executive officers and options exercised by them (AMF nomenclature)

No stock option was granted or exercised by the Company's non-corporate officers during the 2024 financial year. The stock options granted to employees in previous financial years are described in Table 8 above.

6.2.5.5.3 Free shares allocations

Table 6: Free Shares allocated during the financial year to each corporate officer (AMF nomenclature)

Name of the Executive Officer	Plan number and date	Number of shares granted during the year	Valuation of shares according to the method used for the consolidated financial statements	Acquisition date	Availability date	Performance conditions
Christophe Gurtner	Plan 2024 Authorized by the Shareholders' Meeting of June 21, 2024 and decisions of the Board of Directors on June 25, 2024. Awarded on July 30, 2024	127 035	36.416 € (1)	November 30, 2025	November 30, 2026	Yes 3 performance criteria for the 2024 financial year (2)

(1) Corresponds to amounts recognised in 2024 in accordance with IFRS 2, in respect of the 127,035 AGMs granted in July 2024.The charge is spread over 3 years from the 2024 financial year on a pro rata temporis basis. However, it should be noted that the total value of these AGMs amounts to €109,248.87 and that only one performance criterion out of 3 was achieved in 2024, which is taken into account in the valuation of the shares allocated free of charge.

(2) Only one of the three criteria having been met, only 42,345 shares can be acquired by Mr. Gurtner

Table 7: Free shares granted that became available during the financial year for each executive corporate officer (AMF nomenclature)

No shares allocated free of charge to an executive corporate officer became available during the 2024 financial year.

Table 10: History of free share allocations (AMF nomenclature)

Information on shares allocated free of charge			
Free Attribution Plan	Plan n°1	Plan n°2	Plan 2024
Date of the Extraordinary General Meeting	August 5, 2021	October 15, 2021	June 21, 2024
Date of decision of the President/Board of Directors (allocation)	September 14, 2021	October 15, 2021(1) September 14, 2022 December 21, 2023	July 30, 2024 October 31, 2024 December 31, 2024
Total number of shares allocated free of charge, including the number allocated to	382.000	554.616(1)	570.780
Mr. Christophe Gurtner	0	282.616(1)	127.035
Vesting date of shares	1 year from the date of allocation, i.e. September 14, 2022	(i) October 15, 2023, for the AGMs assigned to the President and Chief Executive Officer(1) (ii) 1 year from the date of allocation, i.e. September 14, 2023 or December 21, 2024, respectively, for AGMs allocated to employees	(i) November 30, 2025, for AGMs awarded on July 30, 2024 (ii) October 31, 2025 for a portion of the AGMs assigned on October 31, 2024 and October 31, 2026 for the remaining portion of the AGMs assigned on October 31, 2024 that are not subject to a holding period (iii) December 31, 2025 for AGMs awarded on December 31, 2024
Retention period end date	1 year from the date of acquisition, i.e. September 14, 2023	(i) October 15, 2024, for the AGMs assigned to the President and Chief Executive Officer (2) (ii) 1 year from the date of vesting, i.e. September 14, 2024 or December 21, 2025, respectively, for AGMs allocated to employees	(i) November 30, 2026, for AGMs awarded on July 30, 2024 (ii) October 31, 2026 for a portion of the AGMs awarded on October 31, 2024 and no hold period for the remaining portion of the AGMs awarded on October 31, 2024 that are subject to a vesting period until October 31, 2026, (iii) December 31, 2026 for AGMs awarded on December 31, 2024
Number of shares subscribed	362.000	508.616	
Cumulative number of cancelled or lapsed shares	20.000	46.000	380.530
Shares granted free of charge remaining as of the date of this document	0	0	190.250

(1) It should be noted that the 282,616 shares were formally allocated to Mr. Christophe Gurtner on June 7, 2022, subject to the condition precedent of approval, as part of the ex-post vote on the latter's remuneration, by the meeting of June 24, 2022. Nevertheless, the principle of free allocation of these shares had been approved by decisions of the Board of Directors on October 15, 2021, subject to the achievement of performance criteria.

(2) It is specified that in accordance with the recommendations of the Appointments and Remuneration Committee, at least 20% of the free shares definitively acquired must be retained in registered form by Mr. Christophe Gurtner, until the end of his operational functions within one of the companies of the Forsee Power Group.

6.2.5.6 Equity ratios

In accordance with 6° and 7° of I of Article L. 22-10-9 of the French Commercial Code, the Company must present the ratios between the level of the Chairman and Chief Executive Officer's remuneration and, on the one hand, the average remuneration on a full-time equivalent basis of employees other than corporate officers, and on the other hand, the median remuneration on a full-time equivalent basis of employees other than corporate officers, as well as the annual evolution of the compensation of the Chairman and Chief Executive Officer, the Company's performance, the average compensation on a full-time equivalent basis of employees, other than executives and the above-mentioned ratios, over the last five financial years.

The ratios were calculated on the basis of the median and average compensation paid (including, where applicable, the bonus paid) to the employees of the Company, the only French company in the Group that employs employees in France. Consequently, the calculation of the ratios was carried out on the basis of all the Group's employees in France.

The following methodological elements should be highlighted:

i. The scope takes into account the entire French payroll;

ii. The remuneration presented includes fixed portions, variable portions and exceptional remuneration on a gross basis,

iii. The remuneration indicated for each financial year N is (i) the amounts of remuneration paid, and, where applicable (ii) with regard to free shares and/or stock options, the amounts of remuneration awarded which has been valued in accordance with IFRS 2,

iv. The performance criteria are given each time for the year N-1, the year in which they were assessed for the determination of the variable shares paid during the year N.

Equity Ratio by Fiscal Year	2020	2021 [1]	2022	2023	2024
Remuneration of the corporate officer (in €) [2]	**€375,878**	**€4,740,983**	**€1,462,519**	**€1,187,364**	**€462,738**
Evolution of the remuneration of the corporate officer (in %)	12,3%	1161,3%	-69,2%	-18,8%	-61,0%
Average compensation of employees	**€41,849**	**€48,681**	**€41,441**	**€44,219**	**€47,981**
Evolution of average compensation of employees (in %)	-7,2%	16,3%	-14,9%	6,7%	8,5%
Ratio to average compensation of employees	8,98	97,39	35,29	26,85	9,64
Ratio change over previous year (%)	21,0%	984,3%	-63,8%	-23,9%	-64,1%
Median compensation of employees	**€27,349**	**€32,243**	**€34,847**	**€37,863**	**€39,556**
Evolution of median compensation of employees (in %)	9,8%	17,9%	8,1%	8,7%	4,5%
Ratio to median compensation of employees	13,74	147,04	41,97	31,36	11,70
Evolution of the minimum wage (SMIC)	**€18,473**	**€18,760**	**€19,744**	**€20,815**	**€21,273**
Change over previous year (%)	1,2%	1,6%	5,2%	5,4%	2,2%
Ratio to the SMIC of the reference year	20,35	252,72	74,07	57,04	21,75

(1) It should be noted that the amount of the corporate officer's remuneration is abnormally high for the 2021 financial year, as it takes into account the grant of stock options, the principle of which is the result of agreements between historical shareholders, taking into account in particular the issuance of dilutive securities issued on favourable terms for the benefit of certain historical non-executive shareholders.
(2) The IFRS expenses of the free shares allocated correspond to the expenses of the financial year in question and not to the entire IFRS expense of the free shares allocated.

(In thousands of euros)	**Fiscal year 2020(1)**	**Fiscal year 2021**	**Fiscal year 2022**	**Fiscal year 2023**	**Fiscal year 2024**
Turnover	62 060	**72 423**	**111 018**	**171 000**	**151 766**
EBITDA (2)	(12 694)	**(21 050)**	**(17 424)**	**(7 778)**	**1 665**
Adjusted EBITDA (3)	(12 037)	**(14 351)**	**(13 013)**	**(5 712)**	**750**

1. *The comparative consolidated financial statements as of December 31, 2020 have been restated compared to the consolidated financial statements published as of December 31, 2020.*
2. *A portion of the variable compensation of employees is determined on the basis of EBITDA. For more details on the definition of this aggregate, the reader is invited to refer to paragraph 2.1.3 of the 2024 Universal Registration Document.*
3. *The concept of adjusted EBITDA is defined in paragraph 2.1.3 of this document.*

6.3 Shareholder’s attendance in general shareholders’ meetings

6.3.1 Convening and meeting of general shareholders’ meetings

In accordance with Article 21 of the Company's articles of association, general meetings are convened and convened under the conditions and in the forms provided for by the law and regulations in force.

When the Company wishes to use the convening by electronic telecommunication instead of a postal mailing, it must first obtain the agreement of the shareholders concerned, who will indicate their email address.

Meetings shall be held at the head office or at any other place specified in the notice of meeting.

The right to participate in general meetings is governed by the legal and regulatory provisions in force (i.e. on the day of the articles of association, the right to participate in meetings is subject to the registration of the shares in the name of the shareholder or the intermediary registered on his behalf on the second business day preceding the meeting at midnight, Paris time, either in the registered share accounts held by the Company or in the bearer share accounts held by the authorized intermediary).

The shareholder, if he or she does not attend the meeting in person, may choose between one of the following three formulas each time under the conditions provided for by law and regulations:

- give a power of attorney under the conditions permitted by law and regulation,
- vote by mail, or
- send a proxy to the Company without indicating a mandate.

The Board of Directors may organise, under the conditions provided for by the law and regulations in force, the participation and voting of shareholders at meetings by videoconference or by means of telecommunication allowing their identification. If the Board of Directors decides to exercise this option for a given meeting, this decision of the Board shall be reflected in the notice of meeting and/or notice. Shareholders participating in meetings by videoconference or by any of the other means of telecommunication referred to above, at the option of the Board of Directors, shall be deemed to be present for the purpose of calculating the quorum and majority.

6.3.2 Holding of Holding of the meeting – Bureau – Minutes

In accordance with Article 22 of the Articles of Association, the meeting is chaired by the Chairman of the Board of Directors or, in his absence, by the Chief Executive Officer, by a Deputy Chief Executive Officer if he is a director, or by a director specially delegated for this purpose by the Board. In the event of a convening by an auditor or by a legal representative, the general meeting shall be chaired by the person who convened the meeting. Failing this, the general assembly elects its own president.

The functions of scrutineers shall be performed by the two members of the assembly present, and accepting these functions, who have the greatest number of votes. The board appoints the secretary, who may be chosen from outside the shareholders.

At each meeting, an attendance sheet is kept under the conditions provided for by law.

General meetings meet and have the powers defined by the law and regulations in force.

Copies or extracts of the minutes of the meeting shall be validly certified by the Chairman of the Board of Directors, by a director exercising the functions of Chief Executive Officer or by the secretary of the meeting.

Ordinary and extraordinary general meetings shall exercise their respective powers under the conditions laid down by law.

6.4 Information likely to have an impact in the event of a takeover bid

In accordance with Article L. 22-10-11 of the French Commercial Code, the elements likely to have an impact, in the event of a takeover bid or exchange, are specified:

The Company's capital structure: these elements are detailed in paragraph 7.3.1 of this document.

The statutory restrictions on the exercise of voting rights and the transfer of shares or clauses of agreements brought to the attention of the Company pursuant to Article L. 233-11: none, it is nevertheless specified that:

- the articles of association provide for a double voting right attached to all fully paid-up shares and which have been registered for at least two years in the name of the same shareholder, and
- In addition to the declarations of crossing thresholds expressly provided for by the legal and regulatory provisions, the articles of association provide for an obligation to declare the crossing of the threshold as soon as the threshold of 3% of the capital or voting rights is crossed.
- Direct or indirect shareholdings in the company's capital of which it is aware pursuant to Articles L. 233-7 and L. 233-12 of the French Commercial Code: these elements are detailed in paragraph 7.3.1 of this document.
- The list of the holders of any security with special rights of control and a description of those rights: none.
- The control mechanisms provided for in a possible employee share ownership system, when the control rights are not exercised by the latter: none.
- Shareholder agreements of which the company is aware and which may result in restrictions on the transfer of shares and the exercise of voting rights: nil.
- The rules applicable to the appointment and replacement of members of the Board of Directors as well as to the amendment of the Company's articles of association: these rules are in accordance with the law and regulations in force. It is nevertheless specified that an agreement concerning the distribution of the seats on the Company's Board of Directors was concluded on September 27, 2021 between (i) the Company, (ii) Mitsui & Co., Ltd., (iii) the SPI Fund – Industrial Project Companies, (iv) FCPI Objectif Innovation Patrimoine n°9, FCPI Idinvest Patrimoine n°6, FCPI Idinvest Patrimoine 2016, FPCI Electranova Capital – Idinvest Smart City VF, Idinvest Innov FRR France, Idinvest Expansion 2016, FIP Régions & Industries, FCPI Idinvest Patrimoine 2015 and INDINVEST GROWTH SECONDARY S.L.P and (v) Mr. Christophe Gurtner.

- The powers of the Board of Directors, in particular the issuance or repurchase of shares: the delegations of authority to the Board of Directors in force are referred to in section 6.7 of this document.
- Agreements entered into by the Company that are amended or terminated in the event of a change of control of the Company, unless such disclosure, except in the case of legal disclosure obligations, would seriously harm its interests: nil, excluding most financing contracts (in particular the one concluded with the European Investment Bank), to which the Company is a party that stipulate early repayment clauses in the event of a change of control.

Agreements providing for compensation for members of the Board of Directors or employee corporate officers of the Company if they resign or are dismissed without real and serious cause or if their employment is terminated due to a public offer: nil.

6.5 Agreements between a subsidiary of the company and a corporate officer or a shareholder holding more than 10% of the company's share capital

The agreements covered by Article L. 225-38 of the French Commercial Code are listed below.

6.5.1 Agreements concluded during the financial year

- **Business Contribution Agreement with Mitsui & Co., Ltd.**

The Company has entered into a contract entitled "Business Contribution Agreement" (the "Cooperation Agreement") with Mitsui & Co., Ltd., which has been amended and replaced by a final amendment dated June 17, 2022 (effective retroactively to October 1, 2021). This Cooperation Agreement has been tacitly renewed for a period from October 1, 2024 to September 30, 2025. However, it is specified that this contract has been terminated by mutual agreement of the parties with effect from 8 April 2025.

Mitsui & Co., Ltd. is a shareholder of Forsee Power with a voting rights of more than 10% and Mr. Shinichi Ban, who was a member of the Company's Board of Directors on the date of the tacit renewal of the contract, served as General Manager of the Battery Solutions Department of the Sustainability Impact Division of the Energy Solutions business unit of Mitsui & Co. Ltd.

Within the framework of this agreement, Mitsui & Co., Ltd is responsible for assisting Forsee Power in:

- business development, sales and marketing activities on behalf of Forsee Power, as an exclusive agent in Japan,
- business development activities in the territories other than Japan (the "Territories") and the specific sectors (the "Sectors") set out in the appendix to the Agreement or which will be annexed to the Agreement by way of an addendum, as a non-exclusive agent in such Territories and Sectors. As of the date of this document, the parties to the contract have agreed that Mitsui will act as a non-exclusive agent, only in the mining sector (i.e. off-road vehicle for mining work).

In consideration of the assignments performed, Mitsui & Co., Ltd will receive a success fee based on the sales invoiced by the Company (i) to any customer with its registered office in Japan and (ii) to any customer with its headquarters in the Territories as well as to any customer in the Sectors.

This agreement does not exclude the possibility for the Company to collaborate directly with potential customers in Japan, in the Territories and/or Sectors. Mitsui & Co., Ltd's assignments apply only to business development and sales and marketing activities. The Company retains the right at all times (i) to promote its products in Japan, the Territories and/or to customers of the Sectors and (ii) to establish business relationships directly with potential customers. However, under the Cooperation Agreement, the Company shall refrain from dealing with other business partners that may compete with Mitsui & Co. Ltd. and shall not appoint any third party as an agent or distributor in Japan.

It is recalled that the Company may deal directly with customers in Japan, on the principle that, if the project is implemented or the contractual relationship is entered into in Japan, Mitsui & Co. Ltd. is entitled to receive the success commission (see below), on all sales of the Company in Japan.

Remuneration: In consideration of Mitsui & Co. Ltd.'s performance of its contractual obligations, the Company shall pay to Mitsui & Co. Ltd., at the end of each month in which it has received payment from any customer located in Japan, the Territories and/or the Sectors, a success fee based on the sales invoiced by the Company calculated as follows:

Success Fees for Customers Located in Japan

Total sales over the last 12 months, in the Territories and Sectors	Success Commission
Between 0 and 500,000 euros	5%
Between 500,001 and 1,000,000 euros	4%
Between 1,000,001 and 2,000,000 euros	3%
From 2,000,001	2%

Success Fees for Clients Located in Territories and Sectors

Total sales over the last 12 months, in the Territories and Sectors	Success Commission
Between 0 and 500,000 euros	5%
Between 500,001 and 1,000,000 euros	4%
Between 1,000,001 and 2,000,000 euros	3%
Between 2,000,001 and 5,000,000 euros	2%
From 5,000,001 euros	1%

Duration of the contract:

The Cooperation Agreement (as revised on June 17, 2022) has been effective since October 1, 2021, for a period of one year, renewable by tacit agreement, for successive periods of one year. This contract has thus been tacitly renewed for a period from 1 October 2022 to 30 September 2023, then from 1 October 2023 to 30 September 2024 and finally from 1 October 2024 to 30 September 2025.

In the event that the Cooperation Agreement expires or is terminated, the Company shall be required to continue to pay the success fee to Mitsui & Co. Ltd., the amount of which shall then be based on the sales invoiced by the Company to any customer located in Japan within 9 months of the expiration or termination date and shall be equal to 50% of the amount of the success fee that should have been paid under the contract.

Under this agreement, Mitsui & Co. Ltd invoiced the Company €48,473 during the financial year ended.

6.5.2 Agreements that remained in effect during the financial year

The agreements, the exercise of which continued during the financial year, which was not renewed during the financial year, are detailed below:

Collaboration Agreement with Mitsui & Co., Ltd.

The Company entered into a contract entitled "Collaboration Agreement" with Mitsui & Co., Ltd., dated September 27, 2021 (the "Collaboration Agreement"). Mitsui & Co., Ltd. is a shareholder of Forsee Power with a voting rights of more than 10% and Mr. Shinichi Ban, who was a member of the Company's Board of Directors on the date of the tacit renewal of the contract, served as General Manager of the Battery Solutions Department of the Sustainability Impact Division of the Energy Solutions business unit of Mitsui & Co. Ltd.

It is specified that the purpose of this agreement is to set a framework for the commercial collaboration established between Forsee Power and Mitsui & Co., Ltd. The financial terms in return for the services rendered by Mitsui & Co., Ltd. will be discussed on a case-by-case basis, for each project taking into account the financial impact on the Forsee Power Group.

As part of the contract, the Company and Mitsui & Co., Ltd. have agreed to the following:

- Establishment of a cooperation committee

o This committee acts as the primary interface between the Company and Mitsui & Co., Ltd. in order to jointly pursue cooperation and makes reasonable efforts to promote close and frequent business communication, provided that this is in accordance with applicable laws.

o This committee is composed of 7 members, including 4 members appointed by the Company and 3 members appointed by Mitsui & Co., Ltd.

o This committee will meet at least four times a year, in particular in the month following the finalization of the quarterly financial reporting.

- Business Development

Mitsui & Co., Ltd. may second two full-time employees to Forsee Power Group to develop business with the Group to accelerate its growth and to fill certain positions within the Group or its subsidiaries in order to achieve this goal. These two employees will remain employees of Mitsui & Co. Ltd. and will be required to sign commitments (binding during their secondment and for a period of two years after the end of their secondment) involving an agreement on their part not to share any confidential information to which they have had access during their secondment with the commercial departments of Mitsui & Co. Ltd. which (i) are present in the same markets as those of the Group, or (ii) have entered into partnerships with companies that are present in the same markets as those of the Group.

- Marketing activities

Mitsui & Co. Ltd. provides strategic support to Forsee Power Group to enable it to achieve future business growth, in particular through the development of new products and services and its expansion into new markets.

Mitsui & Co., Ltd.'s activity as the Group's representative in Japan will continue from the admission of the Company's shares to trading on the regulated market of Euronext in Paris for a minimum period of 5 years from the date of the Collaboration Agreement.

If Mitsui & Co. Ltd. were to find an opportunity to sell the Company's products to a new customer in a business sector such as mining, marine or rail (the "New Sector") other than those provided for in the Business Contribution Agreement (described in section 6.5.1 above), Mitsui & Co., Ltd. may notify the Company of such opportunity.

If this New Sector is not of interest to the Company, it will not be obliged to accept this opportunity. If such New Sector is of interest to the Company, the Company may notify Mitsui & Co., Ltd., and the parties to the Collaboration Agreement shall be obligated either (i) to amend the Business Contribution Agreement or one of the service agreements entered into between the Company and Mitsui & Co., Ltd., to include the New Sector, or (ii) enter into a new cooperation agreement (exclusive or non-exclusive) under which Mitsui & Co., Ltd. contributes to the marketing of the Company's products to a new customer in the New Sector and, in consideration of which, Mitsui & Co., Ltd. will be entitled to success commissions.

Where an amendment is entered into under option (i) above, if no contract is entered into for new sales of the Company's products to a new customer in the relevant New Sector within 12 months from the date on which the amendment was entered into, either party to the Collaboration Agreement may elect to further amend the agreement to remove the relevant New Sector from that agreement by giving notice 3 months to the other party. Where a new contract is entered into under option (ii) above, if no contract is entered into for new sales of the Company's products to a new customer in the relevant New Sector within 12 months from the date on which the new contract was entered into, either party may elect to terminate such new contract by giving 3 months' notice to the other party.

If Mitsui & Co., Ltd. were to find an opportunity to sell the Company's products to a new customer in a country such as Australia, Russia, Southeast Asian countries or the United States (the "New Country") other than those provided for in the Business Contribution Agreement or any of the service contracts entered into between the Company and Mitsui & Co. Ltd., , Mitsui & Co., Ltd. may notify the Company of such opportunity.

If this New Country is not of interest to the Company, it will not be obliged to accept this opportunity). If such New Country is of interest to the Company, the Company may notify Mitsui & Co., Ltd., and the parties to the

Collaboration Agreement shall be obligated either (i) to amend the Business Contribution Agreement or any of the contracts for the provision of services entered into between the Company and Mitsui & Co. Ltd., to include the New Country, or (ii) enter into a new cooperation agreement (exclusive or non-exclusive) pursuant to which Mitsui & Co. Ltd. contributes to the marketing of the Company's products to a customer in the New Country and, in consideration of which, Mitsui & Co. Ltd. will be entitled to success fees.

Where an amendment is entered into under option (i) above, if no contract is entered into for new sales of the Company's products to a new customer in the relevant New Country within 12 months from the date on which the amendment was entered into, either party to the Collaboration Agreement may elect to further amend the agreement to remove the relevant New Country from such agreement by giving prior notice 3 months to the other party.

Where a new contract is entered into under option (ii) above, if no contract is entered into for new sales of the Company's products to a new customer in the relevant New Country within 12 months from the date on which the new contract was entered into, either party may elect to terminate such new contract by giving 3 months' notice to the other party.

Mitsui & Co. Ltd.'s success fee will be discussed with the Group on a case-by-case basis for each project, taking into account the financial impact on the Group.

The Company shall be free to develop and market its products by itself and/or through a third party, in a New Sector and/or in a New Country, without the permission of Mitsui & Co. Ltd. and without Mitsui & Co. Ltd. being entitled to a commission on the revenues received by the Company, provided that if the Company decides to take steps to develop and market its products through a new in a New Sector and/or in a New Country (the "Third Party Marketing"), the Company has notified Mitsui & Co. Ltd. in writing after making this decision in order to allow the Company and Mitsui & Co. Ltd. to discuss and negotiate the potential realization by Mitsui & Co. Ltd. of such Third Party Marketing, on an exclusive basis for a period of at least 60 days from the date of receipt of such notification. After the expiration of such 60-day period (or, if applicable, after an earlier date on which Mitsui & Co. Ltd. confirms that it is not interested in Third-Party Marketing), unless the Company and Mitsui & Co. Ltd. have reached an agreement regarding Third-Party Marketing by Mitsui & Co. Ltd., the Company shall be free to discuss with any person the Third-Party Marketing for a period of 180 days. After the expiration of this 180-day period, any offer regarding Third-Party Marketing will again be subject to the right of first look of Mitsui & Co. Ltd.

The Collaboration Agreement entered into force as of the admission of the Company's shares to trading on the regulated market of Euronext in Paris for a period of 5 years from the date of entry into force of the Collaboration Agreement. It will automatically renew upon the expiry of the initial term or any extension thereof for additional periods of 2 years each, unless terminated earlier.

Apart from the Collaboration Agreement described above, it is recalled that the "Business Contribution Agreement" concluded with Mitsui & Co., Ltd. as it was recast on June 17, 2022 detailed in part 6.5.1, was tacitly renewed during the Company's financial year ended December 31, 2024. This contract continued from 1 October 2023 to 30 September 2024, before being tacitly renewed for a further period of 12 months from 1

October 2024 to 30 September 2025. However, it is specified that the Business Contribution Agreement has been terminated by mutual agreement of the parties with effect from 8 April 2025.

6.6 Procedure for evaluating current agreements

In accordance with Article L. 22-10-12 of the French Commercial Code, the Board of Directors has adopted a procedure for regularly assessing whether the agreements relating to current transactions and entered into under normal conditions mentioned in Article L. 225-39 of the French Commercial Code meet these conditions (the "**Procedure**").

Its purpose is to recall the regulatory framework applicable in France to so-called "free" and "regulated" agreements, and to describe the internal process and methodology for the identification, qualification, monitoring and regular control of agreements concluded between the Company and any interested person within the meaning of the applicable regulations.

It is recalled that the Procedure is based on the following essential principles:

- a procedure for the identification of agreements covering the identification of agreements with interested persons implying for any person the obligation to inform the finance department and the legal department prior to the signing or execution of the draft agreement; in addition, any person directly or indirectly interested in a regulated agreement is required to inform the Board of Directors as soon as he or she becomes aware of it;
- a procedure for analysing the agreements and classifying, where appropriate, as a "free" agreement, providing in particular that once informed of the existence of a potential agreement with an interested person, the finance department and the legal department verify on a case-by-case basis and document together that the agreement is not "prohibited" (in which case it cannot be concluded), and whether the agreement can be considered "free" within the meaning of the Procedure. The finance department and the legal department may, for the assessment and qualification of the agreement, rely on the expertise of other departments.

A list of free agreements is drawn up before 31 March of each year and is subject to a detailed review by the finance department and the legal department to assess whether the original classification of the agreement should be maintained or whether the agreement should be reclassified as a regulated agreement and therefore immediately notify the Board of Directors.

The list of free agreements is sent annually to the statutory auditors. The said list is sent annually and discussed, if necessary, during the Audit and Risk Committee preparing the approval of the Company's annual financial statements. The Audit and Risk Committee reports annually to the Board of Directors on the proper application of the Procedure and proposes, if necessary, an update of the Procedure.

Each year, the Board of Directors may take note of the implementation of this procedure.

6.7 Summary table of delegations of authority and powers regarding capital increases

	Date of meeting	Duration of authorisation	Maximum capital increase (in nominal value)	Use
Capital increase by issuing ordinary shares and/or any other securities, maintaining shareholders' preferential subscription rights (13th resolution)	*June 23, 2023*	*26 months*	*50% of the share capital at the date of the Meeting (i.e. a capital increase of €3,563,405.55)[1] €150 million for debt securities(1)*	-
Capital increase by issuing ordinary shares and/or any other securities, with cancellation of shareholders' preferential subscription rights and a public offering (other than the offerings referred to in paragraph 1 of Article L.411-2 of the French Monetary and Financial Code) (14th resolution)	*June 23, 2023*	*26 months*	*50% of the share capital at the date of the Meeting (i.e. a capital increase of €3,563,405.55)[1] €150 million for debt securities(1)*	-
Capital increase by issuing ordinary shares and/or any other securities, with cancellation of shareholders' preferential subscription rights, in the context of a public offering to qualified investors or a restricted circle of investors as referred to in paragraph 1 of Article L.411-2 of the French Monetary and Financial Code (15th resolution)	*June 23, 2023*	*26 months*	*20% of the share capital at the date of the Meeting (i.e. a capital increase of €1,425,362.22)[1] €150 million for debt securities(1)*	-
Increase in the number of securities to be issued in the event of a capital increase with or without preferential subscription rights decided under the aforementioned delegations of authority (16th resolution)	*June 23, 2023*	*26 months*	*Extension up to 15% of the initial issue(1)*	-
Capital increase by issuing ordinary shares or securities giving access to ordinary shares to be issued immediately or in the future by the Company, with cancellation of shareholders' preferential subscription rights in favour of categories of beneficiaries (18th resolution)(2)	*June 23, 2023*	*18 months*	*20% of the share capital at the date of the Meeting (i.e. a capital increase of €1,425,362.22)[1] €150 million for debt securities(1)*	-
Capital increase by issuing ordinary shares of the Company or securities giving immediate or future access by any means, to ordinary shares of the Company, as consideration for	*June 23, 2023*	*26 months*	*20% of the share capital at the date of the Meeting (i.e. a capital increase of €1,425,362.22)[1] €150 million for debt securities(1)*	-

contributions in kind of equity securities or securities in the event of a takeover bid involving an exchange component initiated by the Company (19th resolution)				
Capital increase by issuing ordinary shares of the Company or securities giving immediate or future access by any means to ordinary shares of the Company, up to a limit of 10% of the share capital, as consideration for contributions in kind of equity securities or securities giving access to the share capital of third-party companies outside a public exchange offer (20th resolution)	*June 23, 2023*	*26 months*	*10% of the share capital[1]* *€150 million for debt securities[(1)]*	*-*
Capital increase by capitalising premiums, reserves, profits or other (22nd resolution)	*June 23, 2023*	*26 months*	*20% of the share capital at the date of the Meeting (i.e. a capital increase of €1,425,362.22)*	*-*
Authorisation to be granted to the Board of Directors to grant Company share subscription or purchase options (22nd resolution)	*October 15, 2021*	*38 months*	*5% of the share capital[(3)]*	*-*
Authorisation to be granted to the Board of Directors to grant existing or new free shares (23rd resolution)	*October 15, 2021*	*38 months*	*5% of the share capital[(3)]*	*554,616 AGA*

(1) These amounts are not cumulative and are to be deducted from an overall ceiling of (i) 50% of the share capital at the date of the general shareholders' meeting (i.e. a capital increase of €3,563,405.55), for the overall nominal amount of capital increases, and (ii) €150,000,000, for the maximum overall nominal amount of debt securities (21th resolution – Overall limit on authorisations - of the general shareholders' meeting of June 23, 2023).

(2) Categories of beneficiaries having one of the following characteristics, namely :

- *(i) natural or legal persons (including companies), trusts or investment funds, or other investment vehicles, whatever their form, governed by French or foreign law, investing on a regular basis in growth and/or cleantech companies; and/or*
- *(ii) French or foreign companies, institutions, groups or entities, regardless of their form, which carry out a significant part of their activities in the field of green and/or renewable energy and which may, where applicable, sign an industrial and/or commercial partnership with the Company; and/or*
- *(iii) French or foreign investment service providers, or any foreign institution with equivalent status, that may guarantee the completion of an issue intended to be placed with the persons referred to in (i) and/or (ii) above and, in this context, subscribe for the securities issued.*

(3) These amounts are not cumulative and are to be deducted from an overall ceiling of 1,970,845 shares that may be issued or acquired on the exercise of options or that may be granted free of charge as decided by the combined shareholders' meeting of October 15, 2021 (24th resolution – Overall limit on authorisations).

6.8 Statutory Auditor’s special report on regulated agreements

To the Shareholders’ Meeting of Forsee Power

In our capacity as Statutory Auditors of your Company, we present our report on regulated agreements.

The terms of our engagement require us to communicate to you, based on information provided to us, the principal terms and conditions of those agreements brought to our attention or which we may have discovered during the course of our audit, as well as the reasons justifying that such agreements are in the Company’s interest, without expressing an opinion on their usefulness and appropriateness or identifying other such agreements, if any. It is your responsibility, pursuant to Article R.225-31 of the French Commercial Code (*code de commerce*), to assess the interest involved in respect of the conclusion of these agreements for the purpose of approving them.

Our role is also to provide you with the information stipulated in Article R.225-31 of the French Commercial Code relating to the implementation during the past year of agreements previously approved by your Shareholders’ Meeting, if any.

We conducted the procedures we deemed necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement. These procedures consisted in agreeing the information provided to us with the relevant source documents

1. AGREEMENTS SUBJECT TO THE APPROVAL OF THE GENERAL MEETING

Pursuant to Article 225-40 of the French Commercial Code, we have been informed of the following agreements entered into during the past financial year which were subject to the prior authorization of your Board of Directors.

Agreements authorized and entered into during the past financial year

1.1 Tacit renewal of the Business Contribution Agreement with Mitsui &Co. Ltd

Persons concerned:

Mitsui & Co., Ltd., a shareholder of Forsee Power with more than 10% of the voting rights and Mr. Shinichi Ban, a member of the Board of Directors of the Company and General Manager of the Battery Solutions department of the Sustainability Impact division of the Energy Solutions business unit at Mitsui & Co., Ltd.

Nature and purpose:

As part of this agreement, Mitsui & Co., Ltd. has the particular tasks of assisting the Company in business development, sales and marketing activities on behalf of Forsee Power, as exclusive agent in the territory of Japan, and in business development activities in other territories (the "Territories") and the specific sectors (the "Sectors") referred to in the appendix to the contract, as non-exclusive agent in these Territories and Sectors.

Terms:

The “Business Contribution Agreement” with Mitsui & Co., Ltd., entered into on December 21, 2020 and amended and replaced by the amendment of June 17, 2022, entered into force retroactively from October 1, 2021 for a period of one year, renewable by tacit agreement for successive periods of one year. The tacit renewal of this agreement was authorized by the Board of Directors on April 23, 2024 for the period from October 1, 2024 to September 30, 2025.

The contract provides for the payment of “success fees” by the Company to Mitsui § Co, Ltd. in remuneration for its activities.

The methods for calculating these “success fees”, based on the amount of sales, on the one hand in Japan and on the other hand in the “territories” and “sectors”, are described in Appendix 3 of the said contract.

On January 8, 2025, the Company sent a notice of termination of the contract effective April 8, 2025, accepted by Mitsui & Co. Ltd on January 31, 2025.

Reasons justifying its interest to the Company

This agreement allowed the Company to acquire market share in the Japanese territory thanks to the expertise and intermediation of Mitsui & Co., Ltd, and to benefit from Mitsui & Co. Ltd's network in new territories and sectors to be defined.

No amount was recorded under this agreement as of December 31, 2024.

2. AGREEMENTS ALREADY APPROVED BY THE GENERAL MEETINGS

Pursuant to Article R. 225-30 of the French Commercial Code, we have been informed that the following agreements, previously approved by General Meetings of prior years, had continuing effect during the year:

2.1 Business Contribution Agreement with Mitsui &Co. Ltd

Persons concerned:

Mitsui & Co., Ltd., a shareholder of Forsee Power with more than 10% of the voting rights and Mr. Kosuke Nakajima, a former member of the Board of Directors of the Company and former General Manager of the Battery Solutions department at Mitsui & Co., Ltd.

Nature and purpose:

As part of this agreement, Mitsui & Co., Ltd. has the particular tasks of assisting the Company in business development, sales and marketing activities on behalf of Forsee Power, as exclusive agent in the territory of Japan, and in business development activities in other territories (the "Territories") and the specific sectors (the "Sectors") referred to in the appendix to the contract, as non-exclusive agent in these Territories and Sectors.

Terms:

The “Business Contribution Agreement” with Mitsui & Co., Ltd., entered into on December 21, 2020 and amended and replaced by the amendment of June 17, 2022, that entered into force retroactively from October 1, 2021 for a period of one year until 30 September 2022, was renewed by tacit agreement for a period from October 1, 2023, to September 30, 2024.

The contract provides for the payment of “success fees” by the Company to Mitsui § Co, Ltd. in remuneration for its activities.

The methods for calculating these “success fees”, based on the amount of sales, on the one hand in Japan and on the other hand in the “territories” and “sectors”, are described in Appendix 3 of the said contract.

An expense of €48,473.25 was recognized under this agreement in the accounts as of December 31, 2024.

2.2. "Collaboration Agreement" with Mitsui & Co., Ltd.

Persons concerned:

Mitsui & Co., Ltd., a shareholder of the Company with more than 10% of the voting rights and Mr. Kosuke Nakajima, a former member of the Board of Directors of the Company and former General Manager of the Battery Solutions department at Mitsui & Co., Ltd.

Nature and purpose:

The purpose of this agreement is to determine a framework for the commercial collaboration between Forsee Power SA and Mitsui & Co., Ltd. The financial terms in consideration for services rendered by Mitsui & Co., Ltd. are discussed on a case-by-case basis, for each project, taking into account the financial impact on the Forsee Power Group.

Execution during the year:

This agreement, signed on September 27, 2021, for a period of 5 years, continued in effect during the past financial year.

Paris-La Défense and Paris, April 25, 2025

The Statutory Auditors

French original signed by

Deloitte & Associés	BDO Paris
Thierry Queron	Arnaud Tonnet

7

CAPITAL AND SHAREHOLDING STRUCTURE*

7.1 Information about the company

7.1.1 Corporate name

The corporate name of the Company is « Forsee Power ».

7.1.2 Registered office

The Company's registered office is located 1 boulevard Hippolyte Marquès, 94200 Ivry-sur-Seine, France.

7.1.3 Legal form

As of the date of this document, the Company has been established as a *société anonyme* with a Board of directors governed by French law.

7.1.4 Company identification

The Company's registration number is specified in paragraph 7.1.8 of this document.

The Company's LEI code is : 969500S7F4LVSHHUZB87.

7.1.5 Legislation

Société anonyme with a Board of Directors incorporated under French Law.

7.1.6 Term

The Company was incorporated for a term of 99 years from the date of its registration in the Trade and Companies Register on February 28, 2007, until February 27, 2106, unless extended or dissolved earlier.

7.1.7 Corporate purpose

The purpose of the Company is, in France and abroad, directly or indirectly, on its own behalf or on behalf of third parties:

- the acquisition of all interests and holdings in all commercial, industrial, financial or real estate companies and businesses, whether French or foreign, in any form whatsoever, in particular by subscribing for or acquiring all securities, equity interests or other corporate rights;
- the designing, manufacturing, production, assembly and marketing of batteries and battery chargers and all associated accessories;
- the financing of innovative projects and technologies in the fields of energy and mobility;
- the acquisition and management of all real estate assets and rights and, if necessary, their resale;
- the setting up of the financial means necessary for the realisation of the Company's purpose and in particular all loans with or without guarantee;
- the management of its own cash and that of any companies in which it has an interest, and the financing by way of loans, guarantees, endorsements, advances or by any other means of companies and enterprises related to the Company;

any services related to the management, administration, coordination or control of the companies in which it has interests, as well as any administrative, legal, accounting and financial services.

It may act in its own name, either alone or in association or partnership with any other company or person, and carry out, directly or indirectly, in France or abroad, in any form whatsoever, operations falling within its purpose and, in general, any financial, commercial, industrial, moveable or fixed property operations that may be directly or indirectly related to the above-mentioned purpose or to any similar or related purposes likely to promote its extension or development.

7.1.8 Trade and companies register

The Company is registered in the Créteil Commercial Court registry under number 494 605 488.

7.1.9 Place where documents and information relating to the company may be consulted

Information concerning the Company, including the articles of association, statement of financial position, statement of income, the report of the Board of Directors to the Shareholders' Meetings and the report of the statutory auditors, may be consulted on request at the Company's registered office.

The Company's articles of association, minutes of shareholders' meetings and other corporate documents, as well as historical financial information and any valuation or statement prepared by an expert at the request of the Group that must be made available to shareholders, in accordance with applicable law, may be consulted, free of charge, at the Company's registered office.

The regulated information published by the Company is available on the Company's website at the following address: www.forseepower-finance.com.

The Company's contact information is as follows:

Email: contact@forseepower.com

Website: https://www.forseepower.com

7.1.10 Financial year

The financial year begins on January 1st and ends on December 31 of each year.

7.1.11 Statutory distribution of profits

Each share gives the right, in the ownership of the company's assets, in the sharing of profits and in the liquidation surplus, to a proportional share of the number and nominal value of the existing shares.

7.1.12 Shareholders' voting rights

The voting rights attached to the shares are proportional to the percentage of capital they represent, and each share gives the right to one vote.

In accordance with the provisions of Article L. 22-10-46 of the French Commercial Code, a double voting right is attached to all fully paid-up shares registered in the name of the same shareholder for at least two years.

7.1.13 Declaration of intent

In the context of the different threshold crossings described in paragraph 7.3.4 below, it is specified that there has been no declaration in 2024.

7.2 Equity

7.2.1 Share Capital

As of December 2024, the share capital of Forsee Power is set at 7 174 472,70 euros, divided in 71 744 727 shares with a par value of ten cents of euro each.

7.2.2 Potential capital

At December 31 2024, the dilutive instruments are described below :

	Warrants	Free Share Grant	Stock-Options 2018	Stock-Options 2021	TOTAL
Total number of shares that may be subscribed upon exercise of warrants, stock options or free shares	1 916 552	570 780	705 000	1 725 000	4 917 332
Potential dilution	2,67%	0,80%	0.98 %	2,40 %	6,85 %

The potentially dilutive effect of these instruments amounts to 6.85% of the share capital as of December 31, 2024.

For a more detailed description of the plans, please refer to paragraph 6.2.5.5.

7.2.3 Non-equity securities

As of December 31, 2024, the Company has not issued any non-equity securities.

7.2.4 Conditions set by the Board of Directors for the exercise of stock options granted to executives

The terms and conditions of stock option plans No. 1 and No. 2 approved by the Extraordinary Shareholders' Meetings held on December 20 and 21, 2018 and August 5, 2021, respectively, are described in Chapter 6 "Corporate Governance Report" of this document.

7.2.5 Conditions set by the Board of Directors for the disposal of free shares granted to executives

The terms and conditions of plans No. 1 and No. 2 for the granting of free shares to the executive and to employees who are not corporate officers, decided respectively by the extraordinary shareholders’ meetings of

August 5, 2021, and October 15, 2021, respectively, are described in Chapter 6 "Corporate governance report" of this document.

7.2.6 Summary statement of transactions in the Company's shares or related financial instruments carried out during the year by executives or similar persons

Transactions in the Company's securities reported to the Autorité des Marchés Financiers ("AMF") in 2024 by executives, persons treated as executives and persons closely related to them, referred to in Article L. 621-18-2 of the French Monetary and Financial Code, are summarised below:

Name	Transaction type	Transaction date	Unit price	Volume os shares
Jörg Ernst *Board Director*	Acquisition	26/04/2024	1,0485 €	4 000
AMILU SAS *Legal entity related to Mr. Pierre Lahutte, Director*	Acquisition	29/03/2024	1,6200 €	10 000
		29/04/2024	1,2100 €	20 000
		14/05/2024	1,1700 €	10 000
		09/12/2024	0,3900 €	30 000
	Acquisition	25/04/2024	1,0468 €	10 000

7.2.7 Treasury shares and acquisition by the Company of its own shares

As of December 31, 2024, none of the Company's shares are held by any of its subsidiaries or by a third party on its behalf. As of December 31, 2024, the Company held 302,121 of its own shares, representing approximately 0.4% (based on the share capital as of December 31, 2024), held under the liquidity contract. These shares have no voting rights.

7.2.8 Other securities giving access to the share capital

7.2.8.1 Share subscription options

By virtue of its 22nd resolution the Company's shareholders' meeting of October 15, 2021 authorised the Board of Directors, with the option of sub-delegation, to grant share subscription or purchase options to some or all of the Company's employees and corporate officers. As of the date of this document, the Board of Directors has not made use of this delegation..

7.2.8.2 Grant of free shares

As of December 31, 2023, by virtue of its 23rd resolution the Company's shareholders' meeting of October 15, 2021 authorised the Board of Directors to grant existing or new free shares to some or all of the Group's employees and corporate officers. As specified in Chapter 6 "Corporate governance report" of this document, the Board of Directors has decided, as at the date of this document, to grant under Plan No. 2 (i) 346,616 free shares during the 2022 financial year and (ii) 208,000 free shares during the 2023 financial year and iii) 570 780 shares during the 2024 financial year

7.2.9 Conditions governing any acquisition rights and/or obligations relating to subscribed but unpaid capital

None

7.2.10 Share capital of any Group company subject to an option or an agreement to place it under option

None

7.2.11 Forsee Power's share buyback programme

Authorisation granted by the shareholders' meeting of June 21 2024

The shareholders' meeting of June 21, 2024 authorised the Board of Directors to trade in the Company's own shares on the stock market. This authorisation was given for 18 months.

The maximum unit repurchase price was set by the 25th resolution, adopted by the Company's combined shareholders' meeting on June 21, 2024, at a unit price of €10 per share for a maximum amount of €50,000,000, in a limit of 10% of the total number of shares composing the share capital.

The objectives of this program include:

- promoting liquidity and stimulating trading in the Company's shares as part of a liquidity contract to be signed with an independent investment services provider, compliant with the ethics charter recognised by the French Financial Markets Authority (AMF); and/or
- meeting obligations relating to stock option plans, free share grants, employee savings plans or other share grants to employees of the Company or an affiliated company, including (i) the implementation of any Company share purchase option plan pursuant to the provisions of Articles L.225-177 et seq. of the French Commercial Code, (ii) the grant of existing shares to employees under a profit-sharing scheme and the implementation of any company savings plan under the conditions provided for by law, in particular Articles L.3332-1 to L.3332-8 et seq. of the French Labour Code or (iii) the grant of existing free shares pursuant to the provisions of Articles L.225-197-1 et seq. of the French Commercial Code; and/or
- providing shares for use in connection with the exercise of rights attached to securities giving rights to the share capital through redemption, conversion, exchange, presentation of a warrant or in any other manner, pursuant to the regulations in force; and/or
- cancelling all or part of the securities purchased, subject to a specific resolution; and/or
- more generally, carrying out any transaction that complies with the regulations in force.

Review of the shares buyback program

(In number of treasury shares)	Stimulating trading	Share buyback program	Total
Situation au 31 décembre 2023	105 284		105 284
Purchases	893 358		893 358
Sales/transfers	(696 521)		(696 521)
Position as of December 31 2024	**302 121**		**302 121**

Over the full year 2024, 893,359 shares were purchased at an average price of €1.04 per share and 696,521 shares were sold at an average price of €1.07 per share. As of December 31, 2024, the Company directly or indirectly held 302,121 of its own shares, representing a value of €174 thousand based on the carrying amount.

It should be noted that there are no trading costs associated with the liquidity contract.

7.2.12 Agreement providing for employee shareholding in the Company

None.

7.2.13 Employee share ownership plans

As at the date of this document, the Company has adopted several incentive plans, as described below:

(i) 2018 Stock Option Plan No. 1: in accordance with decisions made by the extraordinary shareholders' meeting held on December 20 and 21, 2018, the Company empowered the Chairman to grant, pursuant to

Articles L.225-177 to L.225-185 of the French Commercial Code, 17,137 options giving rights to subscribe to 17,137 ordinary shares of the Company. The Chairman used this delegation and granted 8,550 options out of the 17,137 options in the plan, including 6,300 options to certain Group employees. As a result of the stock split decided by the Company's shareholders' meeting held on October 15, 2021, and the lapse of 75,000 options following the departure of an employee of the Company, as of the date of this document the 2018 Stock Option Plan is composed by 780,000 options that entitles the holder(s) to subscribe for 780,000 Company shares;

(ii) 2021 Stock Option Plan No. 2: in accordance with decisions made by the extraordinary shareholders' meeting held on August 5, 2021, the Company authorised the Chairman to grant, pursuant to Articles L.225-177 to L.225-185 of the French Commercial Code, 15,000 options giving rights to subscribe to 15,000 ordinary shares of the Company. The Chairman, by resolution dated August 12, 2021, used this delegation and granted all 15,000 options in the plan. As a result of the stock split of the Company's shares decided by the shareholders' meeting of October 15, 2021, as of the date of this document, the 2021 Stock Option Plan entitles the holder(s) to subscribe for 1,500,000 Company shares;

(i) Free share grant Plan No. 1: in accordance with the decisions made by the extraordinary shareholders' meeting held on August 5, 2021, the Company empowered the Chairman to grant 4,000 free shares in the Company. The Chairman made use of this delegation and granted 3,820 ordinary shares under the plan. As a result of the stock split of the Company's shares decided by the shareholders' meeting of October 15, 2021, the number of free shares awarded amounts to 382,000 ;

(ii) Free share grant Plan No. 2: in accordance with the decisions made by the combined shareholder meeting held on October 15, 2021, the Company empowered the Board of Directors to grant free shares in the Company (up to a limit of 5% of the share capital and not exceeding an overall ceiling of 1,970,845 shares); the Board made use of this delegation and approved a plan under which 600,000 free shares could be granted. Under this plan, (i) 346,616 free ordinary shares have been granted in the 2022 financial year and (ii) 208,000 free ordinary shares have been granted in the 2023 financial year.

(iii) Free share grant Plan No. 3: the Board of Directors granted as 2024 remuneration (Free share grant 2024) 478.647 free shares on the July 30th 2024, 40.516 free shares on October 31st 2024 and 51,617 free shares on December 31st 2024 to Excom members and to some employees of Forsee Power SA and its subsidiaries. These free shares 2024 are based on a presence condition of 16 months starting at the date of granting. They are also linked to 3 performance KPI. One only was achieved in 2024.

7.2.14 Changes in share capital

The table below shows the history of changes in the Company's share capital over the last three years

Date(s) of operation	Nature of the operation	Number of shares issued or cancelled	Nominal amount (€)	Share or contribution premium (€)	Cumulative nominal amount of share capital (€)	Total cumulative number of shares outstanding	Nominal value (€)
September 28 2021	Capital increase in cash reserved for the SPI - Sociétés de Projets Industriels Fund	3 296 ordinary shares	32 960	2 109 440	3 031 720	303 172	10
September 28 2021	Capital increase through conversion of convertible bonds into shares	76 923 ADPC3	769 230	29 230 667,52	3 800 950	380 095	10
September 29 2021	Capital increase in cash reserved for Eurazeo funds	14 074 ordinary shares	140 740	9 007 360	3 941 690	394 169	10
October 15 2021	Division of the nominal value	/	/	/	3 941 690	39 416 900	0,10
November 4 2021	Capital increase by way of a public offering with suppression of the preferential subscription right	13 793 103	1 379 310,30	98 620 686 ,45	5 321 000,30	53 210 003	0,10
September 15 2022	Capital increase resulting from the vesting of 362,000 free shares granted on September 14, 2021	362 000	36 200	/	5 357 200,30	53 572 003	0,10
May 9 2023	Capital increase by way of a public offering with suppression of the preferential subscription right and with an irreducible priority period	17 664 108	1 766 410,80	47 516 450 ,52	7 1 23 611,10	71 236 111	0,10

Date(s) of operation	Nature of the operation	Number of shares issued or cancelled	Nominal amount (€)	Share or contribution premium (€)	Cumulative nominal amount of share capital (€)	Total cumulative number of shares outstanding	Nominal value (€)
	for the benefit of shareholders						
June 7 2023	Capital increase resulting from the early vesting of 32,000 free shares granted on September 14, 2022	32 000	3 2000	/	7 126 811,10	71 268 111	0,10
October 16 2023	Capital increase resulting from the vesting of 282,616 free shares granted on June 7, 2022	282 616	28 261,60	/	7 155 072,70	71 550 727	0,10
December 22 2024	Capital increase resulting from the vesting of 194 000 free shares granted on December 22, 2024	194 000	19 400	/	7 174 472,70	71 744 727	0,10

7.2.15 Disposal of shares

Not applicable

7.2.16 Pledges

Not applicable

7.3 Shareholding and share capital

7.3.1 Breakdown of share capital and voting rights

The table below shows the breakdown of the Company's capital on a diluted basis(2) as of 31 December 2024

Shareholders	Number of shares	% Share capital
Eurazeo Investment Manager	17 014 234	22,19 %
Mitsui & Co, Ltd	19 064 883	24,87 %
Société de Projets Industriels	9 047 929	11,80 %
Christophe Gurtner	4 039 908	5,27 %
Ballard Power system Inc.	5 200 000	6,78 %
Maxion	1 792 114	2,34 %
Free float	14 877 229	19,41 %
Groupe Marcel Dassault	2 004 465	2,61 %
Banque Européenne d'Investissement (3)	1 916 552	2,50 %
Managers	1 704 745	2,22 %
TOTAL	**76 662 059**	**100 %**

(1) *After exercise of the 780,000 stock options under Plan No. 1 and the 1,500,000 stock options under Plan No. 2, after acquisition of the 208,000 free shares granted under Plan No. 2 and after exercise of the 11,357 warrants issued to the European Investment Bank.*

(2) *Shares that may be subscribed upon exercise of the BEIA, BEIC and BEIE warrants held by the European Investment Bank. It is specified that the number of ordinary shares that may be subscribed upon exercise of these warrants varies according to the cases of adjustment provided for in the agreements concluded with the said bank.*

7.3.2 Undertakings to retain shares given by shareholders

There is no statutory clause limiting the free negotiability of the shares comprising the Company's share capital. Nevertheless, as part of its capital increase, without preferential subscription rights with a priority period for existing shareholders, carried out in May 2023, some of the shareholders had made retention commitments, which have now expired. In addition, Christophe Gurtner has undertaken to retain 20% of the free shares he has definitively vested under free share grants plan No. 2 described in Chapter 6 "Corporate governance report".

7.3.3 Obligation to hold the Company's shares

Ni les statuts, ni le règlement intérieur de la Société n'impose la détention par un administrateur d'un nombre d'actions afin de pouvoir exercer son mandat au sein de la Société.

7.3.4 Crossing of legal and/or statutory thresholds

During the financial year ended December 31 2024, the Company received the following threshold crossing declarations

- On February 8 2024, Mitsui & Co, Ltd (2-1 Otemachi 1-chrome, Chiyoda-ku, Tokyo, Japon) declared to have fallen on February 6th 2024 below the threshold of 25% of voting rights of Forsee Power and holding 19 064 883 shares representing 21 129 766 voting right, ie 26,65% of share capital and 23,97% of voting rights.

7.3.5 Change in shareholding structure over three years

The table below shows the breakdown of share capital and voting rights as of December 31, 2022, December 31, 2023 and December 31, 2024 on a non-diluted basis:

Shareholders	Number of ordinary shares and voting rights	Percentage of share capital	Percentage of exercisable voting rights
Eurazeo Investment Manager	15 222 118	28,41 %	28,45 %
Mitsui & Co, Ltd	14 285 900	26,67 %	26,70 %
Société de Projets Industriels	5 463 700	10,20 %	10,21 %
Christophe Gurtner	1 900 257	3,55 %	3,55 %
Groupe industriel Marcel Dassault	2 358 194	4,40 %	4,41 %
Ballard Power Systems Inc.	5 200 000	9,71 %	9,72 %
Managers	362 000	0,68 %	0,68 %
Flottant	8 705 753	16,25 %	16,27%
Auto-détention	74 081	0,14%	
Total as at 31 dec 2022	**53 572 003**	**100 %**	**100 %**
Eurazeo Investment Manager	17 014 232	23,78 %	18,29 %
Mitsui & Co, Ltd	19 064 883	26,65 %	28,08 %
Société de Projets Industriels	9 047 929	12,65 %	15,60 %
Christophe Gurtner	2 187 873	3,06 %	4,35 %
Groupe industriel Marcel Dassault	2 004 465	2,80 %	4,31 %
Ballard Power Systems Inc.	5 200 000	7,27 %	11,18 %
Maxion	1 792 114	2,50 %	1,93 %
Managers	362 000	0,51 %	0,39 %
Flottant	14 771 947	20,65 %	15,88 %
Auto-détention	105 284	0,15 %	-
Total as at 31 dec 2023	**71 550 727**	**100 %**	**100 %**
Eurazeo Investment Manager	17 014 234	23,71 %	19,27 %
Mitsui & Co, Ltd	19 064 883	26,57 %	23,93 %
Société de Projets Industriels	9 047 929	12,61 %	16,43 %
Christophe Gurtner	2 187 873	3,05 %	4,58 %
Groupe industriel Marcel Dassault	2 004 465	2,79 %	4,54 %
Ballard Power Systems Inc.	5 200 000	7,25 %	11,78 %
Maxion	1 792 114	2,50 %	2,03 %
Managers	556 000	0,77 %	0,94 %
Flottant	14 575 108	20,32 %	16,51 %
Auto-détention	302 121	0,42 %	-
Total as of 31 dec 2024	**71 744 727**	**100 %**	**100 %**

7.3.6 Control structure

As of December 31, 2024, the majority of the Company's share capital and voting rights are held by the Eurazeo funds and Mitsui & Co. Ltd.

In this context, the Company has taken all necessary measures to ensure that control is not exercised improperly:

- of the thirteen members of the Board of Directors, seven directors (more than one third) are independent;
- one director is a representative of Bpifrance Investissement; and
- one director is a representative of Ballard Power Systems.

7.3.7 Agreements likely to result in a change of control

Given the Company's current stage of development and results, there are no plans to implement a dividend distribution policy.

7.3.8 Dividends

7.3.8.1 Dividend distribution policy

Given the Company's current stage of development and results, there are no plans to implement a dividend distribution policy. .

7.3.8.2 Dividends distributed over the last three financial years

Forsee Power SA did not distribute any dividends for the financial years ended December 31, 2022, 2023 and 2024.

8 ADDITIONAL INFORMATION

8.1 Persons responsible

8.1.1 Person responsible for the universal registration document and the annual financial report

Christophe Gurtner, Chairman and Chief Executive Officer of Forsee Power.

8.1.2 Declaration by the person responsible for the universal registration document and the annual financial report

"I certify that the information contained in this universal registration document is, to the best of my knowledge, true and accurate, and does not contain any omission likely to affect its scope or significance.

I certify, to my knowledge, that the financial statements have been prepared in accordance with the applicable set of accounting standards and give a true and fair view of the assets and liabilities, financial position and profit or loss of the Company and all the other companies included in the scope of consolidation, and that the elements of the management report included in the universal registration document, present a fair review of the development and performance of the business and financial position of the Company and all the other companies included in the scope of consolidation, together as well as a description of the main risks and uncertainties that they face."

Ivry-sur-Seine, April 25, 2025

Christophe Gurtner

Chairman and Chief Executive Officer of Forsee Power

8.1.3 Person responsible for the financial information

Christophe Gurtner

Président-Directeur Général de Forsee Power

1 boulevard Hippolyte Marquès, 94 200 Ivry-sur-Seine

8.2 Statutory auditors

8.2.1 Auditors

	Date of 1st appointment	Date of appointment/ renewal	Term of office	Expiry date
Deloitte & Associés Statutory auditor Member of the Compagnie régionale de Versailles et du Centre Represented by Mr. Thierry Queron Tour Majunga, 6 place de la Pyramide 92908 Paris-La Défense	30 06 2017	General shareholder's meeting 2023	6 financial years	General Shareholder's meeting 2029
BDO PARIS Satutory auditor Member of the Compagnie régionale de Paris Represented by Mister Arnaud Tonnet 43-47, avenue de la Grande Armée.	21 06 2024	/	6 financial years	General Shareholder's meeting 2030

8.2.2 Information on the statutory auditors that have resigned, were eliminated or whose mandate was not renewed

During the period covered by the historical financial information, there was no resignation of the statutory auditors. The mandate of M. Jean Lebit, statutory auditors of the Company, has not be renewed by the Shareholder's meeting of June 21st 2024.

8.2.3 Fees paid to statutory auditors

See paragraph 10.4 of the notes to the consolidated financial statements for the year ended December 31, 2023, in section 4.3 of this documentpla.

8.3 Historical financial information incorporated by reference

Pursuant to Article 19 of Regulation (EU) No. 2017/1129 of 14 June 2017, supplemented by Delegated Regulation (EU) 2019/980, this 2023 Universal Registration Document includes by reference:

- the consolidated financial statements for the financial year ended December 31, 2023, prepared in accordance with IFRS as adopted by the European Union, and the related statutory auditors' report presented in sections 4.3 and 4.4 respectively of the universal registration document approved by the French Financial Markets Authority (Autorité des marchés financiers - AMF) on April 30, 2024, under number R.23-016, as well as the information extracted from the 2022 Management Report in chapters 1, 2, 3, 5 and 7 of the 2022 Universal Registration Document;

- the consolidated financial statements for the financial year ended December 31, 2022, prepared in accordance with IFRS as adopted by the European Union, and the related statutory auditors' report presented in sections 4.3 and 4.4 respectively of the universal registration document approved by the French Financial Markets Authority (Autorité des marchés financiers - AMF) on April 25, 2022, under number R.22-027 as well as the information extracted from the 2021 Management Report in chapters 1, 2, 3, 5 and 7 of the 2021 Universal Registration Document;

- the parts not included in these documents are either not relevant to the investor or are covered elsewhere in the universal registration document.

8.4 Documents available for the public

The Company's press releases, annual documents including historical financial information about the Company filed with the AMF and updates are available on the Company's website at www.forseepower-finance.com, and a copy may be obtained at the Company's registered office, 1 boulevard Hippolyte Marquès, 94 200 Ivry-sur-Seine.

All information published and made public by the Company over the past twelve months in France is available on the Company's website at the address indicated above and on the AMF website at the following address: www.amf-france.org.

Finally, the Company's bylaws, as well as the minutes of shareholders' meetings, the auditors' reports and all other corporate documents may be consulted at the Company's registered office

8.5 Concordances tables

8.5.1 Table of concordance with the headings in Annex 1 and 2 to Delegated Regulation (EU) 2019/980

This table of concordance includes the main headings provided for in Annexes 1 and 2 of European Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 and refers to the paragraphs of this Universal Registration Document where the information relating to each of these headings is mentioned.

Required Items		**Chapters / Sections**
Section 1	**Responsible persons, information from third parties, expert reports and approval by the competent authority**	
1.1	Identity of the person responsible	8.1.1 and 8.1.3
1.2	Certification of the person in charge	8.1.2
1.3	Identity of the expert whose statement or report is included in the Universal Registration Document	NA
1.4	Third-Party Information Statement	NA
1.5	Declaration of the competent authority	AMF insert
Section 2	**Statutory auditors**	
2.1	Identity	8.2
2.2	Change	8.2.1 and 8.2.2
Section 3	**Risk factors**	**3**
Section 4	**Information about the issuer**	
4.1	Company name and trade name	7.1.1
4.2	Place and registration number, Legal Identity Identifier (LEI)	7.1.4 and 7.1.8
4.3	Incorporation date and lifespan	7.1.6
4.4	Registered office, legal form, applicable law, country of origin, address and telephone number of the registered office, website	7.1.2,7.1.3,7.1.5
Section 5	**Overview of activities**	
5.1	Main activities	1.3
5.1.1	Nature of the transactions carried out and main activities	1.3
5.1.2	Development of new products and/or services	1.3.2
5.2	Main markets	1.2 and 1.3
5.3	Important events in the development of the activities	1.1.1, 2.3.1, 4.3, note 2 4.3. Note 10.1
5.4	Strategies and objectives	1.1.2
5.5	Issuer's reliance on patents, licences, contracts and manufacturing processes	3.1.2, 3.1.5
5.6	Competitive position	1.2.4
5.7	Investments	2.11
5.7.1	Significant investments made	2.11.1
5.7.2	Major investments underway	2.11.2
5.7.3	Information on joint ventures and participations that may have a material influence on the valuation of assets and liabilities, financial condition or results	2.11.4
5.7.4	Environmental Issues That May Affect Tangible Capital Assets	2.14
Section 6	**Organizational Structure**	

6.1	Summary description of the Group	2.11.4
6.2	List of Significant Subsidiaries	2.11.4.2 and 4.3.6

Section 7	**Review of financial position and profit or loss**	
7.1	Financial situation	2.1, 2.3, 2.5 and 2.12
7.2	Operating income	2.3.2 and 2.12.2.2
Section 8	**Cash and capital**	
8.1	Capital Information	2.4 and 2.8
8.2	Sources and amounts of cash flows	2.7
8.3	Funding requirements and structure	2.4, 2.6 and 2.8
8.4	Restrictions on the use of capital	2.9
8.5	Expected sources of funding	2.10
Section 9	**Regulatory environment**	
9.1	Regulatory environment and external factors significantly influencing business	1.5
Section 10	**Trend Information**	1.1.2, 2.1.2 and 2.2
Section 11	**Profit forecasts or estimates**	2.2
Section 12	**Administrative, management and supervisory bodies and general management**	
12.1	Information on the members of the administrative and management bodies	6.1 and 6.2
12.2	Conflicts of interest	6.2.3
Section 13	**Compensation and benefits**	
13.1	Remuneration paid and benefits in kind	6.2.5
13.2	Provisions for pensions and retirement	6.2.5
Section 14	**Functioning of the administrative and management bodies**	
14.1	Expiry date of current terms	6.1
14.2	Service contracts between the members of the administrative and management bodies and the issuer or one of its subsidiaries	6.2.3
14.3	Board Committee Information	6.1 and 6.2
14.4	Statement of Compliance with Corporate Governance Regime Applicable to the Issuer	Chapter 6 - Table introductory
14.5	Potential Significant Impacts on Corporate Governance	N/A
Section 15	**Employees**	
15.1	Number of employees	1.3.1 and 5.3.1.6.
15.2	Shareholding and stock options of corporate officers	6.2.5.5
15.3	Agreement providing for employee participation in the capital	7.2.12
Section 16	**Main shareholders**	
16.1	Identification of the main shareholders	7.3.1
16.2	Voting rights	7.3.1
16.3	Control of the Company	7.3.1, 7.3.6
16.4	Agreement the implementation of which is likely to result in a change of control	7.3.7

Section 17	**Related Party Transactions**	
17.1	Details of related party transactions	Section 4.3, Notes 3.3.32 and 10.2
Section 18	**Financial information regarding the issuer's assets and liabilities, financial position and results**	
18.1	Historical Financial Information	
18.1.1	Audited historical financial information and audit report	Chapter 4
18.1.2	Change in accounting reference date	N/A
18.1.3	Accounting Standards	4.1 and 4.3
18.1.4	Change in accounting framework	N/A
18.1.5	Financial Statements	4.1
18.1.6	Consolidated Financial Statements	4.3
18.1.7	Date of last financial information	4.1 and 4.3
18.2	Interim financial and other information	N/A
18.2.1	Semi-annual or quarterly financial information and interim financial information	N/A
18.3	Audit of Historical Annual Financial Information	N/A
18.3.1	Audit Report on Historical Financial Information	4.2 and 4.4
18.3.2	Other information verified by statutory auditors	N/A
18.3.3	Financial information not derived from the issuer's audited financial statements	N/A
18.4	Pro forma financial information	N/A
18.5	Dividend Policy	7.3.8
18.6	Judicial and arbitration proceedings	2.13
18.7	Significant change in the issuer's financial position	2.11.6
Section 19	**Additional Information**	
19.1	Capital	7.2
19.2	Memorandum and Articles of Association	
19.2.1	Trade and Companies Register, corporate purpose	7.1
19.2.2	Rights, Privileges and Restrictions on Shares	7.1
19.2.3	Provisions that may delay, delay or prevent a change of control	N/A
Section 20	**Major contracts**	
20.1	Material Contracts of the Issuer or Group Member	1.3.4
Section 21	**Available documents**	
21.1	Statement on available documents	8.4

8.5.2 Table of Concordance to Annual Financial Report

In order to facilitate the reading of this universal registration document, the following table of concordance makes it possible to identify the information, provided for in Article L. 451-1-2 of the Monetary and Financial Code and Article 222-3 of the AMF General Regulation, which constitutes the annual financial report.

Required Items	Section
Group consolidated financial statements	4.3
Annual accounts	4.1
Management's Discussion and Analysis	Dedicated Table – 8.5.3
Corporate Governance Report	Dedicated Table – 8.5.4
Declaration of the Responsible Person	8.1.2
Statutory auditors' certification report on the consolidated financial statements	4.4
Statutory auditors' certification report on the annual financial statements	4.2
Statutory auditors' fees	8.2.3