

**+FORSEE
POWER**

ANNUAL REPORT

Including the 2025 Annual Financial Report

2025

This is a free translation of the original document in French “Rapport annuel 2025”.

FORSEE POWER

A public limited company with a board of directors and a share capital of 7,174,472.70 euros
Registered office: 1 boulevard Hippolyte Marques, 94200 Ivry-sur-Seine, France

TABLE OF CONTENTS

1. COMMENTS ON OPERATIONS	4
2. FINANCIAL STATEMENTS AND AUDITORS' REPORT	57
3. CORPORATE GOVERNANCE REPORT	204
4. SUSTAINABILITY REPORT	228
5. CAPITAL AND SHAREHOLDERS	257

A detailed summary of the chapters is provided at the beginning of each chapter.

This information forms an integral part of the Annual Financial Report, as required by Article L. 451-1-2 of the Monetary and Financial Code.

1.

COMMENTS ON OPERATIONS

1. COMMENTS ON OPERATIONS

1.1	Group Overview	6
1.2	Description of the Group's Target Markets	11
1.3	Description of the Group's Activities	15
1.4	Research and Development Activities	18
1.5	Overview of Operations for the Fiscal Year.....	20
1.6	Analysis of Operations and Results	23
1.7	Outlook	28
1.8	Other Information	31
1.9	Risks and uncertainties.....	35

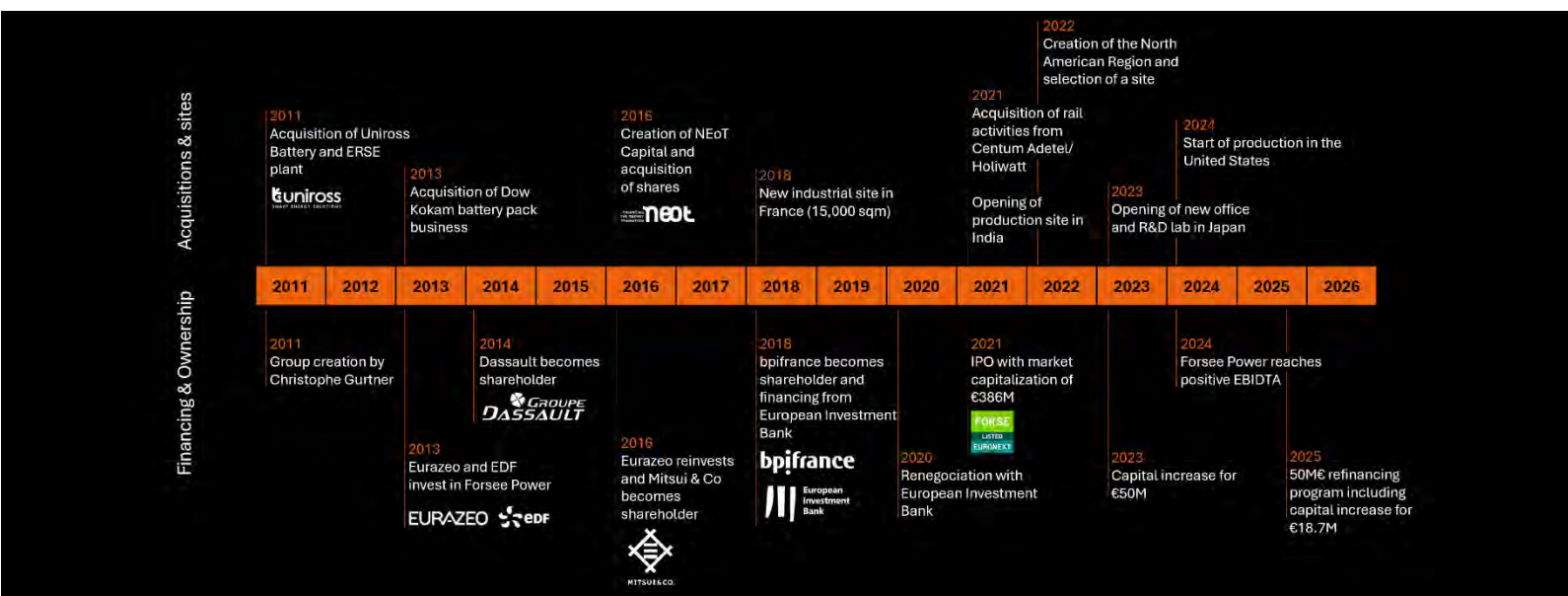
1. COMMENTS ON OPERATIONS

1.1. Group Overview

1.1.1. History and development of the Group

Forsee Power designs and manufactures smart battery systems for electric commercial and industrial vehicles. These systems are developed using electrochemical cells and then integrated into vehicles for an initial service life of approximately ten years. From the outset, the Group has developed battery systems with the goal of enabling them to be repurposed in the future for stationary energy storage as grid backup or in conjunction with renewable energy generation such as solar panels. The Company also supports its customers in end-of-life management and the recovery of components, such as electrochemical cells or steel, in partnership with players in the recycling industry.

Building on this experience, the Group believes that the solutions it offers are among the most effective in the segments in which it operates.



1.1.2. Strategy

1.1.2.1. Global manufacturing capabilities close to customers

The Company intends to leverage the scalability of its current production sites to expand 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 serve the rapidly growing commercial vehicle market, primarily buses, trucks, trains, and *off-highway* vehicles. Such an expansion is not only a means of optimizing costs and the supply chain, but also a requirement for certain key markets, such as the transit bus market, which mandates a local presence to comply with the *FAST Act* (70% of the value must be produced locally for public procurement contracts). The site has been fully operational since the second quarter of 2024 for mass production.

1.1.2.2. Expanding presence in current markets and growing into the most dynamic new sectors

The Group has chosen to target very specific market segments where the battery system offers significant added value combined with attractive volumes. High-volume markets (automotive) are not a focus of the Group's business

development efforts, as they are characterized by low margins and in-house production of components. The Group's business strategy is therefore to strengthen its presence in its current markets, where it has established a leading position, and to gradually develop emerging markets in parallel, as these represent powerful growth drivers.

Commercial vehicles: buses, trucks, and specialty 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, enabling them to be more competitive and win new markets;
- expanding its customer base in its current markets;
- diversifying, thanks to advancements in its technologies—particularly in terms of energy density and flexibility—the types of vehicles it equips (intercity buses, trucks, specialty vehicles);
- developing new markets, particularly in the Asia-Pacific region and in North and South America, by leveraging the Company's experience and credibility in Europe and the localization of its production facilities.

Off-highway vehicles

The off-highway market benefits from 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 permissible levels of fine particulate emissions, particularly nitrogen dioxide. To best serve this market, the Company has developed a dedicated and highly modular product range.

The Company has approximately 20 customers in this sector and will be able to leverage its existing industrial footprint 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 rail sector (which requires very stringent standards and technical requirements), the Company intends to capitalize on the experience it has gained by supporting its current customers through their development and mass-production launch phases, and to develop new high-value-added products. To this end, in July 2021, Forsee Power acquired the assets related to the standalone components business unit of Holiwatt, enabling it to integrate over 20 years of expertise in the rail sector and a portfolio of energy storage systems, power converters, and auxiliary converters (CVS).

Light Vehicles

In the light vehicle sector, the Group benefits from a portfolio of international clients such as Piaggio, Peugeot Motorcycles, and Kawasaki. For this segment, the Group's strategy is to strengthen its position with existing two-wheeler clients and win new clients in India by focusing its efforts on three- and four-wheelers. The Group has also expanded the scope of its light vehicle segment by acquiring customers in the light, urban, and utility four-wheeler markets, such as Toyota and Westward.

1.1.2.3. Expanding the service offering

As a designer and manufacturer of high-value-added systems, the Group now derives nearly all of its revenue from system sales. In addition to system sales, the Company also supports its customers during the vehicle design phase: technology selection (sizing models, aging models, TCO models, etc.), battery system integration (mechanical studies, BMS interfacing), and on-site support during the prototype development phase.

With mass production underway, the Company has an international after-sales organization and also offers preventive and corrective maintenance services using remote diagnostic tools (Diagtool, Wombat), 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 cover not only the battery but also the vehicles and the complete charging infrastructure, through NeoT Capital, in which Forsee Power is a shareholder.

In this way, the Company is expanding its service offering to support its customers throughout the entire lifecycle of their vehicles, and it intends to further enhance this service offering, which serves as a sales enabler and fosters customer loyalty.

1.1.2.4. Diversifying the customer portfolio

Through its growth and the expansion of its service offerings, the Group aims to strengthen the long-term relationships it has built with its clients while expanding its customer base to include new business prospects. The Company's capacity for innovation enables it to continually develop solutions tailored to its clients' evolving needs.

Thus, the current portfolio, centered on 10 clients who together account for approximately 86% of revenue in 2025 (compared to 90% in 2024), is intended to diversify further toward new clients as the Group expands into new business sectors. By 2030, the company expects approximately 62% of revenue to come from its 10 largest current clients.

1.1.2.5. Strengthening its technological lead and battery performance

Technological progress is one of the key drivers of growth in the Group's markets. The Group stands out for its ability to provide battery system solutions tailored to each customer's needs, whether in terms of range, operating time, emissions, noise and vibration levels, or competitive total cost of ownership (TCO). The Group's ambition is therefore to continuously improve the performance of its battery systems in order to support the growth in the number of customers and equipped vehicles.

Promoting 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 allow the same platforms for modules, BMS, cooling, etc., to be adapted into different formats, notably through its SLIM and PLUS ranges.

The Company is therefore developing several battery formats that can be installed in different orientations (horizontal or vertical) and/or flexibly combined with one another to simplify and optimize installation for its customers. This approach aims to optimize the use of available space, meeting the diverse needs of customers with vehicle fleets

featuring varying installation spaces.

Increasing Energy Density

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

By selecting the cells it considers most suitable for each system and developing the most efficient (new materials) and highest-density integration technologies—without compromising on lifespan or safety—the Company aims to continue reducing the weight and volume of battery systems in order to meet the strict weight constraints faced by the Group’s customers.

Efficiency (cost per kWh)

The Group’s vehicle-manufacturing customers operate in highly competitive markets and must ensure the best TCO for their customers. The Company designs its products with cost-efficiency in mind to achieve the most competitive prices, relying primarily on:

- a geographic presence aligned with its customers’ locations,
- standardized products that facilitate their manufacture and integration into its customers’ industrial processes,
- the sharing of internal components and subassemblies across its products to achieve economies of scale in procurement and productivity gains in development, as seen in the ZEN SLIM, ZEN LITE, and ZEN PLUS product lines.

Development of standardized product platforms incorporating artificial intelligence

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

This strategy also optimizes their cross-functional use across different products and accelerates the acquisition of new customers and projects without increasing development efforts by offering its standard product lines: LIFE, GO, ZEN, FLEX, and PULSE.

At the heart of this platform, the Company integrates the intelligence and expertise accumulated by its engineering teams.

1.1.3. The Group's competitive advantages

1.1.3.1. Local support to boost the momentum of the electric vehicle market

The Group benefits from production capacity spread across three global regions: Europe (France and Poland), Asia (China and India), and North America (Ohio, U.S.), strategically located to support the rise of global electromobility. The location of production capacity is determined based on customer locations, leveraging a local supply chain that reduces the carbon footprint associated with both the transportation of supplies and deliveries to customers.

Since its inception, the Group has sought to establish an industrial network enabling it to meet the needs of its international customers and to locate production as close as possible to the markets.

1.1.3.2. Industrial and commercial capabilities to seize growth opportunities

The Group's factories are designed to scale production capacity and support the growth in customer demand. Production lines are designed by the Group's industrialization engineers in collaboration with R&D engineers who develop battery systems from start to finish and thus fully understand the constraints associated with producing these systems and their components.

On the one hand, the current design of the plants allows for a gradual increase in capacity (roughly doubling) through the addition of extra assembly lines, either by simply duplicating existing lines or by installing new ones.

On the other hand, production teams are organized to operate in three shifts, enabling the Group's plants to run 24 hours a day to accommodate potential fluctuations in demand.

Next, capacity expansion will be achieved through the expansion of the Group's existing sites and the establishment of new facilities. It should be noted that the Group has extensive experience in setting up production facilities.

1.2. Description of the Group's Target Markets



1.2.1. Market Structure

Light Vehicles (Urban and Utility)

The light vehicle sector is experiencing rapid electrification, affecting various categories such as scooters, 3-wheelers, and, more recently, light urban or utility 4-wheelers. These markets are strongly supported by public policies aimed at developing alternative modes of transportation in cities (subsidies, traffic and parking incentives). Driving pleasure and the convergence of TCOs are also contributing to this growth. Unlike the passenger car market, the light vehicle market has not opted for a strategy of vertical integration in battery system manufacturing due to the small size and variability of these systems from one vehicle to another.

Light 4-wheelers

The market for light 4-wheelers is growing in Europe and North America, with three key applications: micro-vehicles for passenger transport; light utility vehicles, autonomous or not, for municipal services in urban areas or for off-road applications; and recreational vehicles (go-karts, snowmobiles, jet skis, and various small sports vehicles).

3-wheelers

Asia is currently the largest market for lithium-ion battery-powered 3-wheelers, with a weighted annual growth rate of 22% between 2025 and 2030, led by India¹. The Group's facilities in Asia (China and India) are a major competitive advantage compared to other European competitors, particularly in India, where local production is mandatory to qualify for the Indian government's electrification incentive programs. In terms of product, the mechanical constraints inherent to two-wheelers still make it difficult to offer a standard product common to multiple manufacturers. Nevertheless, market players are working to establish standards. Conversely, the 3-wheeler market (particularly in India) offers more opportunities for product standardization, economies of scale, and faster time-to-market for batteries manufactured

¹ Source: IDTech 2025

in smaller volumes but with higher energy capacity (4–10 kWh per vehicle). The Group’s GO line meets this need.

Heavy-duty vehicles

Buses

The commercial vehicle market, and in particular the urban bus market, is experiencing significant growth momentum and is expected to be the second-largest market for lithium-ion batteries by 2030, after the passenger car market. Growth in the bus market is driven by national and local regulations that encourage municipalities to rapidly transition their fleets, as well as by the TCO, which is highly competitive with internal combustion engines. The bus market (excluding China) is projected to grow at an average annual growth rate (CAGR) of 21% over the 2025–2030 period².

The two main drivers of this market are:

- technical advances (energy density) that increase range, thereby gradually expanding the market size accessible to all-electric technologies and extending it to intercity buses;
- electrification plans of major cities and public operators, which complement and reinforce national policies.

The dominant traction technology in the European market is all-electric with overnight charging at the depot, which requires high-capacity batteries with high energy density. Due to their regular routes, city buses benefit from highly predictable energy consumption and optimal battery usage. Alongside traditional city buses, the autonomous shuttle sector is also developing. Due to regulatory and social barriers to autonomous vehicle operation, the growth potential of this market segment remains to be seen. Nevertheless, all these vehicles adopt electric propulsion technologies that are better suited to the integration of autonomous driving technologies.

“Off-Highway”

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 public roads (e.g., excavators, graders, bulldozers, loaders, mining dump trucks, telehandlers, sprayers, farm tractors, mowing tractors, etc.). This market (excluding agricultural vehicles) is expected to experience a period of strong growth, rising from a market value of €0.94 billion in 2025 to €2.95 billion in 2030, representing a weighted annual growth rate of 26% over the period³

The growth drivers for this market are as varied as the applications themselves and include, in particular:

- a “zero-emission” policy and noise reduction in cities, which impact the propulsion systems of construction equipment and public park maintenance equipment;
- the costs (installation and maintenance) of ventilation systems in underground mines to protect worker health, as well as fuel transportation costs, coupled with a desire among mining companies to improve their environmental image under pressure from ESG policies;
- regulations on engine emissions in agricultural vehicles, making investment in hybridization profitable.

² Source: IDTech 2025

³ Source: IDTech 2025

Furthermore, the automation of agricultural vehicles, aimed at increasing equipment productivity, requires the electrification of the traction system and controls.

As a result, most operators of *off-highway* vehicles (public works, mining, and agriculture) have established 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 adding electric, hybrid, or hydrogen versions of their vehicles to their catalogs. These applications require a high degree of modularity to adapt to the various mechanical configurations of the equipment, the different voltage levels (48V for small machines, 800V for larger ones), energy (from a few kWh up to several hundred kWh), and power depending on charging modes (one charge per day or multiple fast charges) or propulsion modes (100% electric, hybrid, *fuel cell*).

Rail

Among the various modes of heavy transport, the rail market is also beginning to electrify its propulsion systems. This trend affects both passenger transport (trams, regional trains) and freight transport. In fact, the rail market is expected to record an average annual growth rate (CAGR) of 28% over the 2025–2030 period, with the market growing from €0.2 billion in 2025 to €0.7 billion in 2030⁴.

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

The rail market is also moving toward all-electric systems powered solely by batteries, particularly for passenger transport services operating on regular schedules, such as ferries and regional trains. Eliminating diesel engines, where possible, helps avoid the very high maintenance costs associated with these propulsion systems. Due to the weight of these vehicles, the required propulsion power and energy consumption are very high in these applications; consequently, the sizing of the battery and charging system is critical, potentially justifying the implementation of fast-charging systems.

Finally, due to the very high energy consumption and issues related to integration and energy density, the rail industry is also moving toward powering its traction systems using fuel cells coupled with a battery to smooth out power peaks. Given the very long service life of these vehicles (30 to 40 years), authorities are also encouraging this electrification for both new vehicles and the existing fleet during major maintenance operations, to achieve a more effective environmental impact. This imposes greater challenges regarding the integration of hybrid and battery systems, while opening significant market potential. All these developments are driving growing demand for railway traction batteries. The stringent technical and safety requirements, combined with the long service life of these vehicles, are driving the adoption of high-value-added technologies equipped with advanced safety systems and a long lifespan.

1.2.2. Competitive Environment

The Group considers itself the leading non-Chinese player in the bus sector in terms of the number of customer references. In the electric bus market (100% battery-powered (*Battery Electric Vehicle*) and fuel cell-powered (*Fuel*

⁴ Source: IDTech 2025

Cell Electric Vehicle)), the Group counts, as of the date of this document, thirteen manufacturers among its references, including Wrightbus, Custom Denning, Bozankaya, Otaokar, and MCV.

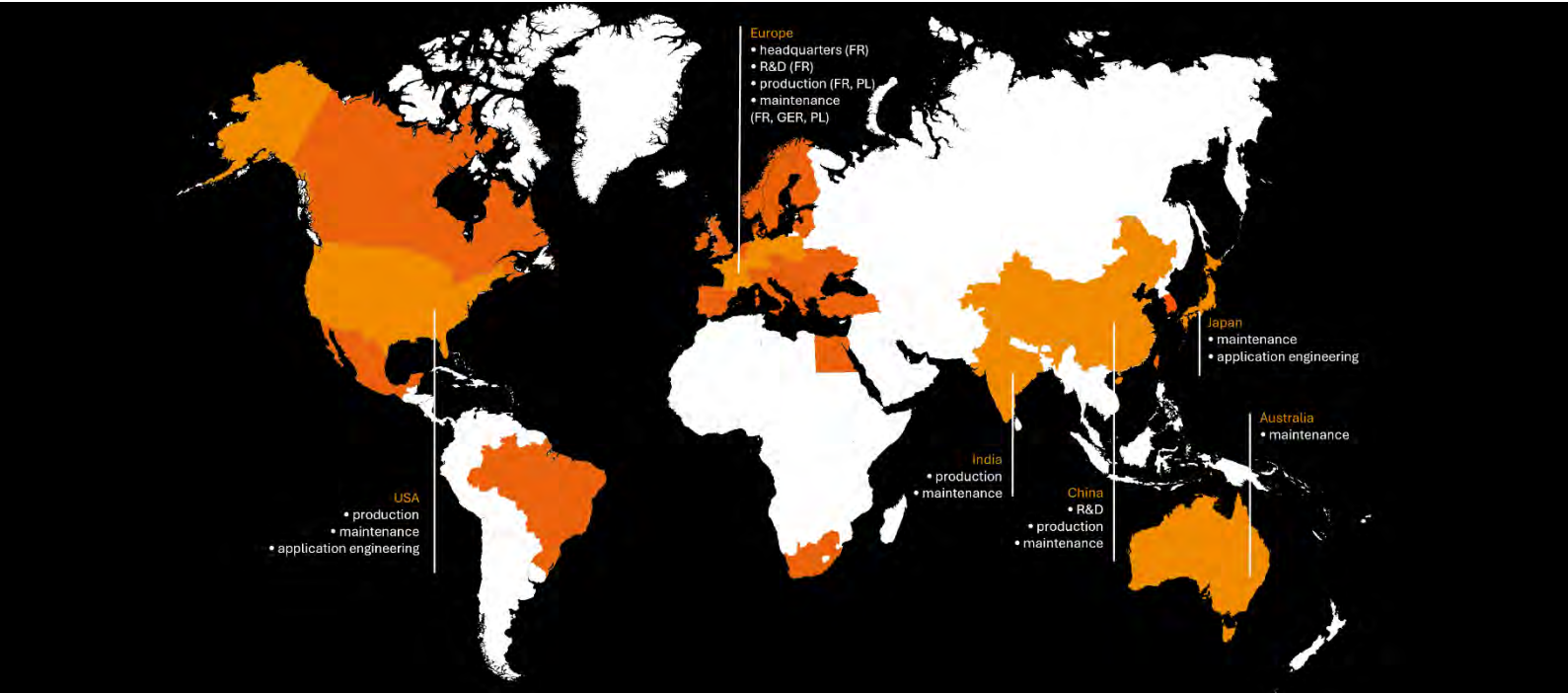
The Group is also positioning itself as a leading supplier in the emerging market for *off-highway* vehicles (agriculture, construction, mining) and, as of the date of this document, has approximately twenty clients in this market segment, including Kubota, one of Japan's leading manufacturers of off-highway vehicles, as well as Mathieu Groupe Fayat, Iseki, and Vensys.

Forsee Power has chosen not to enter mass markets where it believes there is a risk of manufacturers bringing production in-house for players targeting high-volume markets such as those for cars and trucks. Forsee Power has identified the following non-exhaustive list of its potential competitors:

- BorgWarner (Akasol), Hoppecke, and BMZ (Germany), Impact Clean Power Technology (Poland), Flash (Italy), Leclanché (Switzerland), and Saft (France) in Europe;
- CATL, Greenway, and Sunwoda in China;
- American Battery Solutions (Komatsu), Cummins, Microvast (originally from China), and Proterra (Volvo) in the United States .

1.3. Description of the Group's Activities

1.3.1. Activities and Key Figures



2011

START OF
OPERATIONS

5

PRODUCTION AND
MAINTENANCE
FACILITIES

3

R&D CENTERS

561

EMPLOYEES

The Group has historically distinguished between two business segments: *Light Vehicles (LV)* and *Heavy Vehicles (HV)*. These business segments accounted for 11.8% and 88.2%, respectively, of the Group's business for the fiscal year ended December 31, 2025. They are distributed across five geographic regions. The breakdown of revenue by segment and by geographic region is presented below in paragraph 1.6.2 "Operating Results" as well as in paragraph 6 of the notes to the Group's consolidated financial statements.

The Group has five 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 footprint, designed to meet the needs of its customers worldwide, enables the Group to locate its battery production as close as possible to its customers' assembly plants, significantly reducing the carbon footprint associated with transportation and minimizing costs and delivery times. The production sites also provide battery maintenance services, in addition to remote diagnostic tools.

1.3.2. Technologies and Products

1.3.2.1. Technologies

A lithium-ion battery is based on an electrochemical storage device that uses lithium in its ionic form, with various technologies on the market utilizing different compounds. Thus, in electric vehicles, several families of electrochemical systems may 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 to optimally meet the needs of each application it addresses. The battery modules consist of cells sourced from renowned suppliers (notably Toshiba, LG, and Panasonic) for their quality, performance, and safety standards. The battery also contains a Battery *Management System* (BMS), which ensures safety, optimizes lifespan, and enables communication with the host system. The entire assembly is integrated into a mechanical structure that provides protection and interfaces with the vehicle. These high-quality batteries are developed in accordance with safety system standards, such as IEC 61508

1.3.2.2. Products



Battery systems for heavy-duty vehicles

100% battery-powered vehicles

- Overnight/at the depot charging: This application requires high-energy batteries. Charging time ranges from 3 to 6 hours.
- End-of-line charging: This application requires high-energy, high-power batteries. Charging takes approximately 15 minutes.
- Fast charging: This application requires high-power batteries. Charging takes place for a few minutes at certain stops.
- Ultra-fast charging: This application requires very high-power batteries. Charging takes place for a few seconds at every stop (or nearly so).

Hydrogen-powered vehicles

Hydrogen-powered vehicles require a power battery system to operate in conjunction with the fuel cell. In buses, the fuel cell—powered by the vehicle’s hydrogen tanks—generates electricity that powers the electric motor. Hydrogen is the primary energy source, while the batteries, charged by electricity from the fuel cell, provide supplemental power during sudden load variations, allowing the vehicle to run on the battery, the fuel cell, or both to deliver more power.

Diesel/battery hybrid vehicles

To meet manufacturers' integration needs, the Group offers batteries that can be mounted on the roof or at the rear of vehicles. The various types of batteries offered by the Group are described below.

Battery systems for light-duty vehicles

In this sector, batteries are overwhelmingly used in a single-use traction mode. The batteries are primarily removable for electric bicycles and scooters, and are recharged using an external charger connected to the power grid. These batteries must be lightweight yet energy-dense, utilizing NMC lithium-ion technology, which enables battery swapping to ensure a fully charged battery is always available and to maximize vehicle usage throughout the day. As a result, it is not uncommon for users to own more than one battery per vehicle. For light three- and four-wheelers requiring between 5 and 10 kWh of energy, the batteries are recharged via an onboard power converter connected to the electrical grid. Weight remains a key factor for this type of battery.

The Group offers a wide range (GO, ZEN SLIM) and possesses strong expertise in developing custom batteries to meet the needs of these markets.

1.3.2.3. Service Offering

To accelerate the transition to electromobility for its customers and their products, the Company has developed a suite of services to support them at every stage of this transition. These services are designed to enable everyone to meet the specific challenges of this shift by covering every stage of a product's life cycle, from design through to recycling.



System Design: As one of the first companies to develop electric mobility solutions across a wide range of sectors, the Forsee Power teams have accumulated extensive experience covering batteries, the associated vehicles, and their charging infrastructure.

Financing: To accelerate the transition to electric fleets (buses or other vehicles), Forsee Power created NEoT Capital (a joint venture with EDF and Mitsui) to finance installations through battery, vehicle, and infrastructure leasing. These financing solutions are based on the following principle:

- equipment suppliers (batteries, vehicles, infrastructure) sell the equipment to the financier (rather than to the end customer, as in a “straight sale”);
- The financier makes this equipment (or “assets”) available to the end customer (transport operator) in exchange for a lease payment; and
- the lease agreement 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- e solutions.

From Prototype to Mass Production: Beyond defining the solution, Forsee Power supports its customers in integrating battery systems into vehicles by providing technical assistance and/or remote battery support through its data

management services.

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

- remote maintenance provided by a dedicated tool (Diagtool) for its systems, enabling remote monitoring of the battery fleet developed by the Group's teams for both preventive and corrective maintenance. It is designed for battery systems in heavy-duty vehicles and is widely used for managing bus fleets;
- training and certification for maintenance and engineering staff through its Forsee Power Academy;
- preventive and corrective maintenance services using remote diagnostic tools, "flying doctors," a network of local partners, and a Forsee Power hotline;
- remote monitoring of battery and vehicle fleets via digital solutions;
- structuring and financing services ranging from batteries to complete infrastructure through its subsidiary NeoT and an extensive network of banks and investors, including certain pre-negotiated financing agreements.

Second Life and Recycling: The Group develops its batteries with a circular economy approach in mind, ensuring that their mechanical and electrical design facilitates their integration into containers. They can thus be repurposed for a second life in a vehicle with less demanding requirements or even integrated into stationary storage applications designed to optimize a grid or establish an autonomous storage system coupled with renewable energy production, such as solar panels or wind turbines. Second-life batteries could extend the economic value of the battery and serve as an additional revenue stream for the Group in the future. It has thus carried out several second-life pilot projects to anticipate the return on investment after a few years of operation and now has larger-scale projects underway with partners such as Connected Energy (UK).

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 affiliated laboratory in Japan. The Group's R&D teams consist of approximately 100 engineers and technicians who possess the full range of knowledge and expertise required for innovation, design, development, and production launch, as well as for monitoring and maintaining products and systems in service.

The Group's R&D teams possess a broad range of multidisciplinary expertise, including:

- electrochemistry, including materials physics and physicochemical kinetics: advanced analysis of aging phenomena throughout the entire life cycle (storage, recycling, etc.);
- system functional analysis and overall electrical sizing;
- thermomechanical design (cells, modules, packs, vehicle systems);
- wiring systems (power and control);
- cooling systems;
- analog and digital electronics 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 (embedded software, diagnostic software, maintenance software, test software).

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

- overall sizing and preliminary architectural analyses;
- functional and behavioral modeling, and advanced simulations tailored to the mission profile specific to each application or target sector;
- systems engineering following a structured approach: specifications, architecture (functional/logical and physical), performance, safety-of-operation, safety, and reliability analyses;
- strategies and execution of integration, verification, qualification, validation, and certification testing;
- the development of thermomechanical subassemblies and wiring harnesses;
- the development of power electronics products and modules;
- digital and analog electronics development;
- embedded software development compliant with applicable standards, implementing advanced control and regulation algorithms to maximize system performance and lifespan.

Since the Group's products and systems are overwhelmingly installed in vehicles with a service life exceeding 10 or 12 years in most cases, the Group's engineers are committed to designing robust solutions that meet various requirements. Furthermore, R&D activities aim to optimize the performance and value of products and systems with a view to a second life, while ensuring the recyclability of the materials and components used, which enables the Group's batteries to be as competitive as possible compared to those offered by its competitors, particularly in the innovative and constantly evolving environment in which it operates.

The R&D processes, methods, and tools implemented are designed to address both the need for cross-functionality and generic applicability across the Group's portfolio of products, systems, and solutions, while taking into account the specific characteristics of each product line.

The R&D cycles include:

- a study or concept exploration phase, primarily from a scientific and technological perspective, which may involve external collaborations;
- a functional prototyping phase aimed at demonstrating technical feasibility (key functionalities and performance), as well as establishing an initial technical and economic framework;
- iterative prototyping phases, leading up to product-process validation prior to preparation for mass production.

In addition, the Group is moving toward the implementation of agile development principles and methods to better address evolving requirements during the development phases and to promote greater efficiency and autonomy among cross-functional project teams.

Certain products and technologies, particularly in the railway sector, are protected by patents that have been filed. As of the date of this document, the Group holds 21 filed patents (including 9 in force), the majority of which have been granted or filed in multiple countries.

R&D expenses for fiscal year 2025 totaled 15,147 thousand euros, of which 9,373 thousand euros were capitalized and

5,774 thousand euros were not capitalized, compared to 20,830 thousand euros in 2024, of which €11,273 thousand was capitalized and €9,532 thousand was not capitalized (see Notes 3.1.2(b), 3.3.3, and 7.2 to the Group's consolidated financial statements).

1.5. Overview of Operations for the Fiscal Year

The following information regarding Forsee Power's financial position and results should be read in conjunction with the Group's consolidated financial statements as of December 31, 2025, included in this document.

Forsee Power's annual consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("EU-IFRS"), have been audited by the Company's statutory auditors, and are presented in full in Chapter 2 of this document.

The figures shown in thousands of euros in the tables and analyses in this section have been rounded. Consequently, the totals do not necessarily correspond to the sum of the separately rounded figures. Similarly, the sum of the percentages, calculated from rounded figures, may not equal 100%.

Given the nature of its business and its geographic footprint, the Group's results are affected by fluctuations in exchange rates. For an analysis of the Group's exposure to foreign exchange risk, refer to paragraph 1.9.3 "External Environment" of this document.

1.5.1. Key Figures

In thousands of euros	Fiscal Year 2025	Fiscal Year 2024	Var	Var (in %)
Revenue	120,456	151,766	- 31,310	- 21%
<i>Of which Heavy Vehicles (HeV)</i>	106,194	135,523	-29,329	-22%
<i>Of which Light Vehicles and Industrial Tech (LeV & Ind Tech)</i>	14,262	16,243	- 1,981	- 12%
EBITDA	(3,131)	750	- 3,881	- 517%
EBITDA margin	-2.6%	0.5%		
Recurring operating income^(b)	(18,345)	(10,832)	- 7,513	- 69%
Operating income^(b)	(21,700)	(12,534)	- 7,474	- 60%
Financial income^(b)	(6,912)	1,794	- 8,405	- 468%
Consolidated net income^(b)	(28,022)	(12,074)	- 15,948	-132%

a) The EBITDA metric is defined and detailed in Section 1.5.2 of this document.

b) These items are analyzed in section 1.6.2 of this document.

In fiscal year 2025, Forsee Power recorded a decline in its business amid a more challenging market environment, with consolidated revenue of €120,456 thousand, down 21%. This decrease is primarily due to the decline in the heavy-duty vehicle segment, which fell by 22% as a result of the phased-out contract with two of the company's major customers, as well as the 12% decline in the light-duty vehicle segment.

There are now more than 5,300 buses and more than 150,000 light vehicles worldwide equipped with Forsee Power batteries. The Group's EBITDA stood at (3,131) thousand euros in 2025, compared to 750 thousand euros in 2024, representing a decrease of 3,881 thousand euros. In this context, the EBITDA margin fell from +0.5% in 2024 to (2.6)%

in 2025. This deterioration is primarily due to the decline in revenue, which is partially offset by (i) an improvement in the gross margin linked to lower raw material costs in the first half of the fiscal year, and (ii) a reduction in operating costs, particularly labor costs, following workforce reductions at the French and Chinese production sites.

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

The ability to retain existing customers

Existing customers accounted for 95% of the Group's consolidated revenue as of December 31, 2025, and 95% as of December 31, 2024.

A significant portion of the Group's revenue was generated from a limited number of strategic customers. The top ten customers accounted for 86% of the Group's revenue as of December 31, 2025, and 90% as of December 31, 2024. The customer with whom the Group generated the highest revenue for the fiscal year ended December 31, 2025, accounts for 46% of the Group's consolidated revenue, and the second-largest customer accounts for 15%. The customer with whom the Group generated the highest revenue for the fiscal year ended December 31, 2024, accounts for 51% of the Group's consolidated revenue, and the second-largest customer accounts for 21%.

Because the level of business the company conducts with its key customers is significant, any change in its relationships with these entities therefore affects the Group's financial position, results, and prospects.

The Group's success depends on customer loyalty and the integration of its batteries into their product lines. As these lines expand, the Group aims to become their primary supplier. This requires continuously offering batteries with higher performance and longer range.

The ability to attract new customers

New customers accounted for 5% of the Group's consolidated revenue as of December 31, 2025, and 5% as of December 31, 2024. The Group's success and its ability to increase its revenue and subsequently become profitable depend in part on its ability to identify target customers, attract new customers through its strategy, and convert these leads into significant orders or develop its relationships with existing customers. Thus, based on its current estimated order backlog, the Group anticipates a gradual diversification of its customer base.

Changes in the Order Backlog

As of December 31, 2025, orders totaling 24,696 thousand euros had been contracted, compared to 66,319 thousand euros as of December 31, 2024. This trend reflects a sharp slowdown in the market and a significant reduction in visibility regarding firm orders from all customers in the short term, though it does not necessarily signal a major shift in the medium- and long-term outlook.

Changes in exchange rates

Fluctuations in exchange rates may affect the euro value of the Group's revenue, expenses, and results. Please refer

to section 1.9.3, “External Environment,” and note 3.3.20 of the notes to the consolidated financial statements.

Acquisitions

The Group was formed following several acquisitions: the businesses of Uniross Batteries (formerly Alcatel Saft) in 2011, Ersé in 2012, and Dow Kokam France (formerly Société de Véhicules Electriques – SVE) in 2013; In July 2021, Forsee Power acquired the assets of Holiwatt (formerly Centum Adetel Transportation), enabling it to incorporate over 20 years of expertise in the rail sector and a portfolio of energy storage systems, power converters, and auxiliary converters (CVS).

The Group may once again pursue external growth opportunities or equity partnerships to strengthen its strategic position, particularly through commercial synergies or the optimization of its industrial and R&D capabilities. The expected value creation from these transactions depends on their successful integration and execution within the planned timeframe; otherwise, they could weigh on the Group’s performance and outlook.

Provisions

Provisions (and any reversals thereof) have impacted and are expected to continue to structurally impact the Group’s results (see Note 7.11 to the consolidated financial statements).

Price trends and control of overhead costs

If the Group were unable to pass on increases in purchase prices to its selling prices while controlling its expense plan and fixed costs, these price changes could have a negative impact on its profitability. For further details, the reader is referred to paragraph 1.9.3 of this document

1.5.2. Key performance indicators

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

Definition of EBITDA

The Group considers EBITDA, a non-GAAP measure, to be a performance metric. This measure does not have a standardized definition. Consequently, the definition used by the Group may not correspond to the definitions given to this term by other companies. This measure should not be used in exclusion of, or as a substitute for, IFRS measures.

In 2023, the Group modified the definition of EBITDA by restating the provision for recycling (which has no cash impact) from recurring operating income. Consequently, EBITDA now corresponds to recurring operating income, restated to exclude:

- amortization and impairment of intangible assets, and depreciation of property, plant, and equipment;
- depreciation and impairment of property, plant, and equipment, and net inventory and receivables impairment;

- the cost of share-based payments and related employer contributions;
- the provision for battery recycling, in accordance with the Group's revised definition of EBITDA.

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

In thousands of euros	Fiscal Year 2025	Fiscal Year 2024
Recurring operating income	(18,345)	(10,832)
- Amortization and impairment of intangible assets	(6,053)	(2,580)
- Amortization of right-of-use assets	(2,728)	(2,551)
- Depreciation and impairment of property, plant, and equipment	(4,655)	(3,887)
- Net write-downs on inventory and accounts receivable	(1,561)	(3,478)
- Share-based payment expense	(113)	(555)
- Employer contributions on equity-based payments	0	0
- Provision for battery recycling ^(a)	(101)	1,470
EBITDA	(3,131)	750

a) The provision for battery recycling is an expense of (101) thousand euros in 2025, following a positive reversal of +1,470 thousand euros in 2024 due to the downward revision of recycling costs per ton of batteries sent to Forsee Power's recycling facility.

1.5.3. Segment Reporting

The Group presents its segment information based on the financial information reported to Group management in its internal reporting. The Group's reporting comprises two business segments:

- *Heavy Vehicles (HeV)*, which encompasses the market for solutions tailored to electric or hybrid vehicles across various modes of transportation (buses, commercial and "last-mile" vehicles, trams, trains, trucks, and marine vessels) and stationary storage (residential, commercial, and industrial).
- *Light Vehicles and Industrial Tech (LeV & Ind Tech)*, encompassing the market for light electric mobility as well as other electric applications (electric scooters, light 2- to 4-wheeled vehicles, medical equipment, connected devices, home automation, robotics, and professional tools).

These business segments are broken down by geographic region: France, Europe (excluding France), Asia, the United States, and the rest of the world. Revenue by geographic region is determined based on the location of customers. This breakdown is subject to change depending on market developments and the Group's strategic priorities.

1.6. Analysis of Operations and Results

1.6.1. Highlights

1.6.1.1. Launch of new product lines

Forsee Power has launched a new PULSE PLUS battery range, a new high-power battery system for heavy-duty vehicles.

Forsee Power has launched a new GO 6 power battery, an LFP solution designed to meet the growing demands of compact agricultural, industrial, and construction machinery, as well as light four-wheeled electric vehicles.

1.6.1.2. Business Development

During 2025, the Group signed several contracts and partnerships, including:

- Innovation Rail Technologies (IRT) selected the FORSEE ZEN PLUS battery system to retrofit locomotives in the United States;
- Turkish manufacturer Bozankaya selected the FORSEE PULSE 15 high-power battery system to power Prague's trolleybuses, for which it recently won a tender;
- Light electric vehicle manufacturer ACTURE
- ward Industries has selected Forsee Power's battery systems, production of which began at the Hilliard, Ohio, plant in the second half of 2025;
- Forsee Power has signed a partnership agreement with Connected Energy to jointly design and develop a modular and scalable energy storage solution;
- Partnership with Rolls-Royce, a global leader in propulsion and energy technologies, to supply battery systems for the electrification projects of Rolls-Royce's Power Systems division;
- Contract to supply battery systems for mining vehicles to KGHM, Europe's largest copper producer;
- Mexican manufacturer MegaFlux has selected the FORSEE ZEN LFP battery system to power its drivetrains sold to bus and truck manufacturers.

1.6.1.3. Capital Increase

On June 24, 2025, the company carried out a cash capital increase of €18,677,000 (including the issue premium), resulting in the creation of 45,555,031 new common shares and an increase in share capital of €4,556,000.

1.6.1.4. Financing

In April 2025, the Group established a short-term financing facility in the form of commercial paper, secured by a portion of the product inventory at the Chasseneuil-du-Poitou plant, in partnership with several banks. As of December 31, 2025, the credit lines remaining to be repaid in 2026 amounted to €8,783,000.

An agreement was reached in 2025 with the EIB to restructure the €25 million Tranche A, which was originally due for full repayment in June 2026. These negotiations led to extending the drawing rights for Tranche D, repaying an initial portion of Tranche A in the amount of €10 million in advance in September 2025 via a drawdown from Tranche D (maturity 2030), to schedule the repayment of a second tranche of €6 million in June 2026, and to spread the re of the remaining €10 million on a straight-line basis between June 2027 and June 2030.

Finally, as of December 31, 2025, the outstanding balance of State-Guaranteed Loans was €2,782,000.

1.6.1.5. Long-term partial unemployment and collective termination agreements

To address a decline in business activity in the second half of 2025 and throughout fiscal year 2026, Forsee Power has implemented measures aimed at reducing payroll costs. Accordingly, a long-term partial-time work program (APLD) was introduced for all employees effective September 1, 2025, for a maximum duration of 18 months. In addition, at the end of 2025, the company also activated a collective voluntary redundancy program (RCC) to adjust headcount in line with the expected decline in business activity, covering 60 cases, through March 9, 2026.

1.6.1.6. Technical incident at the French industrial site

On October 28, 2025, a fire broke out in a Li-ion battery at the Chasseneuil-du-Poitou site. The incident was quickly brought under control thanks to internal safety systems and the intervention of emergency services, with no casualties. In terms of property damage, the incident resulted in the destruction of the affected battery, damage to equipment in the immediate vicinity of the fire, as well as water and soot damage in the production area. The fire suppression system and certain facilities were also affected and required repairs and cleanup operations. After the water was pumped out and the facilities were restored, operations at the site resumed on November 3, 2025. The damages sustained will be covered by compensation under the insurance policies the company has in place for this purpose.

1.6.2. Operating Results

Revenue

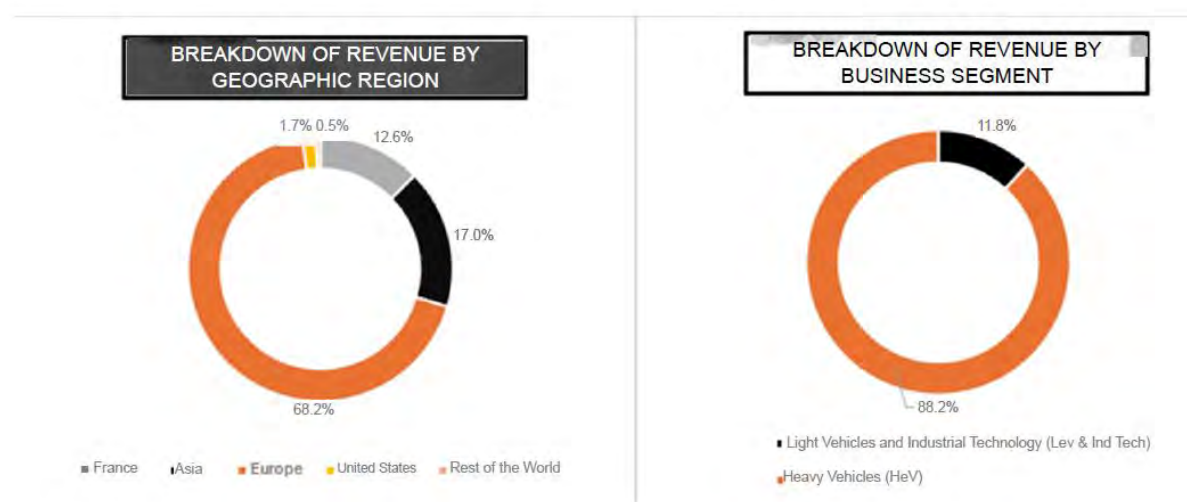
The change in revenue by business segment and geographic region is detailed in the table below.

In thousands of euros	Fiscal Year 2025	Fiscal Year 2024	Change
France			
<i>Heavy Vehicles (HeV)</i>	6,878	4,882	+ 1,996
<i>Light Vehicles and Industrial Technology (LeV & Ind Tech)</i>	8,322	10,806	- 2,484
Total	15,200	15,689	- 489
<i>As a %</i>	13%	10%	
Europe			
<i>Heavy Vehicles (HeV)</i>	80,775	117,072	- 36,297
<i>Light Vehicles and Industrial Technology (LeV & Ind Tech)</i>	1,436	1,774	- 338
Total	82,211	118,846	- 36,635
<i>As a %</i>	68%	78%	
Asia			
<i>Heavy Vehicles (HeV)</i>	16,898	10,492	+ 6,406
<i>Light Vehicles and Industrial Technology (LeV & Ind Tech)</i>	3,507	3,330	+ 177
Total	20,405	13,822	+ 6,583
<i>As a %</i>	17%	9%	
United States			
<i>Heavy Vehicles (HeV)</i>	1,038	274	+ 764
<i>Light Vehicles and Industrial Technology (LeV & Ind Tech)</i>	997	332	+ 665
Total	2,035	606	+ 1,430
<i>As a %</i>	2%	1%	
Rest of the world			
<i>Heavy Vehicles (HeV)</i>	604	2,804	- 2,200
<i>Light Vehicles and Industrial Technology (LeV & Ind Tech)</i>	0	0	0
Total	604	2,804	- 2,200
<i>As a %</i>	0%	2%	
TOTAL	120,456	151,766	- 31,310
<i>Heavy Vehicles (HeV)</i>	106,194	135,525	- 29,331
<i>Light Vehicles and Industrial Technology (LeV & Ind Tech)</i>	14,262	16,243	- 1,979

The Group's consolidated revenue amounted to 120,456 thousand euros in 2025, compared to 151,766 thousand euros in 2024, a decrease of 31,310 thousand euros, representing a 21% decline. This decline is primarily attributable to the downturn in activity in the heavy-duty vehicle market (-22%) and the light-duty vehicle market (-12%).

The Heavy Vehicles (HeV) business segment remained the largest contributor to the Group's consolidated revenue (88% in 2025 compared to 89% in 2024). Revenue for this segment amounted to €106.2 million in 2025, down €29.3 million, or 22%, compared to fiscal year 2024. This was primarily due to the significant decline in revenue from two of the Group's long-standing customers, whose orders decreased in 2025.

The Light Vehicles and Industrial Tech (LeV & Ind Tech) segment accounted for 12% of the Group's revenue in 2024 (compared to 11% in 2024). Revenue for this segment amounted to €14,262 thousand, down €1,981 thousand, or -12%, compared to 2024. This decline is the result of a slowdown in activity among customers in the light vehicles/two-wheeler sector, leading to a reduction in their orders.



Recurring operating income

The Group's current operating income declined by (7,513) thousand euros, reaching (18,345) thousand euros in 2025 compared to (10,832) thousand euros in 2024

	Fiscal Years				
	2025		2024		Change
	Thousands of euros	% of revenue	Thousands of euros	% of revenue	%
Revenue	120,456	-	151,766	-	- 21%
Other operating income and expenses	(1,533)	-1.3	(1,062)	-0.7	+44%
External services and purchased goods	(92,540)	-76.8	(121,797)	-80.2	- 24%
Personnel expenses	(27,965)	- 23.2	(26,806)	- 17.6	+ 4%
Taxes	(1,162)	- 1.0	(1,190)	- 0.7	- 2%
Depreciation	(13,436)	- 11.1	(9,018)	- 5.9	+49%
Provisions and impairments	(2,165)	- 1.8	(2,724)	-1.8	- 21%
Recurring operating income	(18,345)	- 15.2	(10,832)	- 7.1	-69%
Non-recurring operating income	(3,355)	-2.8	(1,702)	-1,133	-97%
Operating income	(21,700)	- 18.0	(12,534)	-8.2	-73%

Other operating income and expenses

Other operating income and expenses represent an expense of 1,533 thousand euros for the fiscal year ended December 31, 2025, corresponding primarily to losses on uncollectible receivables, provisions for litigation, and various prior-year expenses.

Outside services and purchases consumed

The decrease in external services and purchased goods of 29,257 thousand euros, representing a 24% decrease in 2025 compared to fiscal year 2024, is primarily attributable to the decrease in purchased goods (€23,827 thousand) due to lower business activity, as well as lower prices for certain components resulting from market conditions (primarily the price of solar cells).

The €5,430,000 decrease in external service costs is primarily related to lower payments to intermediaries and fees, transportation and travel expenses, and research and development costs, as part of a general effort to reduce fixed expenses.

Personnel expenses

The €1,158,000 increase in personnel expenses (+4% compared to 2024) is primarily due to a reduction in the amount of labor costs capitalized for research and development. This change is partially offset by a reduction in headcount from an average of 679 FTEs (full-time equivalents) in 2024 to 584 FTEs in 2025 following restructuring measures implemented in France and China.

Taxes

Taxes and duties amounted to €1,162 thousand in 2025, down €28 thousand from 2024.

Net depreciation, amortization, and impairment

Fixed assets and provisions amount to €15,601 thousand in 2025 compared to €11,742 thousand in 2024; the increase of €(3,859) thousand is primarily due to the capitalization of intangible assets. Fixed assets are discussed in detail in the balance sheet notes in Section 2.3 of this document.

Non-recurring operating income

Non-recurring operating income amounts to (3,355) thousand euros in 2025. It consists primarily of:

- Restructuring costs in France of (2,486) thousand euros;
- Restructuring costs in China of (583) thousand euros;
- Residual implementation and maintenance costs for the Infor LN software of (286) thousand euros, compared with (1,702) thousand euros in 2024

Operating income

Taking the above factors into account, the Group's operating income decreased by 9,166 thousand euros, amounting

to (21,700) thousand euros in 2025 compared to (12,534) thousand euros in 2024

Financial income

The Group's financial income/expense went from +1,794 thousand euros as of December 31, 2024, to (6,912) thousand euros as of December 31, 2025, representing a deterioration of (8,707) thousand euros. This change is primarily due to a (4,335) thousand euro expense recorded in other financial income and expenses for fiscal year 2025, compared to a 5,335 thousand euro gain for fiscal year 2024, including notably:

- the change in fair value of the BSA Warrant A, C, and E derivatives, which generated a financial gain in 2024 that positively impacted the financial result by €2,469 thousand, €1,092 thousand, and €574 thousand, respectively, while no change in fair value was recorded in 2025;
- A net foreign exchange loss of (2,896) thousand euros in 2025 compared to a foreign exchange gain of +1,877 thousand euros in 2024;
- The change in the discounting expense on non-current assets/liabilities or those with a maturity of > 12 months, which decreased from €1,074 thousand in 2024 to (61) thousand euros in 2025.
- The decrease in gross financial debt costs by 964 thousand euros (see the analysis of the Group's debt in Section 2.8 of this document and Note 8.8 to the consolidated financial statements).

Income tax expense

The tax expense amounts to 194 thousand euros as of December 31, 2025, compared to (1,297) thousand euros as of December 31, 2024. The change of +1,491 thousand euros is primarily attributable to deferred taxes

The theoretical tax amounts to tax income of €7,054 thousand as of December 31, 2025, compared to tax income of €2,694 thousand as of December 31, 2024. The change in the tax expense results from deferred taxes.

The income tax expense is detailed in Note 8.9 to the consolidated financial statements in Section 2.3 of this document.

Net Income

Taking into account the factors presented above, consolidated net income represents a loss of (28,022) thousand euros as of December 31, 2025, compared to (12,074) thousand euros as of December 31, 2024, representing a deterioration of (15,948) thousand euros.

1.7. Outlook

The forecasts for the fiscal year ending December 31, 2026, presented below are based on data, assumptions, and estimates that the Group considers 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 environments, or due to other factors or risks of which the Group is not aware as of the date of this document.

Furthermore, the materialization of certain risks described in Chapter 3, "Risk Factors," of this document could have an impact on the Group's business, financial position, results, or prospects and thus call these forecasts into question.

Furthermore, the realization of these forecasts assumes the success of the Group's strategy (see paragraph 1.1.2 of this document).

The Group therefore makes no commitment and offers no guarantee regarding the achievement of the forecasts set forth in this section.

The forecasts for the fiscal year ending December 31, 2026, presented 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 ESMA's recommendations regarding forecasts.

Underlying Assumptions

The forecasts for the fiscal year ending December 31, 2026, presented below have 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 fiscal year ending December 31, 2025. They are based on the scope of consolidation and business activities as of December 31, 2025.

They are based primarily on the following assumptions:

Internal assumptions at Forsee Power

The forecasts for the fiscal year ending December 31, 2026 are based on a decline in margins and EBITDA, as defined in paragraph 2.1.3, compared to fiscal year 2025, which will result primarily from:

- a significant cyclical slowdown in sales of battery systems in the Heavy Vehicles segment;
- the ability to win new customers in new geographic regions (U.S., Turkey) and new market segments (off-highway, rail, etc.) and to support them during their ramp-up, with a comprehensive range of products and services covering the entire vehicle lifecycle;
- the implementation of reorganization and cost-cutting measures, including, in particular, workforce reductions affecting approximately 60 FTEs in France;
- the continued implementation of the Group's strategy described in paragraph 1.1.2.

Macroeconomic and Market Assumptions

The 2026 forecasts are also based on the following assumptions:

- No sustained deterioration in supply conditions that could, if applicable, cause a delay in revenue recognition as well as a decline in profitability;
- Temporary weakness in the markets targeted by the Group, as presented in Section 1.2 of this document, and continued market share gains;
- No significant changes to the regulatory (including interpretations that may be adopted by certain national regulators) and tax environment existing as of the date of this document;
- Use of a budget rate incorporating bank forecasts, forward market conditions (forward points), existing hedging rates, historical exchange rates, and the current spot rate.

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 slowdown in maritime supply chains caused by the ongoing conflict in the Middle East will not have a significant impact on the Group’s business and that rising hydrocarbon prices, while a factor that enhances the appeal of electric mobility, are not expected to have a material positive effect in the short term.

2026 Forecasts

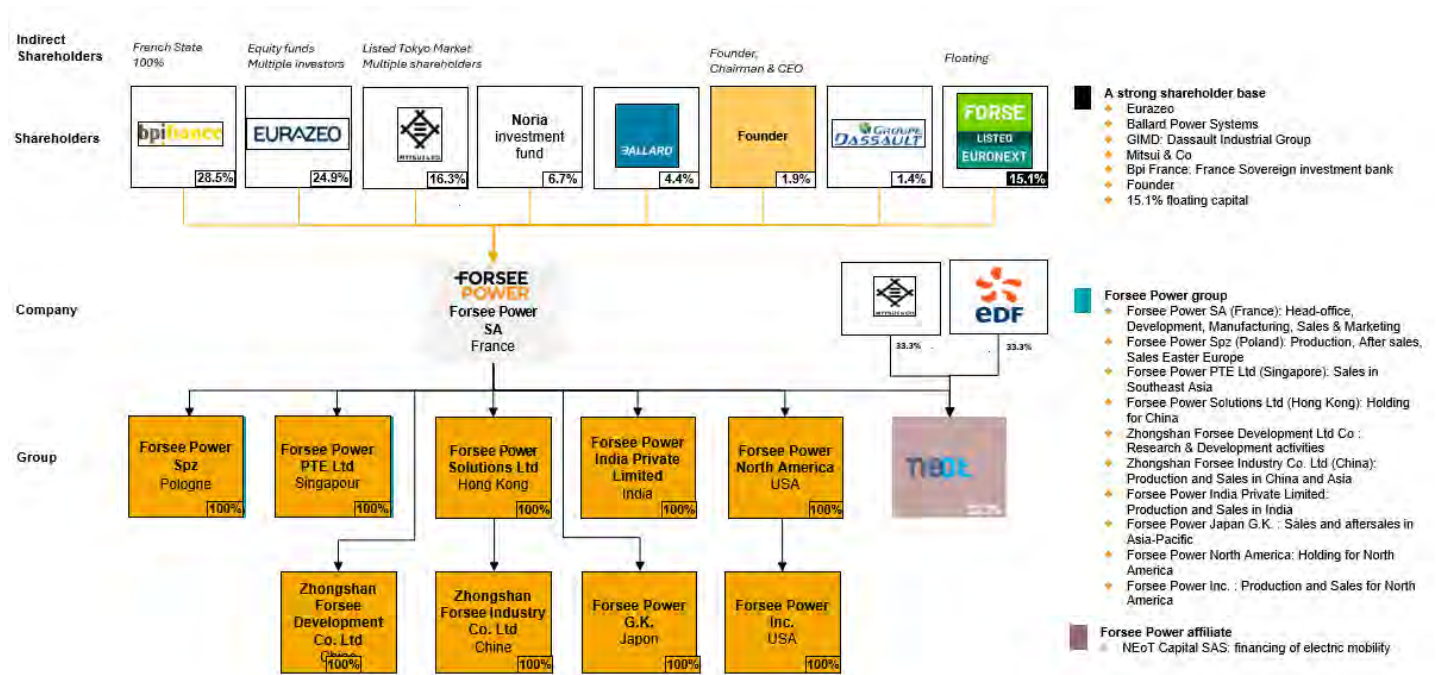
For the fiscal year ending December 31, 2026, the Group expects to generate lower revenue. EBITDA for the fiscal year ending December 31, 2026 is expected to decline.

As part of its restructuring and strategic refocusing efforts, the Group plans to sell the majority of its stake in FORSEE POWER INDIA Pte, Ltd to a local investor during the fiscal year to facilitate the entity’s commercial development.

1.7.1. Organizational Structure

1.7.1.1. Simplified Organizational Chart

The simplified organizational chart below presents the Group’s legal structure and its main subsidiaries as of the date of this document. The percentages indicated for each entity reflect the ownership percentages.



1.7.1.2. Significant Subsidiaries

See Note 4 to the Group’s consolidated financial statements, “Information on the scope of consolidation.”

1.7.2. Recent acquisitions and disposals of subsidiaries

Changes in the scope of consolidation are detailed in Notes 4, 5.1, and 5.2 to the Group’s consolidated financial statements, which appear in Section 2.3 of this document.

1.7.2.1. Acquisitions

None.

1.7.2.2. Incorporations

None

1.7.2.3. Disposals

As the disposal of a majority stake in the subsidiary Forsee Power India Pte Ltd was probable as of the date of preparation of the financial statements, its assets and liabilities were reclassified as non-current assets and liabilities held for sale.

1.7.3. Significant changes in the financial or business situation

Except as described in this document, to the Company's knowledge, there have been no significant changes in the Group's financial or business situation since December 31, 2025.

1.8. Other Information

1.8.1. Events after the balance sheet date

Readers are referred to Note 10.1 of the notes to the Group's consolidated financial statements in Section 2.3 of this document.

1.8.2. Information regarding the parent company

1.8.2.1. Business

FORSEE POWER S.A. is a company engaged in the design and integration of batteries specialized in the following areas:

- portability and mobility (bicycles, scooters, rolling stock, medical equipment, home automation, professional tools, and construction equipment, etc.);
- electric transportation (buses, trucks, short-haul vehicles, rail transport).

1.8.2.2. Comments on the parent company's operations

In thousands of euros	Fiscal Year 2025	Fiscal Year 2024
Revenue	122,387	155,978
Operating income	(19,799)	(15,412)
Financial income	(17,217)	(3,160)
Extraordinary income	(1,761)	241
Income taxes	(1,867)	(1,824)
Net income for the year	(36,911)	(16,507)
Shareholders' equity	38,993	57,977
Financial debt	48,420	44,396
Cash and cash equivalents	8,971	4,484

Revenue

Revenue amounted to 122,387 thousand euros in 2025, down by (33,591) thousand euros compared to 2024. It consists primarily of sales of battery systems for heavy-duty and light-duty vehicles, which decreased by (29,329) thousand and (1,981) thousand, respectively, due to the decline in business with one of the main customers in the

heavy-duty vehicle market and the overall market downturn.

Operating income

Operating income was a net loss of (19,799) thousand euros in 2025, compared with a net loss of (15,412) thousand euros in 2024. This deterioration is primarily due to the decline in revenue, which is only partially offset by lower purchases and supplies and by reduced external expenses.

Financial result

The financial result, at (17,217) thousand euros in 2025, deteriorates by (14,057) thousand euros compared to 2024, due to the impairment of securities of the subsidiary Forsee Power North America in the amount of (11,551) thousand euros, and the shareholder's current account with the subsidiary Forsee Power Inc. in the amount of (6,415) thousand euros.

These impairments were offset by:

- the reversal of provisions for securities, 4,142 thousand euros, and receivables, 2,537 thousand euros, relating to the subsidiary Forsee Power India Pte, Ltd;
- a more favorable foreign exchange effect on financial transactions amounting to €2,204 thousand;
- and interest received on receivables from subsidiaries Forsee Power Inc. (USA) and Forsee Power India Pte, Ltd. (India).

Extraordinary income

Extraordinary income for the fiscal year is an expense of (1,762) thousand euros in 2025, compared to income of 241 thousand euros in 2024, resulting primarily from restructuring costs payable in fiscal year 2026. This item is detailed in section 2.1.23 "Extraordinary income" of this document.

Income tax expense

The tax recognized constitutes income and amounts to 1,867 thousand euros in 2024, compared to 1,824 thousand euros in 2024. It corresponds primarily to the CIR for the 2025 fiscal year in the amount of 1,842 thousand euros.

This aggregate is detailed in section 2.1.19 "Taxes" of this document.

Net income

Net income for the fiscal year was a loss of (36,911) thousand euros in 2025. This compares to a loss of (16,507) thousand euros in 2024.

Financial Position

As of December 31, 2025, the Company's shareholders' equity amounted to 38,992 thousand euros, compared to 57,977 thousand euros as of December 31, 2024. The decrease of (18,985) thousand euros is primarily attributable to the net in income for fiscal year 2024 of (36,911) thousand euros, offset by the capital increase of 18,225 thousand euros (net of issuance costs) completed in June 2025.

Forsee Power SA's financial debt stood at 48,420 thousand euros as of December 31, 2025, compared with 44,396 thousand euros in 2024, an increase of 4,024 thousand euros from 2024. This change is primarily attributable to the implementation of an inventory financing facility (outstanding balance of 8,782 thousand euros as of December 31, 2025), offset in particular by the repayment of the State-Guaranteed Loans (PGE) and the BPI Atout Loan. The main components of the Group's financing are detailed in Section 2.1.12 "Cash Flow and Indebtedness."

The increase in cash and cash equivalents of €4,487 thousand compared to 2024 results from a decrease in working capital requirements and the injection of additional financing resources (capital increase and inventory financing), offset by the deterioration in business activity and the still-substantial level of product development investments.

1.8.3. Income Statement for the Last 5 Fiscal Years

Amounts	December 31 2025	December 31 December 31	December 31 2023	December 31 December 31,	December 31 2021
I. Financial position at year-end (in thousands of euros)					
a) Share capital	11,746	7,174	7,155	5,357	5,321
b) Number of shares comprising the share capital	117,462,013	71,744,727	71,550,727	53,572,003	53,210,003
Number of shares issued with a par value of 10 euros					94,293
Number of shares issued with a par value of 0.10 euros par value	4,717,286	194,000	17,978,727	360,000	13,793,103
c) Number of bonds convertible into shares					-
II. Total profit from actual operations (in K€)					
a) Revenue excluding tax	122,386	155,978	180,422	108,249	66,878
b) Earnings before taxes, depreciation, and provisions	(10,797)	(10,797)	(13,142)	(13,176)	(10,723)
c) Income taxes	1,867	1,824	1,223	2,078	2,237
d) Earnings after taxes, depreciation, and provisions	(36,911)	(16,507)	(30,369)	(29,985)	(25,627)
e) Amount of dividends paid					-
III. Earnings per share (in euros)					
a) Earnings after tax, but before depreciation, amortization, and provisions	(0.09)	(0.15)	(0.18)	(0.25)	(0.20)
b) Earnings after taxes, depreciation, and provisions	(0.31)	(0.23)	(0.42)	(0.56)	(0.48)
c) Dividend paid per share					-
IV. Personnel (in thousands of euros)					
a) Number of employees	344	344	354	323.00	284.00
b) Total payroll	(20,088)	(20,772)	(20,479)	(17,277)	(14,423)
c) Amount of payments made for employee benefits (social security, charitable contributions, etc.)	8,842	8,842	7,155	5,357	5,321

(1) Number of shares prior to the stock split effective as of October 15, 2021.

1.8.4. Customer and Supplier Payment Terms

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

Article D. 441 I.-1° : Invoices received but unpaid as of the fiscal year-end, for which the payment term has expired

	0 days (approximate)	1 to 30 Days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day or more)	
SUPPLIERS	(A) Payment delay brackets						
	Number of invoices affected	122	213	121	63	1,153	1550
	Total amount of the invoices concerned, including tax	4,485,050	2,242,647	2,043,011	206,873	-362,073	4,130,458
	Percentage of total purchases (including tax) for the fiscal year	4.20%	2.10%	1.91%	0.19%	-0.34%	3.87%
	(B) Invoices excluded from (A) relating to disputed or unrecorded debts						
	Number of invoices excluded						
	Total amount of excluded invoices						
	(C) Reference payment terms used (contractual or statutory—Article L. 441-6 or Article L. 443-1 of the Commercial Code)						
	Payment terms used to calculate late payments		30 days				

Article D. 441 I.-2° : Invoices issued that remain unpaid as of the fiscal year-end and for which the payment term has expired

	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)	
CUSTOM	(A) Payment delay brackets						
	Number of invoices affected	67	47	20	32	982	1,081
	Total amount of the invoices concerned, including tax	3,122,189	1,369,180	946,451	-858,361	3,891,767	5,349,037
	Percentage of total sales (including tax) for the fiscal year	2.41%	1.06%	0.73%	-0.66%	3%	4.12%
	(B) Invoices excluded from (A) relating to disputed or unrecorded debts						
	Number of excluded invoices						
	Total amount of excluded invoices						
	(C) Reference payment terms used (contractual or statutory—Article L. 441-6 or Article L. 443-1 of the Commercial Code)						
	Payment terms used to calculate late payments		30 days				

(1) The receivables of €20.8 million from ZFI are intercompany receivables, which may be settled in whole or in part through capitalization in the future.

1.8.5. Amount of intercompany loans granted and statement by the statutory auditors

Not applicable.

1.8.6. Financial penalties

As a reminder, on June 10, 2024, Forsee Power was notified of a tax adjustment of €52,014, including €15,899 in customs duties and €36,115 in VAT, which were paid in 2024.

No additional assessments are to be reported in 2025.

1.8.7. Other information

Additional tax information

In accordance with the provisions of Article 223 quater of the General Tax Code, it is specified that during the past fiscal year, no expenses not deductible from taxable income were incurred.

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

Injunctions or monetary penalties for anti-competitive practices

Not applicable.

1.9. Risks and uncertainties

In accordance with 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, as of the date of this document, could affect its business, financial position, reputation, results, or prospects, based on their criticality, i.e., their severity and likelihood of occurrence, after taking into account the action plans put in place.

As of the date of this document, these are the risks that the Company believes, if they were to materialize, could have a material adverse effect on the Group.

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

Furthermore, it should be noted that certain risks, whether mentioned in this document or not, may be triggered or arise due to external factors, such risks being beyond the Group's control.

The main risks facing 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, as of the date of this document, to be the most significant (marked with an asterisk) are listed first.

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

1.9.1. 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 places great importance on risk culture and has adopted a structured approach aimed at implementing an active risk management policy to ensure that its major and operational risks are identified and controlled. The risk management framework is subject to regular monitoring by the management of the Group's operating entities.

Risk management is considered a priority for the Group, which has established a coherent approach to risk management and internal control. The Group's risk management and internal control systems are based on a set of resources, policies, procedures, behaviors, and actions designed to ensure that the necessary measures are taken to:

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

The management of operational and industrial risks and quality control are the responsibility of the Group's operational departments and subsidiaries, under the functional oversight of the Group's Quality Department. The Group 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 address identified risks.

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

1.9.2. Strategy

Risks Related to the Group's Financing and Liquidity*

Description of the risk

Forsee Power faces a liquidity risk, i.e., the risk that the Group may be unable to meet its financial obligations inherent in the conduct of its business, given the financing needs associated with the development of its business.

Forsee Power has conducted a review of its liquidity risk for the next 12 months through April 2027 based on the following factors:

- The level of available cash as of December 31, 2025, which amounts to €11.8 million;
- Cash flow outlook for the Group's operations over the next 12 months

The Group has an order backlog that provides limited visibility into its sales for the coming months.

In addition, in 2025 the Group renewed its non-recourse factoring program with Facto France for an uncapped amount of receivables in euros and dollars (within the per-customer limits set by credit insurers).

A working capital financing facility secured by inventory at the French plant with a pool of five banks for €9.5 million, approved in July 2025, was still partially in place as of December 31, 2025, for €8.8 million.

Various scenarios for additional financing of different types or the restructuring of existing financing are currently being studied or implemented: these will also help strengthen the Group's liquidity.

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

See Note 7.15.2, "Liquidity Risk Management," in the consolidated financial statements in this document

in thousands of euros	December 31 December 2025	December 31 December 2024
Overdraft authorization	0	0
Subtotal credit facilities (a)	0	0
Cash and cash equivalents		
Bank overdrafts - Cash	11,806	5,369
Liabilities	0	0
Net liquidity (b)	11,806	5,369
Total Liquidity Position (a) + (b)	11,806	5,369

Risk Management Framework

To manage its liquidity and financing risks, the Group is committed to maintaining strong relationships with its financial partners. It is in constant communication with its creditors. Forsee Power also has equity available in the event of a liquidity shortfall, and its shareholder base was strengthened in 2023 and 2025.

The Group anticipates customer delivery and payment schedules to manage them effectively and is enhancing its customer analysis to better track collections and follow-ups.

It also negotiates extended payment terms with its suppliers as their relationships grow stronger

Risks related to technological disruptions*

Risk description

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

Furthermore, a technological disruption could force the Group to switch technologies quickly in order to keep pace with market developments.

Finally, the Group may face challenges from its customers' demands for innovation. While this may represent an opportunity, Forsee Power must nevertheless be able to guarantee the quality and safety of its products.

Risk Management Strategy

Currently the market leader, Forsee Power mitigates risks associated with technological disruptions by maintaining a strong focus on innovation and product development, while paying close attention to market trends and customer demands. The Group also conducts extensive monitoring of technological, market, and competitor developments.

Furthermore, the factories, teams, and production tools are organized in a flexible manner to quickly adapt to new constraints and limit the impact of sudden changes in production methods.

Sales-related risks

Description of the risk

Forsee Power relies on a limited number of customers who account for a significant portion of its revenue, making the Group vulnerable in the event of contract loss, a decline in demand, or difficulties in negotiating favorable pricing terms with these strategic customers.

Furthermore, the battery industry involves long product development cycles, which can last 2 to 3 years, and warranties spanning several years, limiting commercial flexibility and committing the Group to long-term obligations. The Group could face difficulty in fulfilling its service commitments due to a shortage of components if these, having become obsolete, are no longer produced. Conversely, if the Group stocks components in anticipation of future demand, it faces the risk of obsolescence for those that are not needed, due to a lack of orders or low service demand. These factors require rigorous management to secure sales, control inventory, and maintain economic performance.

Business Development

Forsee Power is pursuing commercial initiatives to diversify its customer portfolio and expand its revenue streams across various 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 to optimize costs and maintain competitive prices.

Furthermore, the Group conducts an in-depth analysis of market segments and closely monitors product obsolescence to remain competitive and meet the evolving needs of the market.

Supply Chain Risks

Description of the risk

Forsee Power faces various challenges related to its supply chain, which could have a significant impact on its operations and competitiveness. The Group's heavy reliance on a limited number of battery cell suppliers, primarily located in China and South Korea, exposes it to availability and pricing 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. Furthermore, a China-Taiwan conflict or the closure of China's borders to exports could disrupt the supply of essential components. These risks could also impact certain Group activities involving travel to India by engineers and technicians as part of project development.

Trade regulations (tariffs, restrictions) could also weigh on the supply chain, although current trade agreements limit risks with customers. Furthermore, transportation delays or deteriorating relationships with certain suppliers could affect delivery quality and timelines. These risks are exacerbated by the concentration of raw material sources in China, as 80% of raw material sources are owned by Chinese conglomerates.

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

Mitigation Measures

To address potential supply disruptions, Forsee Power is implementing a strategy to diversify its sources of supply for key components. The Group seeks first and foremost to diversify its geographic sources of supply. Certain components can thus be sourced from 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 if necessary.

To ensure stable relationships with its suppliers, Forsee Power adheres to a strict policy of timely payment and complies with pre-shipment payment terms when required, while working closely with its accounting and treasury teams to mitigate liquidity risks. The Group also strives to maintain good relationships with its suppliers by conducting annual surveys to assess their satisfaction, identify potential issues, and implement an appropriate action plan.

Risks Related to Damaged Reputation

Description of the risk

As a publicly traded company, Forsee Power faces major challenges in managing its financial communications. Poor communication with shareholders, a negative perception by investors, data leaks, or the concealment of information could disrupt the company's stock price and seriously undermine the transparency expected of the company.

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

Finally, media coverage of a battery accident or fire could have a major impact on the company's reputation.

Communication Strategy

Forsee Power follows a controlled communication strategy with investors, systematically ensuring the accuracy, precision, and consistency of its messages. Enhanced monitoring allows the company to track public perception and respond quickly.

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

The risk of insider trading, while also rare but with a potentially critical impact, is mitigated by management's commitment to the company's success and strict compliance with regulations

A strong labor-management dialogue, supported by regular exchanges with employee representatives and active monitoring of early warning signs by the HR department, helps maintain a positive work environment and preserve the company's reputation. Furthermore, the appointment of harassment liaisons, the establishment of CSSCT committees at all three sites, and the launch of an internal reporting platform ensure appropriate and responsive communication.

Finally, the Group has implemented a quality system that ensures monitoring at various stages of the production chain. Numerous checks are thus carried out to minimize the possibility of a technical failure causing an accident or a fire. Crisis management processes are in place and regularly tested to effectively manage any incident that receives media attention.

1.9.3.External Environment

Risks related to the macroeconomic and geopolitical environment*

Risk description

As an international player, Forsee Power is exposed to exchange rate fluctuations, particularly due to its operations in China, India, and Poland, as well as its transactions in U.S. dollars, yuan, and yen. Adverse exchange rate movements could affect its consolidated financial results.

Regarding risks related to interest rate fluctuations, Forsee Power's exposure primarily concerns its future financing needs. Although its current debt is fixed-rate, a rise in rates could make future access to credit more expensive, impacting its financing capabilities.

Furthermore, global geopolitical instability, exacerbated by factors such as armed conflicts or health crises—such as the war in Ukraine and the COVID-19 pandemic—is putting increased pressure on raw material costs, particularly lithium-ion used in cell batteries, as well as on battery and energy costs. Furthermore, 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 Framework

The Group actively monitors exchange rate fluctuations and occasionally enters into currency hedges (forward contracts) to mitigate risk when settling invoices with certain foreign suppliers. The arrival of a new treasurer has strengthened the Group's foreign exchange hedging systems. Transactions between headquarters and the Chinese subsidiaries are now conducted in Yuan (RMB) rather than U.S. dollars, thereby limiting exposure to fluctuations. Furthermore, the Group prioritizes purchases in local currency whenever possible to balance its cash flows.

Regarding financing needs that may be impacted by interest rates, the Group regularly reviews its financing requirements. It proactively negotiates or renegotiates its credit lines in partnership with its bankers to secure favorable interest rates, and works in particular with the European Investment Bank (EIB).

To address potential increases in raw material costs resulting from geopolitical tensions, the Group includes price adjustment clauses in its contracts with customers. It is also diversifying its suppliers and technologies to secure its supply chain. The electric vehicle market, which is primarily concentrated in economically stable regions, supports the resilience of the Group's business model. More restrictive payment terms have been implemented in unstable regions.

Furthermore, the development of best practices, such as business continuity plans and employee protection measures since the COVID-19 pandemic, enables the Group to address crises of various kinds.

Risks related to increased competition*

Risk description

The rapidly growing e-mobility market is highly competitive, featuring a wide variety of products, services, technologies, quality levels, and costs. Forsee Power faces the risk of competition from other battery manufacturers, as well as from cell suppliers, who might choose to develop their own battery systems, or even from its customers, who might decide to develop vehicle batteries themselves to verticalize production. This risk materializes very frequently, as contracts are put out to tender every 3 to 5 years.

This risk is influenced by a number of external factors. On the one hand, many competitors do not have as long a track record as Forsee Power, and some are not yet profitable, which may deter customers. On the other hand, quality standards vary significantly from country to country, with different technologies, and not all manufacturers can meet the same requirements. The risk of competition is thus more pronounced in countries where quality standards are lower, but less significant in countries where standards are very demanding. Finally, the Group operates in relatively niche markets and provides customized solutions to meet specific customer needs. Its solutions undergo lengthy development cycles to ensure this customization, resulting in limited production volumes. Competitors therefore have little incentive to target certain markets, and the decision to switch suppliers or verticalize production could prove costly and risky for a customer.

Furthermore, there is a risk related to intellectual property associated with 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 could use the technology in question. The Group could also face financial penalties or a ban on production of a series if a competitor

provides evidence that the idea originated before the Group began production.

Control measures

Forsee Power is implementing several strategies to minimize the extent of this risk.

First, the Group maintains a strong strategy of innovation and sustained research and development to optimize its solutions, ensure impeccable quality, and differentiate itself from competitors through a superior offering. It is also developing a range of services centered on its batteries (data management, consumption optimization support, after-sales service, financing, etc.), which helps build customer loyalty.

Second, the Group strategically develops its positioning by carefully selecting its partners, ensuring the reliability of its customer base, and building relationships based on trust. The Group also chooses to specialize in niche expertise, thereby opting to avoid the automotive market, which is more competitive and risky. Thanks to its global structure, Forsee Power is able to meet the demand of international customers. The Group also selects its suppliers and partners thoughtfully, in order to optimize relationships and ensure a smoother supply chain and services for its customers.

Finally, the Group maintains a very active competitive intelligence program to stay abreast of the latest technological developments, with a view to developing them or minimizing the risk of intellectual property litigation. However, the Group files very few patents.

Risks Related to Market Conditions

Description of the risk

The electric mobility market is currently experiencing strong growth and offers positive prospects. Nevertheless, it is a relatively new market, which leaves room for uncertainty regarding its future development. It is not impossible that the Group could face a slowdown in growth and a decline in business activity in the medium term.

Furthermore, the momentum of the Group's business depends primarily on that of its customers. If the production levels of vehicles and products by the Group's customers were to decline, demand for the Group's battery systems could follow this trend.

As a result, the Group could face a change (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 the Group's revenue.

Risk Management

The Group operates in broad business segments with strong growth prospects and where demand exceeds supply. All sectors are moving in the same direction, and markets are becoming more structured, which suggests that the risk is relatively low at this time.

Furthermore, the Group is striving to build flexibility into its organization so that teams can adapt in the event of changes in the pace of business.

Risks Related to Legislative and Regulatory Changes

Description of the risk

Public policies, regulations, or other laws may support the development of energy storage-related activities. Whether through favorable rates, incentives, subsidies, or bonuses, the electric vehicle industry is strongly encouraged. There is a risk that these regulations may change and that the incentive to shift toward battery-powered electric energy may diminish. Such a change would impact the electric battery market and have negative consequences on the Group's business and results.

The current trend toward protectionism and the rise of national preferences pose a risk to the Group, whose sales are highly international.

Furthermore, certain local regulations may hinder the Group's business or force it to adapt quickly, either directly (restrictions on authorized battery technologies, stricter standards) or more indirectly (for example, specific laws on cybersecurity and personal data protection), resulting in significant adaptation costs.

Control measures

To mitigate risks associated with legislative and regulatory changes, the Group's Public Affairs Department maintains a regulatory monitoring program that enables it to anticipate changes in laws, standards, and innovations, and actively contributes to the development of European regulations through industry associations.

The Group's products comply with European regulations, which are stricter than those in the rest of the world, enabling it to stay ahead of many developments in the rest of the world.

The Group's presence in strategic geographic locations helps limit its risk exposure and constitutes a competitive advantage.

The Group's ability to manufacture its battery systems as close as possible to its customers' assembly centers (five production sites located around the world) enables it to adapt effectively to any local or regional legislative and regulatory requirements

Finally, the Group participates in French and European industry associations with the aim of helping to influence policy.

1.9.4. Human Resources

Talent loss: high 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, particularly in Europe where the sector remains less mature than in China. This dynamic makes specialized skills scarce and highly sought-after, creating increased competition to attract and retain talent. The risk for Forsee Power lies in the difficulty of retaining its teams, particularly key employees, as well as attracting new talent,

if working conditions, salaries, and career prospects are not deemed sufficiently attractive.

Although the current turnover rate at Forsee Power is not alarming, an upward trend has been observed, though it is declining sharply in the current economic climate. This phenomenon represents a major strategic challenge, as excessively high turnover can lead to a loss of knowledge, production delays, and negatively impact the company's performance.

Furthermore, the growth of Forsee Power's business relies on the skills of its employees, particularly their technological expertise, especially as it relates to the solutions developed by Forsee Power. The loss of these skills or a failure to develop them could impact product quality and the Group's ability to sustain its growth. This risk could be exacerbated if the training budget does not keep pace with the increase in headcount.

Risk management measures

Forsee Power is implementing a talent attraction and retention plan based on attractive working conditions, personalized career management, competitive salaries, performance-based variable compensation, profit-sharing, and employee stock ownership plans, all designed to encourage long-term commitment. This plan is reinforced for positions and individuals identified as particularly critical (key personnel, experts, high-potential employees). Succession planning programs and internal mobility opportunities are thus offered for key positions. The Group is attentive to its employees' requests. In France, mandatory annual negotiations provide an opportunity to adjust working conditions. Salaries were recently revised in line with the collective bargaining agreement for the metalworking industry. The Group also conducted a Great Place to Work survey. This revealed dissatisfaction in Poland and China regarding salaries, which were adjusted accordingly.

The Group has also implemented training programs focused on technical and technological skills, as well as on concepts essential to the Group's smooth operation: safety, finance, HR, ethics, anti-corruption, etc. These topics are specifically addressed in a structured onboarding program offered to all new hires.

Finally, the Group is committed to developing flexible processes and fostering the versatility of its employees, in order to adapt and maintain business continuity in the event of higher turnover during a concentrated or prolonged period, and to ensure production quality, operational safety, and sound financial management of the Group.

Health and safety risks, as well as workplace accidents

Risk description

In the course of its activities, the Forsee Power Group faces significant safety risks. Working with live electrical equipment, employees are exposed to the risk of accidents that can have serious consequences, such as fires and electrocution. Handling equipment also exposes them to the risk of falling heavy objects and the development of musculoskeletal disorders.

Maintenance and repair staff working on-site at customer locations and "flying doctors" (engineers and technicians who may be deployed anywhere in the world as part of a project) are exposed to additional risks, as the Group has no control over the safety conditions implemented at customer sites.

These risks are heightened in certain countries with a lower risk culture, and in facilities with poor working conditions (facilities lacking space and modern amenities).

Beyond the short- and long-term risks to employee health and safety, these factors pose additional risks to the Group: increased oversight, declines in productivity and quality, and an inability to accommodate production growth.

Control Measures

Forsee Power fosters a culture of safety and implements a rigorous HSE policy. This policy is based on formalized and mandatory process-, regular training and prevention programs, the systematic use of personal protective equipment, a risk reporting system, and regular internal and external audits. All of the Group's sites comply with European standards, which are more stringent. The Group is implementing the ISO 45001 standard, and by the end of 2024, all of its French sites—representing 37.5% of the Group's sites—will be compliant.

Regarding electrical hazards, the Group ensures that exposed employees have the appropriate training, certifications, and equipment. Production sites work closely with local fire departments to ensure the fastest and most effective response possible in the event of a fire.

Regarding risks related to material handling, the Group is equipping itself with lighter lifting equipment, tools, and machines, as well as adjustable workstations to prevent musculoskeletal disorders, and regularly trains employees in safe work practices.

Finally, regarding the increased risks associated with customer service calls, the Group has developed additional processes to assess the risk level of each call based on the transport, handling, and storage conditions to which the equipment has been subjected.

Risks related to workplace well-being and harassment

Risk description

Amid hypergrowth, in an uncertain market and an ultra-competitive environment, Forsee Power must constantly demonstrate responsiveness, adaptability, and productivity. This can place significant pressure on production deadlines, stemming from increased customer demand and/or difficulties in reaching the critical mass needed to meet that demand, creating a risk of employee burnout and significant stress. Tensions, disorganization, or poorly managed conflicts could undermine the Group's momentum, impacting workplace well-being and the company's reputation. Left unchecked, these tense conditions can escalate into a risk of harassment within teams.

Management measures

Forsee Power is committed to the well-being of its employees and to creating a fulfilling work environment. First and foremost, the Group strictly complies with regulations governing working conditions and hours. A telework agreement has been implemented for positions where telework is feasible, and flexible start and end times have been established in the morning and evening for all employees. A time-bank system is also in place for overtime. The Group also strives to provide modern and comfortable facilities, relocating as needed as its teams grow. A dialogue with employee

representatives is maintained at all sites. An internal satisfaction survey is conducted annually (outsourced for the past three years via the Great Place to Work survey), allowing for an analysis of the Group's situation at the global, regional, or site level. In France, a Quality of Life at Work Committee develops an action plan based on these results. Interviews are systematically offered in the event of resignation or return from long-term leave to identify and address any potential issues.

The Group has also established an anti-harassment process based on a reporting system, which includes identifying dedicated internal contacts, assigning the occupational health department the role of reporting issues, and implementing an external reporting platform, Whistlebee, that allows employees to confidentially report any inappropriate behavior. To date, reports have primarily concerned interpersonal conflicts rather than harassment or a lack of resources, and are addressed promptly through investigations conducted by joint committees composed of employee and management representatives. These initiatives, combined with anti-harassment training for managers and awareness-raising efforts for teams, foster a corporate culture that prioritizes the creation of a healthy work environment.

Risks related to violations of fundamental labor rights among the workforce and in the value chain

Risk description

Forsee Power employs staff in several countries and is therefore exposed to a risk of violations of fundamental labor rights, particularly in India and China.

In addition, the Group establishes business relationships with international partners throughout its value chain. Certain raw materials, such as cobalt, come from countries with a high risk of labor rights violations, such as the Democratic Republic of the Congo. The most critical suppliers, particularly for cells, are mainly large international companies that are leaders in their field and are regularly audited on this issue by their largest customers, major international groups. Forsee Power, a smaller customer of these suppliers, is relatively dependent on them and has little influence over their actions, but relies on the audits conducted by the larger groups. Forsee Power also maintains business relationships with small local companies for other supplies; these companies are subject to less oversight and are therefore more exposed to the risk of labor rights violations.

A scandal involving the violation of fundamental labor rights, either within the Group or in its value chain, could pose a significant reputational risk to the Group, which could result in substantial financial consequences.

Compliance Framework

Forsee Power is a signatory to the United Nations (UN) Global Compact, through which the Group commits to respecting international labor law in its operations.

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

With regard to its value chain, 98.4% of Forsee Power's suppliers have signed the Group's Code of Conduct, with a target of 100% by 2025. The Group incorporates respect for fundamental rights into its supplier selection criteria. The Group also relies on existing industry-specific tools: for example, rare-earth metal mines are assessed and validated to meet the numerous similar requirements from industry stakeholders; the Group ensures that its suppliers are drawn from validated lists. Forsee Power entrusts the audit of its key suppliers' environmental, social, and governance criteria to the specialist firm Bureau Veritas. The most important suppliers are audited prior to any business relationship, and regular audits are conducted for all suppliers based on their criticality (for example, audits for suppliers of electronic cells and circuit boards are conducted every three years, while audits for minerals are conducted once or twice a year). In the event of a violation, the Group imposes sanctions, ranging from requests for corrective actions to the termination of business relationships. Many suppliers, accustomed to the demands of international groups, anticipate traceability requirements and conduct their own due diligence on the origin and traceability of raw materials (particularly for cobalt).

Finally, access to the Navex platform is available for reporting reputation alerts related to suppliers, customers, and partners.

Risks related to diversity: gender inequality, disability inclusion, and lack of diversity within the Group

Risk description

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

First, disparities in treatment may exist between men and women, both at the time of hiring and throughout their careers (promotions, pay equity). Structural challenges exist in recruitment, as the industry lacks female candidates. While a balance is emerging in operational roles (the Group's gender equality index stands at 84 in 2024, showing progress), significant challenges remain at the management and executive levels. Certain geographic regions within the Group face a more pronounced imbalance; for example, in India, where significant disparities exist in terms of workforce composition and pay.

Furthermore, the Group may also face a risk of a lack of diversity within its teams or the perception of a lack of diversity among its employees, which could harm the Group's productivity and workplace climate.

Finally, there is a risk of exclusion and inadequate support for people with disabilities, which is particularly pronounced in certain countries where the Group operates and where local regulations are less advanced than in Europe, such as India.

Control measures

Forsee Power monitors its gender equality index and sets improvement goals, accompanied by an action plan. HR procedures ensure there is no discrimination in hiring and promotion. The issue is addressed during mandatory annual negotiations, and a budget is allocated to correcting pay gaps for equal skills and work. Recruitment and

communication campaigns are conducted with a particular focus on managerial positions.

Regarding the general lack of diversity, HR procedures also govern hiring and promotion processes to ensure openness and combat discrimination.

Finally, regarding disabilities, the Group encourages employees to disclose their disabilities and supports them through the related procedures so that it can provide the necessary accommodations. A disability liaison should be appointed to address this issue with greater ambition.

1.9.5. 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.

First, the ERP system in use was based on a version that was too old and was no longer supported by the publisher, Microsoft. The ERP could therefore not be updated, and Forsee Power faced a high risk of system downtime or data loss if the software failed to function.

Second, the Group faces a significant risk of cyberattacks (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 more significant given that the Group is heavily reliant on cybersecurity-related matters, and that until 2023, the IT team was very small and lacked strong cybersecurity expertise.

A specific risk of hacking exists regarding the batteries, which use data loggers to monitor operation and oversee technical incidents. This generates technical and geolocation data, which can be particularly sensitive information for customers. But the main risk lies in the remote takeover of the batteries and the possibility that malicious actors could trigger a thermal runaway in them. Without direct control (batteries in operation at the customer's site and data hosted externally), Forsee Power has no control over security during this phase.

Control mechanism

A new ERP system was deployed in July 2024, significantly mitigating the risk of system downtime and data loss. Several new hires and the engagement of consultants helped strengthen the IT team and build expertise, including an Information Systems Security Manager, a cybersecurity expert, and an Infrastructure and Networks Manager. These hires aim to structure the Group's IT security strategy and reinforce the existing framework: IT security training for all employees, tests, audits and counter-audits, penetration tests, and phishing test campaigns to verify the application of training. Access to sensitive data is restricted through progressive measures for employees who do not follow best practices, particularly in sensitive departments (HR, accounting), and can be regained after training. The goal is to achieve compliance with the ISO 27001 standard by early 2026.

Finally, to prevent battery hacking at the customer site, cybersecurity rules are being implemented for the Group's

products. Two individuals are responsible for product security within the “Innovation/Products” team. Internal audits have also been conducted.

Risks Related to Product Quality

Risk description

The products manufactured by the Group are technologically complex, which entails significant risks in the event of poor quality—risks that are particularly pronounced for Forsee Power batteries intended for public transportation vehicles (buses in particular). Attention to quality is therefore essential and depends on several factors, each of which poses risks to the Group.

First and foremost, the products offered by the Group must comply with applicable standards and regulations. However, these are constantly evolving, whether to account for technological advancements—which are rapid in this sector—or to reflect local and national policies in the various markets where the Group operates. The Group therefore faces significant uncertainty regarding these developments and must be able to respond and adapt quickly to any changes. Given the frequency and speed of regulatory changes (for example, during fiscal year 2024, the implementation of battery passports or BMS regulations), it is likely that the Group may find itself in a situation of product non-compliance, albeit unintentionally and temporarily.

Furthermore, customers have very high expectations regarding battery performance and safety, which requires attention to component sourcing, product manufacturing, and the deployment of the product at the customer’s site. In this regard, the Group must also contend with significant variability in the level and precision of customer requirements, with some defining very specific specifications while others leave greater ambiguity regarding responsibilities, warranty periods, and vehicle integration procedures—creating a risk of disputes over poorly defined issues.

Finally, Forsee Power’s perceived quality also depends on the quality of the after-sales services provided by the company (servicing, preventive maintenance, timely incident resolution, and software updates in line with necessary technical advancements). The Group has already encountered difficulties in addressing requests for significant corrections and upgrades to the battery fleet due to a lack of resources, leading to customer dissatisfaction.

A particular risk for the Group relates to the State of Health (SOH) of batteries: technological challenges continue to create significant uncertainty regarding a battery’s lifespan, which poses contractual risks. Indeed, it is possible that the battery systems sold to customers may have a shorter lifespan than anticipated and fail to meet the thresholds specified in the contracts, which would necessitate replacing an entire fleet and/or result in the risk of significant penalties for service failure.

Compliance Measures

To limit the risks of non-compliance, a legal department comprising a general counsel and a labor law attorney conducts regular regulatory monitoring to track any changes in regulations, followed by compliance efforts as needed. To deliver the highest product quality, the Group is organized to develop and offer the best possible product quality—

research, product development, component procurement, rigorous quality controls, regular operational monitoring...

In addition, the Group is gradually restructuring to ensure it can provide the best possible service to its customers, notably by establishing a Group-wide After-Sales Service department robust enough to support the massive increase in the number of batteries deployed in the field by our customers.

Finally, the Group is gradually refining its contractual frameworks to mitigate risks associated with technological uncertainties: defining what must be specified in the specifications, validation steps to ensure the customer achieves the required level of compliance and maturity, and financial and contractual coverage for SOH uncertainty levels...

Risks related to the unavailability of production sites

Risk description

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

First, given the electrical nature of the Group's production activities, the risk of fire is very high, potentially leading to the total or partial destruction of equipment and facilities, which could take weeks, months, or even years to rebuild.

Second, social unrest could disrupt production. Strikes, although rare, have occurred in the past in France during NAO negotiations, resulting in production stoppages lasting one to two days. This risk is amplified by the Group's geographic expansion, although it is less pronounced in the other countries where it currently operates (notably China, India, and the United States, where the Group does not foresee any serious risk of labor unrest).

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

Finally, more sporadic and localized events could disrupt production. For example, in China, a Communist Party cell could be established within the factory, either at the request of the authorities or at the initiative of employees, which would take up employees' working time. The risk of such interference within a foreign company is, however, considered very low.

Control mechanism

Forsee Power has a business continuity plan in place to ensure a rapid recovery in the event of a major disruption. This plan is accompanied by a crisis management plan and a crisis communication plan, both of which were updated in 2024. The relevant employees have been trained in these procedures to ensure a rapid and appropriate response in the event of a crisis.

With regard to fire risks, the Group has implemented strict safety procedures based on thorough employee training, preventive maintenance, enhanced monitoring and safety equipment, defined response protocols, regular drills, and close cooperation with local fire authorities. Although the risk remains high for the Group, no major fires have occurred over the past five years.

To prevent social crises, Forsee Power promotes open negotiations and active employee representation. In France, labor relations are structured around the CSE, two unions (CGT and Printemps Écologique), and CSSCTs present at all sites. Harassment liaisons and a labor relations manager reinforce this commitment. Internationally, Forsee Power adapts to local laws, ensuring open labor relations at all its production sites.

Regarding natural disaster risks, the Group selects geologically and climatically stable sites for its operations. Facilities are air-conditioned, and work schedules can be adjusted to address extreme heat.

Finally, the Group is structured to be able to offset any loss of production in the event of an incident. Global expansion and the increase in the number of factories, combined with efforts to enhance team flexibility—allowing teams to work on different products—enable the implementation of alternative solutions within a few months. Mirror sites have been established for certain operations, for example between China and France for the production of the latest battery models, ensuring a rapid resumption of operations in the event of a major issue and also safeguarding the security of data stored on servers (hosted on-site and replicated at the mirror site). Plans are in place to expand mirror sites to other operations. Finally, prevention is at the heart of the strategy, with regular maintenance and insurance coverage for potential operational losses.

Risks associated with security incidents during the operational phase

Risk description

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

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

Forsee Power incorporates the highest safety standards from the product design phase. However, technologies evolve rapidly, and the Group is constantly learning and identifying potential issues related to their use, particularly when integrated into commercialized end systems and applications. The Group may therefore not have anticipated all defects or quality issues that products might encounter, particularly due to its customers' limited operational experience. Products sold in demanding environments such as public transportation, medical equipment, connected devices, home automation, robotics, and professional tools may require additional operational features that could interfere in unpredictable ways with the proper functioning of the products marketed by the Group.

If an incident were to occur involving a Forsee Power battery, it could expose the Group to product recalls, redesign efforts, and failure remediation, which could prove time-consuming and costly, and divert its resources from other priorities. Furthermore, an actual or perceived failure to meet its customers' product quality and after-sales service requirements could result in damage to the brand image that could harm the Group's reputation.

Quality Control System

Forsee Power has implemented a quality system that ensures control at various stages of the production chain, built on the Group's accumulated and diverse experience, combined with active regulatory monitoring to ensure the integration of new safety standards, in order to minimize the possibility of a technical failure.

To minimize the risk of incidents during the product's operational phase, Forsee Power provides support and training to customers on the installation, handling, repair, and storage of its products, and supplies them with a "user guide" and a "maintenance manual." A team of experts also steps in to ensure the batteries are properly integrated into the customers' products before the first shipments to end users.

To manage any incidents that might nevertheless occur, safety systems embedded in the BMS (Battery Management System) provide more time for resolution and/or evacuation, in order to avoid the most serious consequences.

In addition, the Group has established an "After-Sales and Customer Satisfaction" department, which has an on-site after-sales service team to handle complaints and product returns, enabling a rapid response in the event of a defect for which the Group is found liable.

Finally, in preparation for the most serious scenarios, the Group has a crisis management procedure in place, which was updated in 2024. It also maintains insurance coverage for these risks and regularly reviews financial risks, setting aside provisions in the manner it deems most appropriate.

1.9.6.Environment

Risks related to the production of final waste and pollutants

Risk description

Batteries produced by the Group, when they reach the end of their useful life or when they are discarded due to non-compliance, are 95% recyclable (excluding cells and sensitive materials such as rare metals); the remaining 5% constitutes final waste that is potentially highly polluting (lithium, cells, electrical cables, etc.). Responsibility for their disposal may fall to the Group, with a high degree of uncertainty, as regulations on this subject are still underdeveloped and contracts with customers do not systematically specify these details. The Group is also responsible for the disposal of components (technical boards, cables, etc.) generated during maintenance at customer sites. The Group is thus exposed to a risk of pollution and improper treatment of hazardous waste, which could result in financial penalties.

The Group also faces the issue of packaging waste generated by its suppliers. This waste (plastics, as well as wood and metal parts from crates, for example) becomes the Group's responsibility. Its significant volume incurs costs for sorting and recycling, and poses a risk that the Group may fail to meet its environmental targets.

These risks are particularly pronounced in certain regions where the Group operates (notably India), where waste sorting systems are less developed and reliable. The Group's waste could thus cause pollution despite the measures and partnerships put in place.

Control measures

Forsee Power has established a policy aimed at limiting waste generation (eco-design of products, waste reduction targets per kWh produced). The Group also ensures that waste is systematically processed through the appropriate recycling channels. In particular, the Group has set up a service to collect and recycle used batteries from end users.

To ensure proper processing, the Group has formed partnerships with specialized recycling organizations, particularly in France, such as the eco-organization SCRELEC for batteries.

Finally, the Group closely monitors developing regulations, particularly those from the European Commission, which is gradually increasing requirements regarding battery recycling rates and recyclability.

Risks related to poor eco-design

Description of the risk

A lack of environmental and societal consideration in product design currently represents a risk for the Group. This can stem from several factors. Batteries that are not recyclable represent a loss of revenue for the Group, which cannot recover value from certain components—sometimes costly ones—by recycling them at the end of their life. The transportation of parts also accounts for a major portion of the Group’s environmental impact and its greenhouse gas emissions balance sheet. Failing to adequately address this issue exposes the Group to the risk of not meeting 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 component sourcing would expose the Group to the presence of minerals from conflict zones in its products.

Control measures

Forsee Power has implemented an environmental policy that incorporates eco-design objectives, particularly with regard to product repairability and recyclability. The Group is also working to develop a second life for its batteries, particularly in stationary energy storage (residential, utilities, etc.), which thus becomes 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 the improper storage and treatment of hazardous waste and to air and water pollution

Risk description

The Group’s activities pose a pollution risk in several locations.

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

In the event of a risk of thermal runaway in a battery or battery subassembly, the emergency procedure at production sites requires that it be immediately submerged in a water retention tank. Submerging a cell contaminates the water used, which must then be treated through the appropriate process; failure to follow this procedure would result in the

Group being held liable for pollution.

The fire risk inherent in batteries (flames, explosion) poses an additional risk of air pollution (smoke emissions) as well as water pollution (discharge of wastewater used to extinguish the fire).

Control Measures

Forsee Power ensures compliance with the local regulations to which it is subject regarding 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 implemented. Site audits are conducted, particularly at repair facilities, and action plans are developed. Measures for operational risk management, safety, and fire prevention have also been implemented. Retention and water treatment basins are in place to prevent water pollution in the event of on-site fires.

In addition, the Group has separate, locked retention tanks and containers for storing hazardous waste. Waste is segregated in isolated areas outside buildings to prevent exposure in the event of a fire, and chemical compatibility is ensured. Waste is sorted into the appropriate treatment and recycling streams in accordance with local regulations.

Finally, spill kits are used to prevent the risk of chemical spills into water.

1.9.7. Ethics and Governance

Group Governance Risks

Risk Description

Inadequate governance, unable to keep pace with the rapid pace of activities and growth, could prevent the Group from meeting all its needs, ensuring the necessary efficiency and agility, and hinder its development.

Forsee Power faces the classic governance challenges of a hyper-growth phase: significant needs but still limited resources, navigating the transition between the agile phase and industrialization. Furthermore, the market is booming and there are many positions to fill. The Group thus faces a risk of high turnover in key positions, which could lead to numerous and frequent changes in the organization and management. Due to a lack of human resources, the Group may be forced, temporarily or for a longer period, to outsource certain matters—sometimes critical ones—which creates a risk of losing control over these matters.

Governance instability creates a lack of clarity and guidance for employees, which could lead to confusion about the organization's structure and their reporting lines. Operationally, decision-making processes may be slowed down or even brought to a halt. The Group's credibility among its employees could be undermined as a result. Combined with a lack of communication regarding policies and decisions, this could negatively impact the workplace environment by generating conflicts or tensions.

These governance issues could also lead to a sense of lack of transparency and stability among external stakeholders, particularly customers and investors.

Governance Framework

To mitigate governance-related risks, Forsee Power is working on its managerial structure: the Group is organizing its teams to provide employees with greater visibility, stability, and transparency. Governance remains flexible to adapt to the company's evolution, but is being structured through the definition of hierarchical levels, areas of responsibility, and the identification of decision-making channels. In addition, processes are also being structured, and numerous controls, indicators, and tools are being implemented.

Internal communication has been improved, with Human Resources playing a key role in facilitating change management.

Members of the Executive Committee have been trained in crisis management, and corrective actions are implemented quickly when necessary. A Board of Directors has also been established and has been adhering to best practices for publicly traded companies since 2021.

Employees' lack of alignment with the Group's culture and values

Description of the risk

In recent years, Forsee Power has been undergoing a transition from a startup to a mid-sized company. In this changing environment, there is a risk that the company's "long-time" employees may no longer identify with the Group's culture and values as it becomes more impersonal, while newer employees, who are seeking the structure of a larger organization, may not yet find the culture they desire. Furthermore, a lack of clear communication regarding medium- and long-term objectives could undermine employee engagement.

Control mechanism

Forsee Power has defined its corporate values: contribution, integrity, ambition, agility, and excellence. The Group ensures these values are communicated to employees and encourages transparent communication. Internal events organized by the executive committee and managers—such as awards ceremonies recognizing employees who exemplify each value—strengthen team engagement. Employee engagement is supported by initiatives such as local events, "coffee & learn" sessions, and company magazines. The HR policy emphasizes recognition of work and skill development through training. Additionally, an annual satisfaction survey assesses employee engagement, and the results are analyzed to improve HR policies.

1.9.8. Insurance and Risk Management

As of the date of this document, the Company has implemented a policy to cover the main insurable risks with coverage amounts it deems appropriate for the nature of its business. The Company does not anticipate any particular difficulties in the future in maintaining adequate levels of insurance coverage, subject to availability and market conditions. In summary, the status of the Company's major insurance policies is as follows:

Type of insurance	Insurer	Covered companies	Purpose
Credit insurance	Atradius	Forsee Power SA	Coverage: Losses incurred due to the insolvency or presumed 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: Losses incurred due to insolvency or presumed insolvency of a customer Purpose: Covers a customer's trade receivable in excess of \$5 million and up to \$10 million.
General Liability	Axa	Forsee Power SA and all of its subsidiaries	Coverage: Total coverage amount for operational civil liability / product liability of €10 million per claim prior to delivery, and €10 million per year after delivery. Purpose: Covers all risks arising from the operations of Forsee Power and its subsidiaries, as well as those arising from products, equipment, structures, works, and/or services delivered or performed.
Cyber	Chubb	Forsee Power SA and all of its subsidiaries	Coverage: a total coverage amount of €2 million per claim and per insurance period. Purpose: Covers financial losses and civil liability resulting from a Cyber Incident, an Operational Disruption Incident, an Attempted Cyber Extortion, a Malicious Telecommunications Act, or a Malicious Computer Act...
Industrial Multi-Risk	Generali	Forsee Power SA	Coverage: Total coverage amount for rental risks of €62 million, including €43 million for property damage Purpose: Covers all Forsee Power SA sites as well as third-party sites storing goods belonging to the company Note: The sites of the Chinese, Polish, North American, and Indian subsidiaries are insured through local insurance policies of the same type as the one described above
Directors' and Officers' Liability (D&O)	Chubb	Forsee Power SA and all of its subsidiaries	Coverage: Aggregate coverage limit of €5 million per insurance period Purpose: Covers all de jure officers, i.e., any natural person, officer, or corporate officer, regularly appointed by French or foreign law and/or by the articles of incorporation to one or more management functions, representation, oversight, or supervision within the group.
Transport (multi-cargo)	Helvetia	Forsee Power SA and all of its subsidiaries	Coverage: €1.5 million per means of transport and per event Scope: covers all goods entrusted, stored, or transported on its own account worldwide

2.

FINANCIAL STATEMENTS AND AUDITORS' REPORT

FINANCIAL STATEMENTS AND AUDITORS' REPORT

2.1 Annual Financial Statements of Forsee Power SA as of December 31, 2024	59
Balance Sheet	59
Income Statement	61
Summary of Notes to the Annual Financial Statements	63
2.2 Statutory Auditors' Report on the Annual Financial Statements of Forsee Power S.A. as of December 31, 2025.....	100
2.3 Consolidated Financial Statements of the Group as of December 31, 2025	104
Consolidated Statement of Financial Position	104
Consolidated Statement of Income.....	105
Statement of Other Comprehensive Income	106
Consolidated Statement of Cash Flows	107
Consolidated Statement of Changes in Equity	108
Notes to the Consolidated Financial Statements under IFRS.....	109
2.4 Statutory Auditors' Report on the Group's Consolidated Financial Statements as of December 31, 2025	200

2. FINANCIAL STATEMENTS AND STATEMENT BY THE STATUTORY AUDITORS

2.1. Annual Financial Statements of Forsee Power SA as of December 31, 2025

Balance Sheet

BALANCE SHEET - ASSETS

BALANCE SHEET ASSETS				
Amount in euros	December 31, 2025			December 31, 2024
	Gross	Depreciation and Amortization	Net	Net
Uncalled subscribed capital (I)				
Organization expenses (II)				
INTANGIBLE ASSETS	61 286 742	21 736 479	39 550 263	37 679 804
Development costs	32 238 744	19 035 880	13 202 864	1 829 306
Concessions, patents, and similar rights	4 218 026	2 700 599	1 517 428	2 110 013
Goodwill	8 621 237		8 621 237	8 621 237
Other intangible assets				
Intangible assets in progress, advances, and deposits	16 208 735		16 208 735	25 119 248
TANGIBLE ASSETS	22 794 002	14 227 587	8 566 414	11 014 858
Land				
Construction				
Technical installations, industrial equipment and tools	16 157 792	10 921 683	5 236 109	6 270 745
Other tangible assets	6 237 613	3 305 904	2 931 709	3 252 876
Tangible assets in progress, advances, and deposits	398 597		398 597	1 491 237
FINANCIAL ASSETS	41 190 234	18 055 599	23 134 635	28 510 233
Equity investments accounted for using the equity method				
Other equity investments	25 608 060	11 640 681	13 967 379	21 375 847
Receivables related to equity investments	13 914 141	6 414 918	7 499 223	6 414 918
Other long-term investments				
Loans				
Other financial assets	1 668 033		1 668 033	719 468
Total (III)	125 270 978	54 019 665	71 251 313	77 204 896
INVENTORIES AND WORK IN PROGRESS	36 463 588	11 815 878	24 647 710	34 842 091
Raw materials, supplies	14 388 597	4 909 547	9 479 050	19 812 308
Work in progress	4 343 213	2 489 939	1 853 273	2 809 166
Finished goods	17 731 778	4 416 392	13 315 386	10 496 307
Merchandise			-	1 724 310
Advances and deposits paid on orders	35 257		35 257	198 618
ACCOUNTS RECEIVABLE (1)				
Trade receivables and related accounts	9 006 013	1 289 692	7 716 321	36 565 941
Other receivables	11 943 525		11 943 525	21 607 480
Prepaid expenses	663 706		663 706	768
Subscribed capital called but not paid				
MARKETABLE SECURITIES				
CASH AND CASH EQUIVALENTS	8 970 856		8 970 856	4 483 673
TOTAL (IV)	67 082 945	13 105 570	53 977 375	97 698 570
Deferred bond issuance costs (IV)				
Bond redemption premiums (V)				
Translation and valuation differences - Assets (VI)	1 214 610		1 214 610	109 454
TOTAL ASSETS (I to VI)	193 568 533	67 125 236	126 443 298	175 012 920
(1) of which receivables due in more than one year			22 770	3 151 155

BALANCE SHEET – LIABILITIES

BALANCE SHEET LIABILITIES			
Amount in euros	December 31, 2025	December 31, 2024	
EQUITY	Share capital or individual capital	11 746 201	7 174 473
	Share premiums, merger premiums, contribution premiums, etc.	63 760 849	66 613 898
	Revaluation reserves		
	RESERVES	129 057	129 057
	Legal reserve	129 057	129 057
	Statutory or contractual reserves		
	Regulated reserves		
	Other reserves		
	Retained earnings		
	Net income for the year	(36 910 724)	(16 506 938)
	Capital grants	267 390	566 234
Regulated provisions			
Total equity	38 992 773	57 976 723	
Other equity	Proceeds from the issuance of participatory securities		
	Conditional advances	590 039	262 685
	Total other equity	590 039	262 685
Provisions	Provisions for risks	1 902 710	1 143 762
	Provisions for expenses	9 011 171	8 026 637
	Total provisions	10 913 881	9 170 398
LIABILITIES (1)	FINANCIAL LIABILITIES	48 419 934	44 396 130
	Convertible bonds		
	Other bonds		
	Loans and debts owed to credit institutions	48 130 683	43 864 978
	Miscellaneous loans and financial liabilities	289 251	531 153
	Forward financial instruments		
	OPERATING LIABILITIES	19 211 777	57 073 011
	Advances and deposits received on orders in progress	1 228 616	10 505 382
	Accounts payable and related accounts	9 969 257	39 376 945
	Tax and social security liabilities	8 013 904	7 190 684
	MISCELLANEOUS LIABILITIES	1 772 142	996 212
	Liabilities related to fixed assets and related accounts	91 137	67 993
	Other liabilities	1 681 004	928 218
Deferred revenue	4 174 943	3 666 677	
Total liabilities	73 578 796	106 132 030	
Currency translation adjustments and valuation differences	2 367 809	1 471 083	
TOTAL LIABILITIES	126 443 298	175 012 920	
Net income for the year expressed in cents	(36 910 724,20)	(16 506 938,30)	

Income Statement

Amount in euros			December 31, 2025	December 31, 2024	
	France	Export	12 months	12 months	
OPERATING REVENUES	Sales of goods		-	362	
	Sales of goods	15 199 947	107 186 908	122 386 855	
	Net sales	15 199 947	107 186 908	122 386 855	
	Inventory			282 532	(90 484)
	Capitalized production			7 292 820	9 428 943
	Grants			887 858	1 451 148
	Reversals of depreciation, impairment losses, and provisions			4 514 065	14 415 645
	Proceeds from the sale of intangible and tangible assets			577 555	
	Other revenue			2 679 643	675 732
		Total operating revenue (I)		138 621 328	181 858 689
OPERATING EXPENSES	Purchases of merchandise		216 776	368 031	
	Change in inventory			108 914	
	Purchases of materials and other supplies			80 009 468	122 108 160
	Change in inventory			9 449 436	(3 374 202)
	Other purchases and external expenses			20 832 926	23 470 104
	Taxes, duties, and similar payments			823 803	1 020 922
	Wages			20 087 647	20 772 231
	Social security contributions			9 545 847	9 445 026
	Operating provisions on fixed assets				
	-depreciation and amortization			6 802 105	5 124 694
	-provisions			1 692 066	
	Current assets: provisions			2 359 881	11 130 708
	Provisions			3 700 241	5 274 759
	Carrying amounts of disposed intangible and tangible assets			431 287	
	Other Expenses			2 469 029	1 821 277
		Total operating expenses (II)		158 420 512	197 270 625
	OPERATING INCOME (I - II)		(19 799 185)	(15 411 935)	

Amount in euros		December 31, 2025	December 31, 2024
OPERATING INCOME		(19 799 185)	(15 411 936)
Operating income	Profit allocated or loss transferred (III)		
	Loss incurred or profit transferred (IV)		
FINANCIAL INCOME	From equity investments	644 889	26 243
	From other securities and receivables classified as fixed assets	25 953	
	Other interest and similar income	158 563	73 507
	Reversals of provisions and impairment losses, and transfers of expenses	6 789 207	1 684 551
	Foreign exchange gains	506 599	1 004 228
	Proceeds from the sale of financial assets		
	Net proceeds from sales of marketable securities and cash management instruments	6 198	
Total financial income (V)		8 131 410	2 788 529
Depreciation, amortization, impairment, and provisions		19 180 210	2 017 851
Interest and similar expenses		3 225 676	3 485 226
Foreign exchange losses		2 854 823	152 331
Book values of disposed financial assets			
Net expenses on sales of marketable securities and cash instruments		87 807	293 346
Total financial expenses (VI)		25 348 516	5 948 755
FINANCIAL INCOME (V - VI)		(17 217 106)	(3 160 226)
CURRENT INCOME BEFORE TAXES (I - II + III - IV + V - VI)		(37 016 291)	(18 572 161)
Extraordinary income (VII)		124 804	745 483
Extraordinary expenses (VIII)		1 886 599	504 078
EXTRAORDINARY INCOME (VII - VIII)		(1 761 795)	241 405
Employee profit sharing (IX)			
Income taxes (X)		(1 867 361)	(1 823 818)
TOTAL REVENUE (I + III + V + VII)		146 877 542	185 392 701
TOTAL EXPENSES (II + IV + VI + VIII + IX + X)		183 788 266	201 899 639
NET INCOME FOR THE YEAR		(36 910 724)	(16 506 938)

SUMMARY OF NOTES TO THE ANNUAL FINANCIAL STATEMENTS

2.1.1.	Company Activities and Highlights of the Fiscal Year	65
2.1.1.1.	<i>Company Profile and Operations</i>	65
2.1.1.2.	<i>Highlights of Fiscal Year 2025</i>	65
2.1.2.	Accounting Policies	67
2.1.2.1.	<i>Preparation of Financial Statements and Changes in Accounting Policies</i>	67
2.1.2.2.	<i>Going Concern</i>	68
2.1.2.3.	<i>Significant Accounting Policies</i>	69
2.1.2.3.1.	Intangible Assets	69
2.1.2.3.2.	Goodwill and business assets	70
2.1.2.3.3.	Development costs	70
2.1.2.3.4.	Property, plant, and equipment	71
2.1.2.3.5.	Financial assets	71
2.1.2.3.6.	Inventories	72
2.1.2.3.7.	Trade receivables	72
2.1.2.3.8.	Cash and cash equivalents	72
2.1.2.3.9.	Foreign currency transactions	73
2.1.2.3.10.	Hedging transactions	73
2.1.2.3.11.	Provisions for risks and charges	73
2.1.2.3.12.	Retirement benefits	73
2.1.2.3.13.	Operating liabilities	74
2.1.2.3.14.	Revenue	75
2.1.2.3.15.	Research tax credit (CIR)	75
2.1.2.3.16.	Conditional advances	75
2.1.3.1.	<i>Statement of intangible and tangible fixed assets at gross values</i>	75
2.1.3.2.	<i>Statement of Depreciation and Amortization - Intangible and Tangible Assets</i>	76
2.1.4.	Financial assets	77
2.1.5.	Inventories	78
2.1.6.	Accounts receivable	78
2.1.7.	Receivables schedule	79
2.1.8.	Accrued income	79
2.1.9.	Prepaid expenses and deferred revenue	80
2.1.10.	Equity	80
2.1.10.1.	<i>Share capital</i>	80
2.1.10.2.	<i>Statement of Changes in Equity</i>	80
2.1.10.3.	<i>Treasury Stock</i>	81
2.1.10.4.	<i>Bonus share issuances (AGM)</i>	81
2.1.10.5.	<i>Stock options</i>	83
2.1.10.6.	<i>Stock warrants</i>	83
2.1.11.	Provisions for risks and charges	84
2.1.11.1.	<i>Provision for After-Sales Service (SAV)</i>	84

2.1.11.2.	<i>Provision for recycling</i>	85
2.1.11.3.	<i>Provisions for litigation</i>	85
2.1.11.4.	<i>Provision for pensions and similar obligations</i>	88
2.1.11.5.	<i>Provisions for foreign exchange losses</i>	88
2.1.12.	Cash and debt	89
2.1.13.	Maturity Schedule	90
2.1.14.	Accrued expenses	91
2.1.15.	Accrued liabilities	91
2.1.16.	Revenue	91
2.1.17.	Other purchases and external expenses	91
2.1.18.	Personnel expenses and compensation for management and administrative bodies	92
2.1.18.1.	<i>Headcount</i>	92
2.1.18.2.	<i>Compensation of management bodies</i>	92
2.1.19.	Taxes	92
2.1.20.	Depreciation, amortization, and provisions	93
2.1.21.	Other expenses	93
2.1.22.	Financial income	93
2.1.23.	Extraordinary income	94
2.1.24.	Taxes	95
2.1.24.1.	<i>Corporate taxes</i>	95
2.1.24.2.	<i>Research Tax Credit</i>	95
2.1.25.	Table of Subsidiaries and Equity Interests	96
2.1.26.	Other Information	96
2.1.26.1.	<i>Information regarding related parties</i>	96
2.1.26.2.	<i>Auditors' Fees</i>	97
2.1.26.3.	<i>Consolidated Financial Statements</i>	97
2.1.27.	Off-balance-sheet commitments	97
2.1.27.1.	<i>Commitments</i>	97
2.1.28.	Events after the 2025 fiscal year-end	98

The information provided below forms an integral part of the financial statements.

2.1.1. Company operations and highlights of the fiscal year

2.1.1.1. Identity and business of the company

Forsee Power S.A., a public limited company under French law, was incorporated on February 28, 2007, and is 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 on November 3, 2021, under the ticker symbol FR0014005SB3. In 2025, Forsee Power initiated the process to transfer FORSEE POWER shares to Euronext Growth® Paris and to delist them from the regulated market of Euronext Paris; this transaction was finalized on February 16, 2026.

Forsee Power S.A. is a company engaged in the design and integration of specialized batteries in the following fields:

- Portability and mobility (bicycles, scooters, rolling stock, medical equipment, home automation, professional tools, and construction equipment, etc.);
- Electric mobility (buses, trucks, short-haul vehicles, rail transport) and electrical energy storage (residential, industrial);

2.1.1.2. Highlights of the 2025 fiscal year

The key events of the fiscal year ended December 31, 2025, are as follows:

Launch of new product lines

Forsee Power launched a new line of PULSE PLUS batteries, a new high-power battery system for heavy-duty vehicles. Forsee Power launched a new GO 6 power battery, an LFP solution designed to meet the growing demands of compact agricultural, industrial, and construction machinery, as well as light four-wheeled electric vehicles.

Business Development

During fiscal year 2025, the Group signed several contracts and partnerships, including:

- Innovation Rail Technologies (IRT) has selected the FORSEE ZEN PLUS battery system to retrofit locomotives in the United States;
- Turkish manufacturer Bozankaya has selected the FORSEE PULSE 15 high-power battery system to power the trolleybuses in Prague for which it recently won a tender;
- Light electric vehicle manufacturer Westward Industries has selected Forsee Power's battery systems, production of which began at the Hilliard, Ohio, plant in the second half of 2025;
- Forsee Power has signed a partnership agreement with Connected Energy to jointly design and develop a modular and scalable energy storage solution;
- Partnership with Rolls-Royce, a global leader in propulsion and energy technologies, to supply battery systems for the electrification projects of Rolls-Royce's Power Systems division;
- Contract to supply battery systems for mining vehicles to KGHM, Europe's largest copper producer;
- Mexican manufacturer MegaFlux has selected the FORSEE ZEN LFP battery system to power its drivetrains sold to bus and truck manufacturers.

Capital Increases

On June 24, 2025, the company carried out a cash capital increase of €18.677 million (including the issue premium), resulting in the creation of 45,555,031 new common shares and an increase in share capital of €4.556 million.

On November 1, 2025, the company carried out a capital increase of €1,000, related to the definitive acquisition of 9,584 bonus shares.

On December 1, 2025, it carried out a capital increase of €15,000, related to the definitive acquisition of 152,671 bonus shares.

Litigation with Unu GmbH

On November 23, 2023, Forsee Power was informed of the initiation of insolvency proceedings against Unu GmbH before the Berlin Charlottenburg Court, with the appointment of an insolvency administrator. The administrator must decide on the continuation of the company's operations and the ongoing legal proceedings. The proceedings initiated in 2021 before the Paris Commercial Court made no progress in 2023. In December, a judge ordered the commencement of expert evaluations, with a report expected by the end of 2024. New proceedings were initiated in Germany in 2023 regarding claims, similar to those in 2022.

On May 2, 2024, the assets of Unu GmbH were acquired by EMCO, excluding all litigation, with the receiver's work therefore continuing on this matter.

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

In August 2025, one of the civil proceedings initiated in Germany was closed without Forsee Power being named as a defendant, and on January 28, 2026, the parties agreed to definitively terminate the proceedings.

Financing

In 2025, the Group arranged inventory financing in the form of commercial paper, secured by Forsee Power France's product inventory from the Chasseneuil-du-Poitou plant, in partnership with several banks.

As of December 31, 2025, this financing, along with the credit lines remaining to be repaid in 2026, totaled €8.8 million with four banks.

In addition, discussions began in June 2025 with the EIB to restructure the €25 million Tranche A, initially due for full repayment in June 2026. These negotiations led to extending the drawing rights for Tranche D, repaying an initial portion of Tranche A in the amount of €10 million in advance in 2025 via a drawdown from Tranche D (maturing in 2030), to schedule the repayment of a second tranche of €6 million in June 2026, and to spread the repayment of the remaining €10 million on a straight-line basis between June 2027 and June 2030.

These agreements were formalized by the signing of a contract on August 28, 2025, followed by the actual repayment of a portion of Tranche A on September 9, 2025, financed by the issuance of Tranche D.

As of December 31, 2025, the company was not in compliance with the *covenants* set forth in the financing agreement with the EIB. Consequently, the entire EIB debt was classified as debt due within one year (see Note 2.1.13) pending the granting of a *waiver*, which was finally granted on April 27, 2026, as part of a rescheduling agreement for Tranche A (; for

more information, refer to paragraphs 2.1.2.2. (“Going Concern”) and 2.1.28 (“Events Subsequent to the 2025 Financial Year-End”).

Long-term partial activity scheme and collective termination agreement

To anticipate a decline in business activity in 2026, Forsee Power has implemented measures aimed at reducing payroll costs. Accordingly, a long-term partial activity scheme (APLD) has been established for all employees effective September 1, 2025, for a maximum duration of 18 months.

In addition, at the end of 2025, the company implemented a collective voluntary redundancy program (RCC) to adjust its workforce in response to the expected decline in business, covering 60 cases, through March 9, 2026.

Incident at the Chasseneuil-du-Poitou site

On October 28, 2025, a fire broke out in a Li-ion battery at the Chasseneuil-du-Poitou site. The incident was quickly brought under control thanks to internal safety systems and the intervention of emergency services, with no casualties. After pumping out the water and restoring the facilities, operations at the site resumed on November 3, 2025.

In terms of property damage, the incident resulted in the destruction of the impacted battery, damage to nearby equipment, as well as water and soot damage in the production area. The fire suppression system and certain facilities were also affected and required repairs and cleanup. The estimated costs for this incident are €807,000. In light of this event, an inventory write-down of €526,000 was recorded.

2.1.2. Accounting Policies and Methods

2.1.2.1. Preparation of Financial Statements, and Change in Accounting Policy

The annual financial statements for the fiscal year ended December 31, 2025, were prepared and presented in accordance with the laws and regulations in force in France, and in particular ANC Regulation No. 2022-06 of the Accounting Standards Authority (ANC) relating to the General Chart of Accounts (PCG). The new ANC Regulation No. 2022-06 amends ANC Regulation No. 2014-03 with a view to modernizing financial statements and the chart of accounts. It is mandatory for fiscal years beginning on or after January 1, 2025.

This regulation has the following effects, in particular:

- The introduction of a new definition and presentation of extraordinary income
- The elimination of the expense transfer method
- The modernization of the chart of accounts and financial statement templates
- The introduction of a new format for notes to the financial statements

Under French rules, a change in accounting regulations is classified as a change in accounting policy.

In connection with the application of ANC Regulation 2022-06, changes have been made to the presentation of the financial statements to comply with the new regulatory provisions.

Upon the first application of the new provisions of this regulation, Forsee Power revised certain aspects of its accounting principles :

Thus, items typically recorded as extraordinary income or expense are limited solely to entries related to tax transactions

(accelerated depreciation, etc.), changes in accounting policies or corrections of errors, as well as expenses and revenues directly related to a major and unusual event:

- An event is major when its consequences are likely to influence judgment;
- an unusual event is an event that is not related to the entity's normal and ongoing operations,
- an event is presumed to be unusual when the same event has not occurred in recent fiscal years and is unlikely to recur in future fiscal years.

Extraordinary income is now presented on an aggregated basis, with a total of extraordinary income and a total of extraordinary expenses.

The new presentation also results in changes to the composition of financial income. The main changes are:

Regarding the presentation of the income statement:

- The line items "Sales of Goods" and "Sales of Services and Construction Work" have been combined into a single line item, "Sales."
- The line item "Reversals of provisions and depreciation, transfers of expenses" has been renamed "Reversals of provisions and depreciation," as transfers of expenses have been eliminated and the transactions are now recorded directly in the appropriate accounts.
- Revenue and the carrying amounts of disposed tangible, intangible, and financial assets are presented by nature (operating or financial) and are no longer included in extraordinary income, in accordance with the new presentation rules.
- Extraordinary income and financial income for 2024 have not been restated.

These changes have no impact on the net income for the fiscal year but result in a modification of the presentation of the financial statements to comply with applicable regulatory provisions.

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

The basic method used to value items recorded in the accounts is the historical cost method.

2.1.2.2. Going Concern

The company financial statements as of December 31, 2025, were prepared under the going concern accounting assumption, taking into account the following factors:

- The cash balance as of December 31, 2025, amounts to €8.97 million, all of which consists of cash available in current accounts;
- The outlook for cash flows from operations over the next 12 months, which indicates a higher level of uncertainty compared to previous fiscal years;
- The renewal in 2026 of the non-recourse factoring program with Facto France, with no cap on the amount of receivables in euros and dollars (subject to the per-customer limits set by credit insurers);
- The implementation of short-time work to address a temporary decline in business and limit payroll costs

- The implementation of a collective voluntary redundancy plan to adjust headcount proactively and voluntarily;
- Post-closing discussions with the main banking partners, which led on April 28 and 30, 2026, to the conclusion of agreements allowing for the restructuring of financial debt repayment schedules and the securing of the Company's cash flow, notably through:
 - a deferral of the maturity date, originally scheduled for December 31, 2025, of the commercial paper issued as part of inventory financing, and a gradual repayment of the €8.8 million in outstanding principal through December 31, 2027
 - the deferral and extension until the end of 2027 of the €6 million maturity of Tranche A of the EIB debt, originally due in June 2026;
 - the rescheduling of the repayment of the outstanding principal on the State-Guaranteed Loans (€2.8 million).

(These agreements are subject to certain conditions precedent, the occurrence of which is considered highly unlikely by the Company's management.)

- The ongoing exploration of additional financing solutions, including in particular discussions with potential investors, as well as talks with existing shareholders with a view to a possible strengthening of equity.

Based on these forecasts and ongoing actions, the Company's management believes it currently has sufficient resources to ensure the continuity of its operations over the next 12 months.

2.1.2.3. Significant Accounting Policies

2.1.2.3.1. Intangible Assets

Intangible assets consist primarily of software, licenses and patents and similar rights, development costs, and goodwill. Intangible assets have been valued at their acquisition or contribution cost. They consist of:

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

Amortization is calculated based on the acquisition cost, less any residual value, if applicable. The residual value is the amount, net of expected disposal costs, that the Company would receive from the sale of the asset on the market at the end of its useful life.

At the balance sheet date, the Company assesses whether there are any indications of impairment of 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 fair value. The carrying amount of an asset is written down if its fair value is lower than its net book value. The fair value of an asset is the higher of its market value and its value in use to the company.

2.1.2.3.2. Goodwill and goodwill

In 2016, residual technical goodwill arising from mergers and business combinations was recognized, as detailed below.

Goodwill	December 31, 2025 In euros
Uniross Batteries Industrial Division	18 560
ERSE Goodwill	70 220
Goodwill from the merger of Forsee Power Solutions	6 988 128
Merger of Forsee Power Industry	1 544 329
TOTAL	8 621 237

Goodwill primarily corresponds to know-how and is now fungible across all of Forsee Power's activities, such that it is no longer possible to track this goodwill separately.

The net book value of this goodwill, consolidated under a single Group goodwill item, was tested for impairment by ensuring that this book value, along with the associated working capital, is less than the present value determined by the discounted cash flow projections of the Forsee Power Group.

These goodwill items are considered to have an indefinite useful life. As such, they are not amortized on a straight-line basis.

2.1.2.3.3. Development Costs

The company has opted to capitalize these development costs, which total €48.4 million gross at the end of 2025, of which €16.2 million was capitalized in 2025. They resulted in an amortization charge of €3.1 million and an impairment loss of €1.7 million for the fiscal year; this impairment loss stems from a project's projected margins being insufficient to cover the corresponding amortization. As of the end of 2025, the net value of capitalized R&D costs is €29.4 million.

These consist primarily of personnel costs and expenses directly attributable to development and meet the following criteria:

- the technical feasibility required to complete the intangible asset for the purpose of putting it into service or selling it;
- 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 probable 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 measure the expenditures attributable to the intangible asset during its development.

These development costs are amortized over the product's expected useful life, which ranges from 2 to 6 years, starting from the date mass production begins.

Other research and development expenses that do not meet the criteria set forth above are recognized directly as expenses for the fiscal year. The amount recognized directly as an expense in 2025 is €4,377,000.

2.1.2.3.4. Property, Plant, and Equipment

Property, plant, and equipment are stated at their acquisition or contribution cost.

Depreciation is calculated based on the expected useful life. The most commonly used useful lives are as follows:

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

2.1.2.3.5. Financial assets

Equity securities and related receivables

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

Receivables related to equity investments primarily consist of current account advances granted by the Company to its subsidiaries in the form of loans, either directly or indirectly through holding companies. They are recorded at their face value.

At the end of the fiscal year, an impairment loss is recognized when the subsidiary's equity falls below the carrying amount of the equity securities and the prospects for a short-term recovery appear uncertain. This impairment loss is allocated first to the equity securities and then, if applicable, to the related receivables and/or current accounts.

The main events that occurred in 2025 are as follows:

- An impairment loss of €11.5 million was recorded in the financial statements as of December 31, 2025, relating to the securities of Forsee Power North America USA. Consequently, as of December 31, 2025, all securities of this subsidiary are fully impaired due to the deterioration of its net worth. In addition, receivables from Forsee Power Inc. USA were impaired by €6.4 million. This amount relates to the portion of the total receivable due in more than one year.
- Regarding NeoT, the carrying amount of the securities of this 33.3% owned subsidiary was confirmed following an impairment test based on discounted future cash flows. This method determines an enterprise value of € , to which net cash is added to arrive at the fair value of equity. This value is then prorated to Forsee Power's ownership interest and compared to the carrying amount of the securities held by the Group.
- The impairment losses recorded on the securities of the subsidiary Forsee Power India Private as of December 31, 2024, were fully reversed in the amount of €4.1 million, along with a total reversal of €2.5 million on receivables held from this subsidiary. This reversal is attributable to the signing of a letter of intent regarding the sale of Forsee Power India, which provides for the sale of 51% of its shares in 2026 at a price higher than the value recorded in the financial statements.

Other financial assets

As of December 31, 2025, other financial assets include security deposits of €450,000, treasury shares held under the liquidity agreement of €176,000, and €11,000 in cash. They also include deposits in collateral accounts and financial guarantees totaling €1 million.

2.1.2.3.6. Inventories

Inventories consist of raw materials, purchased components (e.g., batteries, electronic cards, wiring harnesses, sheet metal parts), semi-finished products, and finished products. Inventories of raw materials and purchased components are valued at acquisition cost using the weighted average unit cost method (WAC). This acquisition cost includes the purchase price as well as procurement costs (logistics and customs clearance fees).

Inventories of finished goods are valued at production cost using the weighted average unit cost method (WAC) and include delivery costs (logistics and customs clearance fees) as well as direct production labor costs. Financial expenses are not included in the valuation of inventories.

In-transit inventory consists of purchases of materials and components, semi-finished or finished products for which ownership has been transferred to the Company but which have not yet been received. This inventory is valued at acquisition cost.

Inventories are written down to reflect their net realizable value as of the fiscal year-end.

- The impairment of inventory items (raw materials, components, semi-finished and finished products) is assessed by considering both the sales outlook for a product based on its life cycle and changes in market selling prices (in the battery industry, these selling prices are expressed in euros or currency per kWh).
- The write-down applies to semi-finished products, finished products, and components that cannot be used in the production of another battery line. This write-down reduces the inventory value to the net realizable value at which it is likely that a product will be sold or a component used. Batteries (also known as cells), slow-moving components, and certain finished products may, depending on the circumstances, be written down in full.

2.1.2.3.7. Trade receivables

Trade receivables are initially recognized at their face value and consist primarily of the difference between revenue recognized and invoiced and cash received from customers, particularly in cases where advance payments have been made. Other operating receivables are also recognized at their face value.

Receivables are, where applicable, impaired through the creation of a provision to account for any collection difficulties they may give rise to. Provisions 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 agreements in place to finance its working capital needs:

- A non-recourse factoring program: a transfer of risks related to late payment, non-payment, and exchange rates, and a limitation on the factor's recourse in the event of non-payment of the secured receivables. The amount of non-recourse assigned receivables (Facto France contract) that are unfunded and classified as other receivables amounts to €4.9 million as of December 31, 2025. As of December 31, 2025, the total amount of receivables assigned and financed amounts to €198 million since the start of this program in 2024. The gross amount of invoices assumed by the factor that remain unpaid by customers is €7 million as of December 31, 2025.

2.1.2.3.8. Cash and Cash Equivalents

Cash and cash equivalents as of December 31, 2025, amounted to €8.97 million, all of which consists of cash available to the funds in checking accounts.

2.1.2.3.9. Foreign currency transactions

The 2025 financial statements are prepared in euros. Expenses and revenues denominated in foreign currencies are recorded at their euro equivalent on the transaction date. At the balance sheet date, liabilities and receivables denominated in foreign currencies are converted and recognized on the balance sheet based on the most recent exchange rate, with a corresponding entry under “Foreign exchange translation adjustments – assets/liabilities” on the balance sheet.

Unrealized foreign exchange gains are not included in the calculation of net income. Unrealized foreign exchange losses not offset by a foreign exchange hedge are provided for in the amount of the loss.

2.1.2.3.10. Hedging Transactions

Forsee Power occasionally enters into foreign exchange hedges (forward contracts) on the U.S. dollar (\$). As of December 31, 2025, the Group has currency hedges in U.S. dollars (\$) and renminbi (RMB) through *currency forward* contracts and currency swaps with a notional amount of €19.7 million to cover settlements in the first half of 2026.

2.1.2.3.11. Provisions for Risks and Charges

A provision for risks and charges is recognized as soon as there is a probable or certain obligation, clearly defined in terms of its purpose, resulting from past or ongoing events, and making it probable that an outflow of resources will occur to the benefit of third parties without an at least equivalent consideration expected from them, but for which the timing or amount is not precisely determined.

The amount set aside is the best estimate of the expenditure required to settle the obligation as of the balance sheet date, excluding any expected income. Each risk or expense is assessed on a case-by-case basis as of the balance sheet date, and provisions are adjusted to reflect the best estimate as of that date.

As a battery manufacturer, 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 financial statements by a provision for After-Sales Service (ASS) valued based on a percentage of revenue excluding extended warranty sales. This percentage was determined based on both a benchmark and an estimate of probable repair costs weighted by the probability of return. The company will refine this estimate based on actual repair costs.
- The obligation to collect and process end-of-life batteries (European regulations on waste electrical and electronic equipment – WEEE).
This obligation is covered in the financial statements by a Recycling provision valued based on the fleet of batteries sold (by weight) and the projected recycling costs when these batteries reach the end of their life.

2.1.2.3.12. End-of-career benefits

Regarding end-of-career benefits, an expense was recognized as of December 31, 2025, for defined-contribution plans; the corresponding provision thus amounts to €469,000.

In accordance with the latest update to ANC Recommendation 2013-02 dated November 7, 2013, as amended on

November 5, 2021, the Company has decided to adopt the new method for allocating benefit entitlements under its defined-benefit plans, pursuant to which a benefit is payable only if the employee is employed on the date of retirement, the amount of which depends on length of service, and is capped at a certain number of consecutive years of service.

The basic assumptions (employee turnover rate, salary increases) for these calculations were determined based on the Company's projected and historical policies.

The assumptions used for the valuations consist of:

	December 31, 2025	December 31, 2024
Financial assumptions		
Discount rate	3,75%	3,25%
Salary growth rate	2,00%	2,00%
Social security contribution rate for executives	47,55%	48,66%
Social security contribution rate for non-executives	39,00%	39,55%
Demographic assumptions		
Employee turnover for employees under 35	9,55%	25,30%
Turnover rate employees aged 36 to 45	9,60%	15,56%
Turnover of employees aged over 46	3,75%	4,15%
Retirement age used for executives	64	64
Retirement age for non-executives	64	64
Mortality table	INSEE 2024	INSEE 2024

The discount rates used are derived by reference to the yield on bonds issued by investment-grade companies with a maturity equivalent to the duration of the plans being valued, which is approximately 10 years. The rate was determined by considering market indices for AA-rated bonds available as of the end of December 2025.

Sensitivity analyses of the liability were performed as of December 31, 2025, based on the following key assumptions:

	Gross impact on commitments December 31, 2025	% of total commitments as of December 31, 2025
Discount rate		
Change in discount rate of -0.25%	8	1,70%
Change in discount rate of +0.25%	(5)	-1,00%
Employee turnover rate		
Change of -1.00% in employee turnover	24	5,20%
Change of +1.00% in employee turnover	(21)	-4,60%
Wage growth rate		
Change of -1.00%	34	7,10%
Change of +1.50%	52	11,10%
Retirement age		
Retirement at age 63	24	5,10%
Retirement at age 65	(45)	-9,60%

2.1.2.3.13. Trade payables

Accounts payable and other operating liabilities are measured, upon initial recognition, at the fair value of the consideration to be given. This value corresponds to the nominal value.

2.1.2.3.14. Revenue

Revenue is derived from the sale of goods and services and is recognized upon the transfer of control (either upon payment or ex-works). The Company also sells extended warranties for certain products to some of its customers. Revenue is initially recorded as Deferred Revenue (DR) on the balance sheet and recognized over time during the period covered by the warranty. The Company has no commitments regarding the return of goods or buyback commitments, other than legal and regulatory obligations consisting of after-sales service (SAV) and recycling commitments.

2.1.2.3.15. Research Tax Credit (CIR)

Research tax credits (CIR) are granted to companies by the French government to encourage them to conduct technical and scientific research. Companies that can demonstrate expenditures meeting the required criteria are eligible for a tax credit that may be used to offset corporate income tax due for the fiscal year in which the expenditures were incurred and the three subsequent fiscal years, or, if applicable, refunded for any excess amount.

The amount related to research tax credit is presented as a deduction from corporate income tax (CIT) at its gross value.

2.1.2.3.16. Conditional advances

Conditional advances represent amounts of money paid by an organization or entity in the form of an advance, pending the fulfillment of certain conditions before the full funds are released or converted into a definitive grant. These advances are often used in the context of grant-funded projects to ensure the smooth running of activities before full funding is disbursed.

- In 2023, an advance of €44,000 was granted under the BAT PROD 86 grant, which has a total value of €596,000.
- In 2024, an advance of €218,000 was granted under the Pulse HEV grant, which has a total value of €2.2 million.
- In 2025, a new advance of €267,000 was received under the Pulse HEV grant, and an advance of €60,000 was granted under the MARS – ECO grant, which has a total amount of €996,000.
- At the end of fiscal year 2025, Forsee Power France reported a total of €589,000 in conditional advances.

2.1.3. Property, plant, and equipment and intangible assets

2.1.3.1. Statement of Intangible and Tangible Fixed Assets (Gross Values)

Amount in euros		Gross values at the beginning of the fiscal year	Changes during the fiscal year			Gross values as of December 31, 2025
			Additions	Acquisitions and capitalizations	Disposals and retirements	
INTANGIBLE ASSETS	Development costs	16 066 099	16 172 644			32 238 744
	Patent and similar rights	4 093 818	624 209	(500 000)		4 218 026
	Goodwill	8 621 237				8 621 237
	Other intangible assets					
	Intangible assets in progress, advances, and deposits	25 119 249	(16 796 853)	7 886 339		16 208 735
	TOTAL INTANGIBLE ASSETS	53 900 403	-	7 886 339	(500 000)	-
TANGIBLE ASSETS	Land					
	Buildings on owned land					
	on third-party land					
	Agency and fit-out installations					
	Technical installations, industrial equipment and tools	15 141 346	1 143 645	(127 200)		16 157 791
	Miscellaneous installations, fittings, and fixtures	3 907 240	328 338			4 235 578
	Transportation equipment	82 700		(68 000)		14 700
	Office equipment, furniture	1 905 545	81 791			1 987 336
	Recyclable packaging and miscellaneous	-				-
Tangible assets in progress, advances, and deposits	1 491 237	(1 553 774)	1 305 726	(844 592)	398 597	
TOTAL TANGIBLE ASSETS	22 528 067	-	1 305 726	(195 200)	(844 592)	22 794 002

The gross value of capitalized development costs amounted to €48,447,000 as of December 31, 2025, and corresponds to 96 activities (projects and cross-functional activities, including those in Cycle 2), of which 56 are still in the development phase. As of December 31, 2024, this amount was €41,154,000 and corresponded to 60 projects.

During fiscal year 2025, capitalized development costs amounted to €7,292,000 and relate to 43 projects, while capitalizations totaling €16,172,000 relate to 31 projects.

Other intangible assets, amounting to €16,209,000, consist entirely of development costs in progress that have not yet been capitalized.

The “goodwill” item consists of a single aggregate goodwill of €8,621,000, resulting from the merger of all the goodwill of the various acquired businesses, as explained in paragraph 2.3.2.

The useful life of the merger goodwill is considered to be indefinite. As such, it is not amortized on a straight-line basis but, like other non-amortized intangible assets, is subject to an impairment test based on its fair value at the end of each fiscal year. When this fair value is lower than the carrying amount, an impairment loss is recognized for the difference. The adjustments of €844,000 recorded in the transactions correspond to reversals of provisions initially recognized in excess during the migration to the new ERP system. These transactions, carried out exclusively between balance sheet accounts, have no impact on the profit or loss for the fiscal year.

2.1.3.2. Statement of Depreciation and Impairment - Intangible and Tangible Assets

Amount in euros	Depreciation at beginning of fiscal year	Changes during the fiscal year		Depreciation as of December 31, 2025
		Allocations	Decreases	
INTANGIBLE ASSETS				
Development costs	14 236 793	3 107 021		17 343 814
Patent and similar rights	1 983 805	940 467	(223 674)	2 700 599
Goodwill				
Other intangible assets				
TOTAL INTANGIBLE ASSETS	16 220 599	4 047 488	(223 674)	20 044 413
TANGIBLE ASSETS				
Land				
Buildings on owned land				
on third-party land				
Installations, fixtures, and fittings				
Technical installations, industrial equipment and tools	8 870 600	2 060 897	(9 815)	10 921 682
Other miscellaneous fixtures, fittings, and improvements	1 250 113	498 680		1 748 794
Transportation equipment	37 593	7 531	(30 424)	14 700
Office equipment, furniture	1 354 902	187 509		1 542 411
Recyclable packaging and miscellaneous				
TOTAL TANGIBLE FIXED ASSETS	11 513 208	2 754 618	(40 239)	14 227 587
TOTAL	27 733 807	6 802 106	(263 913)	34 272 000

Amount in euros	Impairments at the beginning of the fiscal year	Changes during the fiscal year		Impairments as of December 31, 2025
		Allocations	Decreases	
INTANGIBLE ASSETS				
Development costs		1 692 066		1 692 066
Patent and similar rights				-
Goodwill				
Other intangible assets				
TOTAL INTANGIBLE ASSETS	-	1 692 066	-	1 692 066
TANGIBLE ASSETS				
Land				
Buildings on owned land				
on third-party land				
Installations, fixtures, and fittings				
Technical installations, industrial equipment and tools				-
Other miscellaneous fixtures, fittings, and improvements				-
Transportation equipment				-
Office equipment, furniture				-
Recyclable packaging and miscellaneous				-
TOTAL TANGIBLE FIXED ASSETS	-	-	-	-
TOTAL	-	1 692 066	-	1 692 066

2.1.4. Financial assets

Amount in euros	Gross values at the beginning of	Changes during the fiscal year		Gross values as of December 31, 2025
		Increases	Decreases	
FINANCIAL				
Equity investments accounted for using the equity method				
Other equity investments	25 608 060			25 608 060
Receivables related to equity investments	6 414 918	9 143 934	(1 644 711)	13 914 141
Other long-term investments				
Loans and other financial assets	719 468	1 033 598	(85 033)	1 668 033
TOTAL FINANCIAL ASSETS	32 742 447	10 177 532	(1 729 744)	-

The €9,144,000 increase in receivables related to equity investments corresponds to:

- FORSEE POWER INDIA PRIVATE: Reclassification of the current account with this subsidiary to receivables related to equity investments in the amount of €2,538,000, €943,000 in loans granted during the year, and €56,000 in accrued interest.
- FORSEE POWER SPZ POLAND: Reclassification of the current account with this subsidiary to receivables related to equity investments in the amount of €237,000 and €14,000 in loans granted during the year.
- FORSEE POWER INC USA: €4,768,000 in loans granted during the year, as well as €588,000 in accrued interest.

The decrease in receivables related to equity investments, amounting to €1,644,000, is attributable to:

- A repayment from the subsidiary Forsee Power Inc. of €107,000.
- An unfavorable exchange rate effect of €1,537,000.

Loans and other financial assets consist of:

- Treasury stock in the amount of €186,000.
- Various deposits and guarantees (real estate guarantees, vehicles, etc.) totaling €450,000.
- Deposit accounts backed by financial guarantees totaling €1,032,000.

Impairments of financial assets break down as follows (see 2.3.5):

Amount in euros		Beginning of fiscal year	Changes during the fiscal year		End of fiscal year December 31, 2025
			Increases	Decreases	
DEPRECIATION OF FINANCIAL ASSETS	Equity investments accounted for using the equity method				
	Other equity investments	4 232 213	11 550 681	(4 142 213)	11 640 681
	Receivables related to equity investments		8 952 459	(2 537 541)	6 414 918
	Other long-term investments				
	Loans and other financial assets				
TOTAL DEPRECIATION OF FINANCIAL ASSETS		4 232 213	20 503 140	(6 679 754)	-

Under the heading “increase in related receivables,” the impairment of the current account with Forsee Power India as of December 31, 2024, was reclassified to the category “impairment of receivables related to equity investments” in the amount of €2.5 million in 2025.

Equity securities break down as follows:

Amount in euros	Country	Capital	Equity	Percentage of Capital Held (in %)	Book value of securities held		Loans and advances granted	Revenue	Net income for the most recent fiscal year	Dividends received
					Gross	Net				
A. Detailed information										
1. Subsidiaries (More than 50%)										
FORSEE POWER SPZ	Poland	11 337	(331 069)	100,00	90 000	-	250 556	1 646 168	(137 220)	
FORSEE POWER SOLUTIONS LIMITED HONG KONG	China	5 429 853	4 915 070	100,00	5 372 429	5 372 429	(29 621)	6 937	-	
FORSEE POWER PTE. LTD.	Singapore	6 352	-	100,00	6 417	6 417	-	-	(6 387)	
FORSEE POWER INDIA PRIVATE LTD	India	32 416	(1 474 581)	100,00	4 142 213	4 142 213	3 019 595	2 030 151	(1 346 533)	
ZHONGSHAN FORSEE POWER DEVELOPMENT CO., LTD	China	119 835	752 929	100,00	120 000	120 000	1 139	1 689 389	(17 375)	
FORSEE POWER NORTH AMERICA	USA	11 087 599	10 210 131	100,00	11 550 681	-	-	-	(538)	
FORSEE POWER GK	Japan	328 969	392 231	100,00	319 413	319 413	18 151	910 044	53 550	
TOTAL SUBSIDIARIES					21 601 154	9 960 472	3 259 820	6 282 689	(1 454 503)	-
2. Equity Interests (10% to 50%)										
NEOT CAPITAL SAS	France	3 982 758	5 089 782	33,21	4 006 906	4 006 906	-	5 506 660	1 084 568	
TOTAL INVESTMENTS					4 006 906	4 006 906	-	5 506 660	1 084 568	-
TOTAL SUBSIDIARIES AND EQUITY INTERESTS					25 608 060	13 967 379	3 259 820	11 789 349	(369 935)	-

2.1.5. Inventories

Amount in euros		December 31, 2025		
		Gross	Depreciation and Amortization	Net
STOCKS	Raw materials, supplies	14 388 597	(4 909 547)	9 479 050
	Work in progress	4 343 213	(2 489 939)	1 853 273
	Intermediate and finished products	17 731 778	(4 416 392)	13 315 386
	Merchandise	-	-	-
TOTAL		36 463 588	(11 815 878)	24 647 710

Amount in euros		Beginning of fiscal year	Increases	Decreases	December 31, 2025
INVENTORY WRITE-DOWNS	Raw materials, supplies	4 377 549	531 998		4 909 547
	Work in progress	1 461 080	1 028 859		2 489 939
	Intermediate and finished products	4 949 773		(533 381)	4 416 392
	Merchandise	-			-
INVENTORY WRITE-DOWNS		10 788 402	1 560 857	(533 381)	11 815 878

2.1.6. Trade receivables

Amount in euros	December 31, 2025	December 31, 2024
Accounts receivable and related accounts (gross value)	9 006 013	37 975 378
Impairment of trade receivables	(1 289 692)	(1 409 437)
Trade receivables and related accounts (net value)	7 716 321	36 565 941

Amount in euros	December 31, 2024	Increase	Decreases	Reclassification	December 31, 2025
Impairment of trade receivables	(1 409 437)	(1 332 405)	1 452 150		(1 289 692)

2.1.7.Receivables schedule

Amount in euros	December 31, 2025	1 year or less	More than 1 year
Receivables related to equity investments	13 914 141		13 914 141
Loans			-
Other financial assets	1 668 033		1 668 033
TOTAL FIXED RECEIVABLES	15 582 174	-	15 582 174
Doubtful or disputed customers	1 289 692	1 289 692	-
Other accounts receivable	7 716 321	7 716 321	
TOTAL TRADE RECEIVABLES	9 006 013	9 006 013	-
RECEIVABLES			
Receivables representing securities lent			
Employees and related accounts	52 989	52 989	
Social Security and other social agencies		-	
Income taxes (1)	4 376 549	455 735	3 920 813
Value-added taxes	1 312 983	1 312 983	
Other taxes, fees, and similar payments	7 581	7 581	
Group and affiliates	22 770		22 770
Other receivables	6 170 652	6 170 652	
TOTAL OTHER RECEIVABLES	11 943 525	7 999 941	3 943 584
TOTAL RECEIVABLES	36 531 712	17 005 954	19 525 757
(1) of which CIR 2021 to 2025	4 351 412	430 598	3 920 814

Note that, of the €1,313,000 in VAT receivables, €735,000 was the subject of a refund request, which was approved and refunded by the tax authorities in February 2026.

The “Other receivables” line item consists of the following components as of December 31, 2025:

Amount in euros	December 31, 2025
Government - Short-time work	778 484
Factor (1)	4 927 023
Guarantee Account	447 415
R.R.R. to be obtained, receivables	6 165
Other miscellaneous receivables	11 565
Total Miscellaneous Receivables	6 170 652

Amount in euros	December 31, 2024	Increase	Decrease	Reclassification	December 31, 2025
Impairment of other miscellaneous	(30 408)		30 408		0,00

(1) The amount of non-recourse receivables assigned to Factofrance that remain unfunded as of December 31, 2025, is €4,927,000. The gross amount of invoices taken on by the factor that remain unpaid by customers is €7 million as of December 31, 2025.

2.1.8.Accrued income

Amount in euros	December 31, 2025	December 31, 2024
Other accounts receivable	-	763 120
<i>Customers: Invoice to be issued</i>	-	763 120
Other receivables	6 165	7 232
<i>R.R.R. receivable, receivables</i>	6 165	7 232
<i>Statement - Accounts Receivable</i>	-	-
Total Accounts Receivable	6 165	770 353

2.1.9. Prepaid expenses and deferred revenue

Prepaid expenses and deferred income consist primarily of foreign currency translation adjustments totaling €1,214,610.

2.1.10. Shareholders' equity

2.1.10.1. Share capital

At the beginning of fiscal year 2025, the share capital was divided into 71,744,727 common shares with a par value of €0.10.

45,555,031 new shares were issued as part of the capital increase on June 24, 2025, with a par value of ten cents (€0.10) each.

9,584 new shares were issued in connection with the definitive acquisition of bonus shares under the 2024 US AGM Plan on November¹, 2025, with a par value of ten cents (€0.10) each.

152,671 new shares were issued in connection with the definitive acquisition of bonus shares under the 2024 AGA plan on December¹, 2025, with a par value of ten cents (€0.10) each.

Transactions involving the Company's capital during the fiscal year are detailed in the table below:

Amount in euros	Number	Face Value	Amount	
SHARES / STOCK UNITS	Of share capital at the beginning of the fiscal year (12/31/2024)	71 744 727,00	0,10	7 174 472,70
	Issued during the fiscal year:			
	- Increase on 06/24/2025	45 555 031,00	0,10	4 555 503,10
	- Increase on 11/01/2025	9 584,00	0,10	958,40
	- Increase on 12/01/2025	152 671,00	0,10	15 267,10
	Redemptions during the fiscal year			-
	Of the share capital at year-end (12/31/2025)	117 462 013,00	0,10	11 746 201,30

2.1.10.2. Statement of Changes in Equity

Amount in euros	Shareholders' equity as of December 31, 2024	Allocation of prior year's earnings	Net income for 2025	Capital increase	Changes during the fiscal year	Equity at December 31, 2025
Share Capital	7 174 473			4 571 729		11 746 201
Share premiums, merger premiums, Revaluation reserves	66 613 898	(16 506 938)		13 653 889		63 760 850
Legal reserve	129 057					129 057
Statutory or contractual reserves	-					-
Regulated reserves	-					-
Other reserves	-					-
Retained earnings	-	(16 506 938)	16 506 938			(0)
Net income for the year	(16 506 938)	16 506 938	(36 910 724)			(36 910 724)
Capital grants	566 234				(298 844)	267 390
Regulated provisions	-					-
TOTAL	74 021 777	-	-	18 225 618	-	38 992 773

Events in 2025 are:

- At the Combined General Meeting of May 16, 2025, it was decided to allocate the loss for the fiscal year ended December 31, 2024, amounting to €16,506,938, to retained earnings, whose zero balance is thereby converted to a debit balance of €16,506,938, and to withdraw the sum of €16,506,938 from the share premium account and to allocate this entire amount to retained earnings, thereby reducing the balance to €0.
- Pursuant to a decision by the Chief Executive Officer dated June 24, 2025, the company carried out a cash capital increase of €18.677 million (including the share premium), resulting in the creation of 45,555,031 new common shares and an increase in share capital of €4.556 million. The net issue premium is €13.670 million (€14.122 million minus €452,000 in costs related to this increase).
- In a decision by the Chairman dated November¹ 2025, a capital increase was approved in connection with the acquisition of 9,584 shares allocated free of charge on October 31, 2024, and this increase was funded by drawing on the share premium of Forsee Power SA.
- In a decision by the Chairman dated December¹ 2025, a capital increase was approved in connection with the acquisition of 152,671 shares allocated free of charge on July 30, 2024, and this increase was funded by a drawdown from the share premium of Forsee Power SA.

2.1.10.3. Treasury shares

Treasury shares consist of Forsee Power shares held by the Group through an independent investment services firm (Kepler Cheuvreux) responsible for the liquidity contract.

As of December 31, 2025, the Company directly or indirectly holds 522,105 treasury shares valued at €176,000 and €11,000 in cash under the liquidity agreement established following its initial public offering on November 3, 2021.

2.1.10.4. Bonus Share Allocations (AGM)

	Grant date	Number of AGA options granted	Number of AGA options canceled	Number of AGA options outstanding	Number of shares subscribed upon exercise of AGA options	Vesting period	Maturity
Bonus shares (2021 AGM) (1) (3)	2021-09-14	382 000	(20 000)	362 000	362 000	1 year	2022-09-14
Bonus shares (2021 AGM R) (2)	2021-10-15	282 616		282 616	282 616	2 years	2023-10-15
Bonus shares (2022 AGM) (4) (5)	2022-09-14	64 000	(32 000)	32 000	32 000	1 year	2023-09-14
Bonus shares (2022 AGM) (6)	2023-12-21	208 000	(14 000)	194 000	194 000	1 year	2024-12-21
Bonus shares (2024 AGM) (7)	07/30, 10/31, 12/31/2024	570 780	(40 936)	529 844	529 844	16 months	11/30/2025, 02/28/2026, 04/30/2026
Bonus shares (2025 AGM) (8)	2025-12-01	550 000	(15 000)	535 000	535 000	24 months	2027-12-01
Total Bonus Shares (AGM)		2 057 396	(121 936)	1 935 460	1 935 460		

- 1) The Board of Directors granted 382,000 bonus shares (2021 AGM) on September 14, 2021, to members of the Executive Committee and to employees considered key personnel of Forsee Power SA. These 2021 RSAs have a one-year vesting period with a service requirement ending on September 14, 2022.

On September 14, 2022, the Board of Directors noted the definitive vesting of 362,000 free shares to the beneficiaries and authorized a capital increase on September 15, 2022, through the issuance of 362,000 new common shares drawn from the share premium account.

- 2) The Board of Directors, at its meeting on October 15, 2021, acting pursuant to a delegation of authority from the General Meeting held on the same day, decided, for the benefit of the Chairman of the Board of Directors and in addition to the compensation for the 2021 fiscal year, an allocation of up to 1,000,000 bonus shares and/or stock options, which were definitively granted no later than June 30, 2022. The Board of Directors meeting of April 6, 2022, definitively granted a total of 282,616 Bonus Shares (AGA R 2021) following the recommendation of the Nominating and Compensation Committee dated April 1, 2022. This grant of 282,616 AGA as part of the

Chairman's 2021 variable compensation is subject to a two-year service requirement ending on October 15, 2023, followed by a requirement to hold the subscribed shares for a limited period. The expense related to these 282,616 free shares is recognized in the financial statements for fiscal years 2021 and 2022 on a pro-rata basis according to the beneficiary's service requirement.

These 282,616 free shares were definitively vested on October 15, 2023, and were exercised on the same day through the issuance of 282,616 new common shares.

- 3) The number of bonus shares was adjusted following the 100-for-1 split of the par value of Forsee Power SA shares approved by the Extraordinary General Meeting of October 15, 2021.
- 4) On September 14, 2022, the Board of Directors granted 64,000 stock options (2022 Stock Options) to members of the Executive Committee of Forsee Power SA. These 2022 Stock Options have a one-year vesting period with a service requirement ending on September 14, 2023.
- 5) 32,000 fully vested 2022 AGAs were exercised on June 20, 2023, through the issuance of 32,000 new common shares.
- 6) The Board of Directors granted 208,000 bonus 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 employment requirement ending on December 21, 2024. 194,000 shares were definitively vested on December 22, 2024, through the issuance of 194,000 new common shares drawn from the share premium account.
- 7) The Board of Directors granted, as compensation for the 2024 fiscal year (2024 AGA Plan), a total of 478,647 bonus 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. These 2024 stock options have a 16-month vesting period with a mandatory holding requirement starting from the grant date. These stock grants are subject to three performance conditions (achievement of the 2024 budgeted EBITDA, financing finalized and approved by the Board of Directors as of December 31, 2024, and an EcoVadis score above 75), of which only one condition (the third) had been met as of December 31, 2024, resulting in the vesting of one-third of the total shares provided for in the plan. 152,671 shares were definitively vested on December 2025 through the issuance of 152,671 new common shares drawn from the share premium account. 9,584 shares were definitively acquired on November¹ 2025 through the issuance of 9,584 new common shares drawn from the share premium account.

The Board of Directors granted, as compensation for the 2025 fiscal year (2025 AGA Plan), a total of 550,000 bonus shares on December 1, 2025, to members of the Executive Committee and employees of Forsee Power. These 2025 AGAs have a vesting period with a 24-month attendance requirement starting from the grant date. These share grants are subject to four collective performance conditions (achievement of the revenue target in the 2025 budget, achievement of the EBITDA target in the 2025 budget, implementation of a financing plan through December 31, 2026, and EcoVadis rating), one of which is expected to be reasonably met during the vesting period; and individual performance conditions specific to each beneficiary, established at the time of grant and set forth in the Chairman's Grant Letter to the beneficiary. It is noted that one beneficiary did not accept, within the time limits required by the plan's rules, the grant of 5,000 shares to him. Failure to accept this grant rendered it void. In addition, one beneficiary has left the company since the grant of 10,000 shares to him. The number of void shares thus amounts to 15,000 shares.

2.1.10.5. Stock Options

	Grant date	Number of SO options granted	Number of SO options canceled	Number of SO options outstanding	Number of shares subscribed upon exercise of AGA options	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) Allotments under the 2018 Stock Option Plan (SO 2018) authorized by the General Meeting of December 18, 2018. These SO 2018 options include a vesting period of 4 years with a service requirement ending between April 2, 2023, and November 13, 2024. The grants were made to the Chairman, members of management, and employees considered key personnel of Forsee Power SA.
- 2) 1,500,000 stock options (SO 2021) granting access to 1,500,000 common shares were granted on August 12, 2021, to the Chairman of the Board of Directors as compensation for services rendered. These 1,500,000 stock options include “off-market” performance conditions (conversion of the OC5 convertible bonds and completion of the acquisition of Holiwatt’s assets) that were met on September 27 and 28, 2021. These 1,500,000 stock options include an initial two-year lock-up period ending on August 12, 2023, and may be exercised over a period ranging from the second to the fifteenth year following the grant date. Management estimated, as of the grant date, an expected exercise schedule for these 1,500,000 options, with this schedule spanning from 2023 to 2025.
- 3) The number of options was adjusted following the 100-for-1 stock split of Forsee Power SA shares approved by the Extraordinary General Meeting on October 15, 2021.

2.1.10.6. Stock Subscription Warrants (BSA)

The company has issued several stock subscription warrants (BSA) to the European Investment Bank (EIB):

- 6,857 EIB Warrant A stock warrants issued on March 18, 2018, in addition to the €20 million financing;
- 3,500 EIB Warrant C warrants issued on June 4, 2021, in connection with the €21.5 million financing.
- 1,000 EIB Warrant E warrants issued on December 4, 2023, in addition to the €10 million financing.

The conversion ratios of these warrants into the company’s common shares were updated following the capital increase on June 24, 2025 (access to 707,168 additional shares for Warrant A warrants, access to 313,689 additional shares for Warrant C warrants, access to 191,809 additional ordinary shares for Warrant E stock options) and in December 2025 (final acquisition of the 2024 France and US AGAs). The allocation of the 2024 US AGAs and 2025 AGAs currently being acquired was not taken into account.

As of the end of 2025, following the definitive acquisition of the 2024 AGAs and the 2025 ACAs, the conversion ratios have changed. As of December 31, 2025, Warrant A stock options represent 1,828,228 AO, Warrant C stock options represent 810,972 AO, and Warrant E stock options represent 494,615 AO.

Regarding EIB Warrant A share subscription warrants: As of August 28, 2025, the Company entered into an amendment with the European Investment Bank (EIB) to the Finance Contract executed on December 21, 2020, for the purposes of, in particular, (i) extending the availability date for drawing down Tranche D of the loan and (ii) renegotiating the maturity

dates of the tranches of said loan and the applicable interest rates.

Under the terms of this amendment, the Company has committed to the EIB to amend, prior to July 1, 2026, the terms and conditions of the EIB Warrants. The purpose of this amendment is to revise the exercise price of said EIB Warrants to set it at the par value of the shares to which they entitle the holder. Under the terms of the original documentation, the exercise price of the BEIE warrants was calculated using a formula based on a weighted average of the Company's most recent capital increases.

The Company's next annual general meeting will be called upon to approve this amendment regarding the exercise price of the BEIE warrants.

2.1.11. Provisions for Risks and Expenses

The breakdown of provisions by nature is as follows:

Amount in euros		Beginning of fiscal year	Increases	Decreases	Of which exercised	Reclassifications	December 31, 2025
REGULATED PROVISIONS	Reconstruction of mining and oil fields						
	Provisions for investments						
	Provisions for price increases						
	Provisions for special depreciation						
	Tax provisions for start-up loans						
	Other provisions						
	REGULATED PROVISIONS		-	-	-		
PROVISION FOR RISKS AND CHARGES	For after-sales service warranty 11.1	6 664 679	3 276 202	(2 426 507)			7 514 374
	For recycling 11.2	926 846	100 893				1 027 739
	For litigation 11.3	1 034 308	289 200	(635 409)	(537 059)		688 099
	For guarantees given to customers						
	For losses on futures markets						
	For fines and penalties						
	For repurchase agreements and similar obligations 11.4	435 112	33 947	-			469 059
	For foreign exchange losses 11.5	109 454	1 214 610	(109 454)			1 214 610
	For taxes						
For social security and tax charges on accrued vacation pay	-						-
PROVISIONS FOR RISKS AND EXPENSES	9 170 398	4 914 852	(3 171 369)	(537 059)			10 913 881
PROVISIONS FOR DEPRECIATION	On fixed assets:						
	intangible						
	tangible						
	equity method						
	equity securities	4 232 213	11 550 681	(4 142 213)			11 640 681
	receivables from equity investments		6 414 918	(2 537 541)		2 537 541	6 414 918
	other financial assets						
	In inventory and work in progress	10 788 402	1 560 857	(533 381)			11 815 878
	On accounts receivable	1 409 436	1 332 405	(1 452 150)			1 289 691
	Other 11.6	2 567 949		(30 408)		(2 537 541)	-
PROVISION FOR DEPRECIATION	18 998 000	20 858 863	(8 695 693)	-	-	-	31 161 169
TOTAL	28 168 401	25 773 714	(11 867 062)	(537 059)	-	-	42 075 052
Including provisions and reversals:							
	operating		6 593 505	(11 836 654)			
	financial		19 180 210				
	extraordinary			(30 408)			

2.1.11.1. Provision for After-Sales Service (ASS)

The provision for after-sales service warranties recognized as of December 31, 2025, amounts to €7,514,000 (€6,665,000 as of December 31, 2024).

This provision is intended to cover the risk of future after-sales service costs arising from Forsee Power's liability for products sold (commitment to repair or replace any defective component of the battery systems sold). This warranty is a legal obligation; it is not optional under the contract and generally extends over 4 to 5 years. Given the uncertain

nature of the probability of a defect occurring, this provision is estimated statistically based on products sold and is adjusted annually based on the after-sales service costs actually incurred by the Group during the fiscal year.

2.1.11.2. Provision for Recycling

The provision for recycling of €1,028,000 as of December 31, 2025 (€927,000 as of December 31, 2024) is established 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 that customers return the batteries.

This provision is calculated based on the number of systems sold covered by the take-back commitment and valued according to the external recycling cost of the various types of batteries. The Group regularly updates these external recycling costs to account for improvements in processing costs within this relatively new industry.

The discount rate as of December 31, 2025, is 2.95% (risk-free rate) + 2.00% (ICPE discount), or 4.95%.

2.1.11.3. Provisions for litigation

2.1.11.3.1. Litigation with Unu GmbH

Summary expert assessment proceedings in Paris

On March 12, 2021, Unu GmbH filed a summary proceeding against Forsee Power and its former insurer, Generali, before the Paris Commercial Court to request a judicial expert assessment. Unu GmbH is suing the Company on the grounds of liability for defective products and general contractual liability, alleging that the batteries are defective and do not meet the technical specifications agreed upon by the parties under the terms of the supply agreement dated July 23, 2016, and its amendment dated June 29, 2018. The Company did not object to this request for a judicial expert opinion but indicated that it should also cover the scooters manufactured by Unu GmbH, whose characteristics—which do not comply with the initial contractual specifications—are the cause of the battery malfunctions.

By an order dated March 31, 2021, the judge presiding over the summary proceedings ordered the appointment of a judicial expert whose mandate covers both the examination of the batteries and that of the scooters in order to determine the cause of the malfunctions, the associated defects, and thus the respective liabilities. As the initially appointed expert withdrew, the judge presiding over the summary proceedings ordered the appointment of a new expert by an order dated April 16, 2021.

Beginning on May 5, 2021, the expert heard the various arguments presented by the Parties but has not yet designated a laboratory to perform the necessary tests on the batteries and scooters. However, the expert has repeatedly noted difficulties in cooperating with Unu GmbH, which refuses to provide certain key documents for the expert assessment, notably the test reports for its scooters.

On December 31, 2021, Unu GmbH filed a motion for summary judgment against Forsee Power with the Paris Commercial Court seeking to replace the court-appointed expert named in April 2021. Unu GmbH contends that the expert is manifestly biased and lacks the necessary expertise to conduct the judicial assessment. On January 26, 2022, the Company responded to these arguments by stating that the judge presiding over the summary proceedings lacked jurisdiction and that the matter should be brought before the Supervisory Judge. The Company also rejects Unu GmbH's arguments regarding the expert's alleged bias or incompetence.

The judge presiding over summary proceedings at the Paris Commercial Court ruled, in a judgment dated March 18, 2022, that he lacked jurisdiction over Unu GmbH's request to replace the judicial expert appointed in April 2021.

The Supervisory Judge upheld the appointment of the court-appointed expert and appointed a co-expert.

Due to persistent disagreements regarding the scope of the expert examinations to be conducted, Forsee Power filed a motion on November 22, 2023, with the judge overseeing the expert examinations to order the experts to commence their examinations without delay and to establish a reasonable timeline.

At the hearing on December 21, 2023, the judge overseeing the expert assessments ordered the court-appointed experts to begin their assessments of the scooters with a view to submitting their report by the end of 2024.

In an order dated January 29, 2024, the supervising judge confirmed that the testing protocol could proceed as is. Tolosa Lab was ultimately selected following Emitech's withdrawal.

In late 2024, Tolosa Lab informed the forensic experts that the project had become too burdensome to manage alone and that it required the support of another laboratory for the electrical testing of the batteries. It then proposed collaborating with Volvaria Laboratory.

In an order dated November 3, 2025, the supervising judge echoes Forsee Power's arguments regarding the very limited and unrepresentative sample of the remaining batteries. The experts have until December 15, 2025, to produce a test protocol, and the parties have until December 31, 2025, to submit their observations on the advisability of continuing the expert assessment.

Merits Proceedings

On November 2, 2021, despite the ongoing expert assessment, Unu GmbH filed a lawsuit against Forsee Power before the Paris Commercial Court, which is ruling on the merits of the case on the same grounds as the expert assessment, and is claiming €15,845,000 for material damages suffered, as well as €50,000 for non-material damages.

At the procedural hearing on September 28, 2022, the Court adjourned the case until April 12, 2023. In its deliberations of June 22, 2023, the Court stayed proceedings until the expert report is filed.

On December 27, 2024, HDI Global SE, in its capacity as the general liability insurer of UNU GmbH, acting as subrogated to UNU's rights, filed a lawsuit against the Company before the Paris Commercial Court.

Summary Expert Review Proceedings in Lyon

On May 25, 2022, Unu GmbH filed a motion for summary judgment against Forsee Power before the Lyon Judicial Court seeking a judicial expert opinion requested by the insurer and the family of an individual who died in a fire at his residence in August 2021.

The circumstances of this fire have not been established: according to the insurer, the fire started near the garage door, and the garage contained a Piaggio gas-powered scooter and a Unu electric scooter. It is in this context that the insurer sued Unu GmbH to have a forensic expert appointed to determine the cause of the fire.

The investigation has not yet begun, and no specific cause is currently being considered. The judge presiding over the

preliminary injunction proceedings ordered the extension of the expert's mandate on August 1, 2022. An initial expert meeting took place on October 18, 2022. The expert intends to continue his investigation given the multiple possible causes of the fire.

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

Meanwhile, an investigation was launched by the Lyon Public Prosecutor's Office but was subsequently closed without further action. This does not preclude the victim's family from filing a complaint and bringing a civil action before an Investigating Judge at a later date.

Proceedings before the Paris Commercial Court

On September 13, 2023, the Company was summoned to appear before the Paris Commercial Court by Equité Assurances.

The summons was filed by the insurer of a consumer whose scooter caught fire in his garage, acting after having compensated its client. The insurer is suing Unu GmbH and its insurer on the grounds of the warranty against hidden defects, and is suing the Company on the grounds of liability for defective products. The insurer is seeking a joint and several judgment against the defendants for the amount of €269,676.

The proceedings were adjourned until March 28, 2025, to allow the parties to inform the judge of their intentions.

Since the plaintiff did not file a brief at the hearing, which was finally held on March 31, 2025, Forsee's legal counsel moved to have the plaintiff's claims dismissed as inadmissible.

Equité Assurances withdrew its action in a brief dated November 10, 2025. This dispute is now closed.

Proceedings before civil courts in Germany

On September 15, 29, and November 9, 2022, Forsee Power received summonses to intervene as a third party before three civil courts in Germany (the Regional Courts of Flensburg, Munich, and Coburg) from Unu GmbH in proceedings initiated by the victims of various incidents.

These proceedings were supplemented by new summonses received on July 19, July 31, August 22, November 30, and December 29, 2023, before four other civil courts in Germany (the Regional Courts of Cologne, Hamburg, Essen, and Aachen) by Unu GmbH in proceedings initiated by the victims of the various incidents

Forsee Power raised the same arguments as those presented in the proceedings initiated in France and requested a stay of proceedings pending the results of the judicial expert assessment underway in France.

Between January 31 and February 7, 2025, several developments occurred in the proceedings before the Aachen Regional Court (Landgericht Aachen): AOK Plus (a German health insurance fund) indicated its intention to intervene in the proceedings; the panel resumed its review of the case due to its complexity; and the hearing was scheduled for September 24, 2025, replacing the date originally set for August 13, 2025.

Furthermore, on May 20, 2025, the plaintiff before the Landgericht in Flensburg withdrew its action, a withdrawal accepted by Forsee without comment. In August 2025, the proceedings before the Landgericht in Essen were settled by Unu GmbH's insurer, without the Company being held liable.

Finally, on January 28, 2026, the parties agreed to terminate the proceedings.

Risk Assessment and Provisions

The Company considers Unu GmbH's claims to be unfounded and intends to assert its rights and legal arguments both in France and abroad, justifying at this stage of the proceedings the absence of a provision for risks beyond the legal costs mentioned.

2.1.11.3.2. Other disputes

The provision recorded in the Company's financial statements for the period ended December 31, 2025, in the amount of €503,000 (€829,000 as of December 31, 2024) for other disputes consists primarily of €263,000 related to disputes with employees and €240,000 for commercial disputes.

Regarding commercial disputes, in 2020, Forsee Power supplied batteries to CaetanoBus for buses operated by Abellio in London. Following technical incidents resolved without an initial claim, CaetanoBus sought penalties in 2024, arguing that these incidents had resulted in the vehicles being taken out of service, a claim Forsee disputes.

Despite several exchanges, repeated claims, and an attempt at amicable negotiation in 2025, no agreement was reached, as the parties remain at odds over the interpretation of the contract and the assessment of damages. CaetanoBus now considers that the contractual limit on penalties for vehicle downtime is no longer applicable.

To date, no legal proceedings have been initiated.

2.1.11.4. Provision for pensions and similar obligations

With regard to end-of-career benefits, an expense was recognized as of December 31, 2025, for defined-contribution plans, resulting in an increase in the balance sheet provision of €34,000, bringing the total provision to €469,000.

2.1.11.5. Provisions for foreign exchange losses

A provision for foreign exchange losses of €1,215,000 was recognized on receivables denominated in U.S. dollars and Indian rupees that had not been collected at the balance sheet date.

2.1.11.6. Write-downs of current accounts

The reclassification of current account write-downs to write-downs on receivables related to equity investments corresponds to the reallocation of current accounts in India and Poland to receivables from equity investments.

2.1.12. Cash and debt

Amount in euros		December 31, 2025	December 31, 2024
Cash and cash equivalents	Cash on hand	8 970 856	4 483 673
	TOTAL CASH AND CASH EQUIVALENTS	8 970 856	4 483 673
Financial Debt	Bond loans	-	-
	Loans from the EIB (1)	(35 454 209)	(34 685 072)
	Atout loan from BPI (2)	-	(625 000)
	State-Guaranteed Loan from BPI (3)	(937 500)	(1 875 000)
	State-Guaranteed Loan from BNP (3)	(937 500)	(2 812 500)
	State-Guaranteed Loan from HSBC (3)	(942 592)	(2 823 400)
	Accrued interest on financial debt	(1 076 236)	(1 044 006)
	Inventory financing loan	(8 782 646)	
	TOTAL DEBTS TO CREDIT INSTITUTIONS	(48 130 683)	(43 864 978)
Liabilities to related parties	(289 251)	(531 153)	
TOTAL OTHER FINANCIAL LIABILITIES	(289 251)	(531 153)	
NET CASH (DEBT)	(39 449 077)	(39 912 458)	

- 1) EIB Financing: 2017 EIB loan of €20 million, with the first tranche of €7.5 million disbursed in March 2018, the second tranche 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 loan is accompanied by 6,857 ^{EIB Warrants A} (BSA) issued on March 15, 2018, leading, if exercised, to the issuance of 8,540 common shares (AO). A new EIB loan was signed in December 2020, with its €21.5 million Tranche A drawn down on June 16, 2021. This tranche is accompanied by 3,500 warrants ^{EIB Warrant C} issued on June 4, 2021, which, if exercised, will result in the issuance of 3,864 common shares (AO). On September 28, 2021, the Company obtained a prior approval requested by the EIB to enable it to carry out the various capital restructuring transactions prior to the initial public offering (IPO) as well as the IPO itself. In exchange for obtaining this approval, the capitalized interest rate applicable to Tranche A of the EIB loan was increased by 0.5%, rising from 4% to 4.5% per annum (applicable retroactively).
- Tranche C of the EIB loan was drawn down on December 18, 2023, in the amount of €10 million for a term of 5 years. This tranche is accompanied by 1,000 EIB Warrant E stock options issued on December 4, 2023, leading, if exercised, to the issuance of 300,000 common shares (CS).
- Two new loan tranches from the EIB were granted in 2025: Tranche Abis and Tranche D, which enabled the company to restructure this debt in the amount of €9.15 million (Tranche Abis) and €10 million (Tranche D). The 2020 EIB Credit Agreement requires the Company to maintain a positive level of equity at all times. The 2020 EIB Credit Agreement requires the Company, on a consolidated basis, to maintain (i) a debt service coverage ratio (cash flows/debt service) greater than 2.0:1.0 and (ii) a debt-to-equity ratio () less than 1.0:1.0, tested annually at the end of each fiscal year and for the first time for the period ending December 31, 2024.
- As of December 31, 2025, since the Company did not meet the expected levels for these ratios, and the EIB had not yet granted a *waiver* as of that date, all amounts due under the EIB financing agreement were reclassified as current liabilities (see 2.1.13). It should be noted, however, that on April 27, 2026, the EIB granted the Company a *waiver*, thereby waiving the requirement for repayment of said amounts.

- 2) The Atout loan granted by Bpifrance, in the amount of €5 million and at an effective annual rate of 5%. This loan has a one-year grace period and is subsequently repaid quarterly from August 31, 2021, through May 31, 2025. It is not subject to any financial covenants. The representations and warranties incumbent upon the Company under this agreement, as well as the events of acceleration, are similar to those of the aforementioned PGE. This loan was fully repaid in the first half of 2025.
- 3) The State-Guaranteed Loans (PGE) from BNP and HSBC were granted at a 0% interest rate and renegotiated in March 2021 to 0.75% and 0.31%, respectively. An innovation support loan (PGE) was granted by Bpifrance at an effective annual rate of 2.35%. In accordance with the legal framework applicable to state-guaranteed loans, these loans had an initial maturity of one year from the date they were made available. They are not subject to any financial covenants. The Company opted to repay all of its PGE loans over the longest possible term. Consequently, the three PGE loans benefited from an additional one-year deferral of principal repayment, and the principal is to be amortized on a straight-line basis through 2026.

Amount in euros	Nominal	Beginning	End	Rate	Term	Guarantee
Loans from the EIB	6 000 000	2021	2026	5,00%	5 years	Yes
Loans from the EIB	9 151 959	2025	2030	5,00%	5 years	Yes
Loans from the EIB	10 000 000	2025	2030	10,00%	5 years	Yes
Loans from the EIB	10 000 000	2023	2028	3,00%	5 years	Yes
State-Guaranteed Loan from BPI	5 000 000	2020	2026	3,35%	6 years	No
State-Guaranteed Loan from BNP	7 500 000	2020	2026	0,75%	6 years	No
State-Guaranteed Loan from HSBC	7 500 000	2020	2026	0,31%	6 years	No

2.1.13. Debt Schedule

Amount in euros	December 31, 2025	1 year or less	1 to 5 years	more than 5 years
Convertible bonds				
Other bonds				
Debt and credit facilities with an original maturity of up to 1 year		-		
Debt and credit facilities with an original maturity of more than 1 year	48 130 683	48 130 683	-	
Miscellaneous loans and financial liabilities			-	
TOTAL FINANCIAL DEBT	48 130 683	48 130 683	-	-
Trade payables and related accounts	9 969 257	9 969 257		
Employees and related accounts	4 480 618	4 480 618		
Social Security and other social security agencies	3 077 543	3 077 543		
Income taxes				
Value-added taxes	313 519	313 519		
Guaranteed obligations				
Other taxes, duties, and similar charges	142 222	142 222		
Liabilities related to fixed assets and related accounts	91 137	91 137		
Advances and deposits received on orders in progress	1 228 616	1 228 616		
Group and affiliates	289 251		289 251	
Other liabilities	1 681 004	1 681 004		
Liabilities related to securities borrowed				
Deferred revenue	4 174 943	510 383	3 664 561	
TOTAL OPERATING LIABILITIES	25 448 112	21 494 301	3 953 812	-
TOTAL LIABILITIES	73 578 796	69 624 984	3 953 812	-
(1) Of which government-guaranteed loans repaid during the fiscal year	4 693 308			

Regarding the maturities of the EIB debt, the reader is invited to refer to paragraph 2.1.12 above.

It should be noted that, of the €3,077,000 in debts owed to social security and other social agencies, €815,000 owed to URSSAF and €306,000 related to pension contributions—corresponding to the employer’s share for November and December 2025—are subject to a repayment schedule set for 2026.

2.1.14. Accrued Expenses

Amount in euros	December 31, 2025	December 31, 2024
Miscellaneous loans and financial liabilities		
<i>Accrued Interest on Checking Accounts</i>		
Loans and debts with credit institutions	1 076 236	1 030 475
<i>Accrued interest</i>	1 076 236	1 030 475
Accounts Payable and Related Accounts	3 277 908	13 648 408
<i>Suppliers - Invoices not received</i>	1 877 030	3 091 320
<i>Suppliers - Invoices not received Intercompany</i>	1 400 878	10 557 088
Tax and social security liabilities	6 085 948	5 502 673
<i>Accrued paid leave liabilities</i>	1 707 872	1 651 585
<i>Provisions for bonuses</i>	1 144 634	
<i>Accrued other liabilities</i>	1 626 504	1 207 018
<i>Accrued social security liabilities</i>	1 372 410	1 371 514
<i>Social Security Agencies - Accrued Expenses</i>	219 125	579 945
<i>Government - Accrued expenses</i>	15 403	692 610
Total Accrued Expenses	10 440 092	20 181 556

2.1.15. Accrued liabilities

Accrued liabilities include: deferred revenue (€4,174,943, related in particular to warranty extensions that will be carried out over a period of 1 to 4 years) as well as foreign exchange differences related to foreign currency transactions (€2,367,809).

2.1.16. Revenue

Amount in euros			December 31, 2025	December 31, 2024
	France	Export	12 months	12 months
Sales of goods	-	-	-	362
Sales of goods	15 199 947	107 186 908	122 386 855	155 977 344
Net sales	15 199 947	107 186 908	122 386 855	155 977 706

2.1.17. Other purchases and external expenses

Amount in euros	December 31, 2025	December 31, 2024
Insurance	621 983	637 619
Consulting and external services	5 051 907	5 755 334
Supplies and non-inventory purchases	476 563	824 312
Transportation expenses	2 299 811	2 507 350
Fees	2 401 057	3 960 489
Rent, rental expenses, and maintenance	4 962 503	4 203 071
Subcontracting and external personnel	2 213 945	2 727 894
Other external expenses	2 805 158	2 854 033
Total Other purchases and external expenses	20 832 926	23 470 104

2.1.18. Personnel expenses and compensation for management and administrative bodies

2.1.18.1. Headcount

		December 31, 2025	December 31, 2024
		Internal	Internal
Average headcount by category	Managers & professionals	196	194
	Intermediate professions	77	62
	Clerical staff	29	45
	Laborers	36	49
	TOTAL	337	351

		December 31, 2025	December 31, 2024
Wages and social	Wages and salaries	20 087 647	20 772 231
	Employee social security contributions	9 545 847	9 445 026
	TOTAL	29 633 494	30 217 257

2.1.18.2. Compensation of 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 company's Executive Committee.

Attendance fees for members of the Board of Directors were recognized as an expense for the fiscal year ended December 31, 2025, in the amount of €199,000.

Remuneration for members of the Executive Committee for the 2025 fiscal year amounted to €3,284,000 and is broken down as follows :

Amount in euros	December 31, 2025
Gross compensation	2 214 977
Benefits in kind	23 566
Employer contributions	1 045 293
Total	3 283 836

In addition, a Free Share Allocation Plan (FSA) was implemented in 2025 for the benefit of the company's executives (see Note 10.4)

2.1.19. Taxes

Amount in euros	December 31, 2025	December 31, 2024
CFE - CVAE	146 757	192 982
Social Solidarity Contribution	125 244	218 731
Vocational training	188 879	253 454
Apprenticeship tax	127 822	141 104
Other taxes	235 101	214 650
Total taxes	823 803	1 020 922

2.1.20. Depreciation, Amortization, and Provisions

Amount in euros	December 31, 2025	December 31, 2024
Operating Expenses:		
On fixed assets:		
- Depreciation and amortization	6 802 105	5 124 694
- Impairment losses	1 692 066	-
Current assets: provisions	2 359 881	11 130 708
For risks and charges: provisions	3 700 241	5 274 759
Depreciation and operating provisions	14 554 294	21 530 161

2.1.21. Other expenses

Amount in euros	December 31, 2025	December 31, 2024
Attendance fees	199 001	392 816
Losses on uncollectible receivables	884 306	75 223
Foreign exchange losses on trade receivables and payable	854 926	914 275
Penalties & Miscellaneous administrative expenses	530 796	438 963
Total Other Expenses	2 469 029	1 821 277

2.1.22. Financial income

Amount in euros		December 31, 2025	December 31, 2024
FINANCIAL INCOME	From Equity Investments	644 889	26 243
	From other securities and receivables classified as fixed assets	25 953	-
	Other interest and similar income	158 563	73 507
	Reversals of provisions and impairment losses, and transfers of expenses	6 789 207	1 684 551
	Foreign exchange gains	506 599	1 004 228
	Net gains on sales of marketable securities	6 198	-
	Total financial income	8 131 410	2 788 529
FINANCIAL EXPENSES	Depreciation, amortization, impairment, and provisions (1)	19 180 210	2 017 851
	Interest and similar expenses	3 225 676	3 485 226
	Foreign exchange losses	2 854 823	152 331
	Net expenses on sales of marketable securities	87 807	293 346
	Total financial expenses	25 348 518	5 948 757
	FINANCIAL INCOME	(17 217 106)	(3 160 227)

(1) The charges correspond to the impairment of equity securities of the subsidiary Forsee Power North America – USA, the impairment of receivables from equity investments of the subsidiary Forsee Power INC USA, and provisions for foreign exchange losses on receivables from equity investments of the subsidiary Forsee Power India and the subsidiary Forsee Power INC USA.

Financial income includes the following items:

- Financial income received from financial instruments such as income from securities, loans, and receivables;
- Financial expenses paid, such as interest on bank overdrafts, loans, finance leases, and factoring, as well as fees related to banking services;
- Impairment losses on financial assets.

2.1.23. Extraordinary income

Amount in euros	December 31, 2025	December 31, 2024
Extraordinary income	124 804	745 483
Extraordinary expenses	1 886 599	504 078
EXTRAORDINARY INCOME	(1 761 795)	241 405

Amount in euros	Expenses	Income	Net
Other Exceptional Expenses and Income / Management	1 886 599	94 396	(1 792 203)
Extraordinary provisions and reversals		30 408	30 408
EXTRAORDINARY INCOME	1 886 599	124 804	(1 761 795)

In accordance with ANC Regulation 2022-06, the concept of extraordinary income has been redefined, limiting its presentation to income and expenses directly related to a major and unusual event. Items previously classified as extraordinary income have, where applicable, been reclassified as operating income or financial income in accordance with the new provisions.

The decrease in extraordinary income is primarily due to a change in the accounting method for the share of investment grants, which is now recognized in operating income.

The increase in extraordinary expenses results primarily from the recognition of costs related to the collective voluntary redundancy program initiated at the end of 2025. The total cost of this program was estimated at €1.6 million, recognized in 2025 as extraordinary expenses.

The extraordinary result for fiscal year 2024 is attributable to the recognition of penalties totaling €247,000, extraordinary expenses related to management operations amounting to €257,000, as well as extraordinary income of €51,000 from management operations and €695,000 from investment grants.

2.1.24. Taxes

2.1.24.1. Corporate Income Tax

The corporate income tax rate for fiscal year 2025 is 25%. There is no tax consolidation in France.

Amount in euros	NATURE	CHANGES IN DEFERRED OR LATENT TAXES					
		BEGINNING OF FISCAL YEAR		CHANGES		END OF FISCAL YEAR	
		ASSETS	LIABILITIES	ASSETS	LIABILITIES	ASSETS	LIABILITIES
I. TAX-ACCOUNTING DIFFERENCES							
1	Regulated provisions						
11	Provisions to be reversed in the future						
	- provision for price increases						
	-						
12	Special depreciation						
2	Capital grants						
3	Temporarily non-deductible expenses						
31	To be deducted in the following year						
	- paid leave (old system)						
	- Employee profit sharing						
	- Organic	226 559			93 488	133 072	
32	To be deducted at a later date						
	- pension provisions	263 653		33 947		297 600	
	- other rent						
	- Other taxes						
	- other interest						
	- other fines						
4	Temporarily non-taxable income						
	- net short-term capital gains ⁽⁴⁾						
	- Merger gains ⁽³⁾						
	- deferred long-term capital gains ⁽³⁾						
5	Expenses deducted (or income taxed) for tax purposes and not yet recognized						
	TOTAL	490 212	-	33 947	93 488	430 672	-
II.	TAX-DEDUCTIBLE LOSS CARRIESFORWARD		(217 029 008)		(29 593 066)		(246 622 075)

2.1.24.2. Research Tax Credit

Since the second half of 2021, the company has engaged a consulting firm to assist with the assessment and documentation of the CIR.

The work carried out by this consulting firm led to the submission of additional CIR claims for the 2018 fiscal year, as well as an assessment for the 2019 and 2020 fiscal years, which were filed during 2022. The revenue related to the CIR for fiscal years 2020 and 2019, as well as the supplemental CIR for fiscal year 2018, was recognized in the financial statements for the fiscal year ended December 31, 2021.

The company and the consulting firm also finalized, as of December 31, 2022, the CIR assessments of the “ ” expenses incurred for fiscal years 2021 and 2022. The CIR revenue for fiscal years 2021 and 2022 was recognized in the financial statements for the fiscal year ended December 31, 2022.

CIR receivables for 2019/2020 were collected during 2024 in the amount of €1,410,000.

CIR receivables for fiscal years 2021 through 2023 were sold and 80% financed by the BPI for a total of €2,800,000. The

balance of these receivables amounted to €700,000 as of December 31, 2025.

The 2024 CIR receivable has not, to date, been financed by the BPI; a request for reimbursement will be submitted to the tax authorities in 2028.

In addition, the CIR-related revenue for fiscal year 2025 was recognized in the prior year's financial statements in the amount of €1,842,000. A request for reimbursement of the corresponding receivable will be submitted to the tax authorities in 2029.

2.1.25. Table of Subsidiaries and Equity Interests

Amount in euros	Country	Capital	Equity	Percentage of Capital Held (in %)	Book value of securities held		Loans and advances granted	Revenue	Net income for the most recent fiscal year	Dividends received
					Gross	Net				
A. Detailed information										
1. Subsidiaries (More than 50%)										
FORSEE POWER SPZ	Poland	11 337	(331 069)	100,00	90 000	-	250 556	1 646 168	(137 220)	-
FORSEE POWER SOLUTIONS LIMITED HONG KONG	China	5 429 853	4 915 070	100,00	5 372 429	5 372 429	(29 621)	6 937	-	-
FORSEE POWER PTE. LTD.	Singapore	6 352	-	100,00	6 417	6 417	-	-	(6 387)	-
FORSEE POWER INDIA PRIVATE LTD	India	32 416	(1 474 581)	100,00	4 142 213	4 142 213	3 019 595	2 030 151	(1 346 533)	-
ZHONGSHAN FORSEE POWER DEVELOPMENT CO., LTD	China	119 835	752 929	100,00	120 000	120 000	1 139	1 689 389	(17 375)	-
FORSEE POWER NORTH AMERICA	USA	11 087 599	10 210 131	100,00	11 550 681	-	-	-	(538)	-
FORSEE POWER GK	Japan	328 969	392 231	100,00	319 413	319 413	18 151	910 044	53 550	-
TOTAL SUBSIDIARIES					21 601 154	9 960 472	3 259 820	6 282 689	(1 454 503)	-
2. Equity Interests (10% to 50%)										
NEOT CAPITAL SAS	France	3 982 758	5 089 782	33,21	4 006 906	4 006 906	-	5 506 660	1 084 568	-
TOTAL INVESTMENTS					4 006 906	4 006 906	-	5 506 660	1 084 568	-
TOTAL SUBSIDIARIES AND EQUITY INTERESTS					25 608 060	13 967 379	3 259 820	11 789 349	(369 935)	-

2.1.26. Other Information

2.1.26.1. Information regarding related parties

Significant transactions with related parties during the 2025 fiscal year that were not conducted on normal market terms are:

Business Contribution Agreement entered into with Mitsui & Co., Ltd.

On December 21, 2020, Forsee Power SA entered into a contract titled *Business Contribution Agreement* with Mitsui & Co., Ltd., which was amended and replaced by a new contract on June 17, 2022. This new agreement took effect retroactively as of October¹, 2021, for a term of one year, renewable by tacit agreement for successive one-year terms. It was thus renewed by tacit agreement for a period running from October¹, 2022, to September 30, 2023. This Cooperation Agreement was renewed by tacit agreement for a period running from October¹, 2024, to September 30, 2025.

Mitsui & Co., Ltd. is a shareholder of Forsee Power SA holding more than 10% of the voting rights, 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.

Under this agreement, Mitsui & Co., Ltd. is tasked with assisting Forsee Power in business development, sales, and marketing activities on behalf of Forsee Power, acting as an exclusive agent within Japan. In exchange for the services provided, Mitsui & Co., Ltd. receives a success fee based on sales invoiced by Forsee Power to any customer headquartered in Japan.

Under this agreement, Mitsui & Co., Ltd. invoiced Forsee Power SA for €49,000 during the fiscal year ended December 31, 2025.

Collaboration Agreement entered into with Mitsui & Co., Ltd.

On September 27, 2021, Forsee Power SA entered into a *Collaboration Agreement* with Mitsui & Co., Ltd. Mitsui & Co., Ltd. is a shareholder of Forsee Power SA holding more than 10% of the voting rights, 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 agreement is to establish a framework for the commercial collaboration between Forsee Power SA and Mitsui & Co., Ltd. The financial terms in exchange for the services provided 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.

This agreement continued through fiscal year 2025.

2.1.26.2. Auditors' Fees

The fees of the Statutory Auditors are not disclosed in the separate financial statements as they will be disclosed in the consolidated financial statements.

2.1.26.3. Consolidated Financial Statements

Consolidating entity: FORSEE POWER SA is the consolidating entity of the FORSEE POWER Group.

2.1.27. Off-balance-sheet commitments

2.1.27.1. Commitments

Commitments as of December 31, 2025, are as follows:

SBLC in favor of a real estate lessor and cash pledge

On July 25, 2022, Forsee Power obtained a stand-by letter of credit (SBLC) from a French bank for a maximum amount of \$1 million in favor of the owner of the industrial building leased in Hilliard, United States. The amount guaranteed by this SBLC decreases by 10% per year until November 1, 2032.

In November 2024, the SBLC, which was initially backed by a €1 million interest-bearing cash collateral, was reissued with another banking partner. This transaction reduced the cash collateral to \$400,000, an amount that also decreases annually until November 2028.

SBLC in favor of Indian customs and cash collateral

On July 7, 2023, Forsee Power obtained a stand-by letter of credit (SBLC) from a French bank in the maximum amount of €650,000 in favor of an Indian bank, enabling the issuance of a bank guarantee for the benefit of Indian customs.

This SBLC is accompanied by an interest-bearing cash pledge in the amount of €650,000, initially valid until January 18, 2025, and renewed until December 31, 2025. Note that the guarantee was released on December 31, 2025, resulting in the release of the pledge. In April 2026, the pledged amount was reclassified as available cash.

Furthermore, in September 2024, Forsee Power obtained a new SBLC in the amount of 9 million INR (approximately

€100,000) from a French bank in favor of Indian customs. This letter of credit is also secured by a cash pledge, the initial maturity of which, set for March 31, 2025, has been extended by one year. This guarantee remains in effect.

Parent company guarantee in favor of suppliers

In December 2024, Forsee Power issued a parent company guarantee in favor of a Chinese supplier in the amount of CNY 58 million to allow for the extension of payment terms granted to its Chinese subsidiary. This guarantee remains in effect to this day.

In March 2025, Forsee Power also obtained a stand-by letter of credit (SBLC) in the amount of €400,000 from a French bank, without a cash deposit, in favor of a Japanese supplier, in order to extend the French company's payment terms. This letter of credit also remains in effect.

Pledge of the business assets in favor of the EIB

A pledge of the business assets in favor of the European Investment Bank (EIB) was granted upon the drawdown of Tranche A in the amount of €21.5 million in June 2021.

The refinancing of this Tranche A in July 2025 did not affect this pledge, which remains in effect to this day.

Guarantees granted to Mitsui & Co

Pursuant to an agreement titled the Investment Agreement entered into on December 18, 2017, Forsee Power SA provided guarantees in favor of Mitsui & Co., Ltd. If a warranty representation proves to be inaccurate, Forsee Power SA has undertaken to compensate Mitsui & Co., Ltd. for the resulting loss through either (i) a payment, or (ii) an issuance of shares reserved for Mitsui upon exercise of the stock warrants held by Mitsui (up to a maximum of 52,748 new shares). Following the cancellation of the BSAG by resolutions of the General Meeting of September 28, 2021, Mitsui & Co., Ltd. may only seek compensation for damages through payment by the Company of indemnification in its favor. No claim for compensation had been received by Forsee Power SA as of the balance sheet date of April 23, 2024. The maximum amount of compensation that could be owed by Forsee Power SA is capped at €4.5 million. This cap is, however, largely theoretical, as Forsee Power SA's indemnification commitment expired in June 2019 for most of the matters covered by the guarantee. Only damages resulting from breaches of representations relating to tax, anti-corruption, or environmental matters remain covered until the end of their statute of limitations plus 30 days (namely until January 31, 2021, for most tax matters, and until the expiration of a 30-year period running from December 2017 for anti-corruption and environmental matters).

2.1.27.2. Commitments Received

The company has not received any commitments.

2.1.28. Events Subsequent to the 2025 Year-End

2.1.28.1. Adjustment of the debt structure

On April 27 and 30, 2026, the Company entered into a comprehensive plan with its banking partners to restructure the

short-term maturities of its financial debt, aimed at securing the Company's cash flow and business continuity.

This agreement is structured around the following agreements, each of which is contingent upon the other two:

- a) Regarding inventory financing, a moratorium on repayment, initially scheduled for December 31, 2025, of the commercial paper issued during 2025, leading to a phased repayment of the €8.8 million in outstanding principal through December 31, 2027 (including €1.5 million in 2026 and €7.3 million in 2027)
- b) Regarding EIB loans, a moratorium and the extension until the end of 2027 of the maturity of €6 million of Tranche A of the EIB debt, originally due in June 2026 (including €0.9 million in 2026 and €5.1 million in 2027);
- c) Regarding State-Guaranteed Loans (€2.8 million), a moratorium until December 31, 2027, to be supplemented by an adjustment to the repayment schedule.

Each of these agreements is subject to standard conditions precedent, relating in particular to financing transactions, repayment and distribution flows, as well as the maintenance of a financial position in line with the lenders' expectations.

Finally, this plan will be supplemented in the second half of the year by the implementation of a capital-raising transaction with existing shareholders and/or new investors.

These agreements help support the application of the going concern accounting assumption at the 2025 year-end.

2.1.28.2. Joint venture project in India

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

This proposed sale is ongoing and remains subject to customary conditions precedent. As of the 2025 fiscal year-end, no firm obligation to sell exists.

2.1.28.3. Transfer of Forsee Power's Listing

On February 12, 2026, FORSEE POWER shares were transferred from the regulated market of Euronext Paris to Euronext Growth® Paris. The delisting of the shares from Euronext Paris took place on the same day. The purpose of this transfer is to enable the Company to be listed on a market offering a regulatory framework better suited to its size. The transfer of the securities' listing is intended, in particular, to simplify the administrative obligations imposed on the Company and to reduce management costs, while allowing it to continue to benefit from the appeal of the financial markets.

2.1.28.4. Measures to Reduce Personnel Expenses

The long-term partial activity program (APLD), implemented for all employees since September 1, 2025, remains in effect and is expected to continue for much of 2026.

The collective voluntary termination program (RCC), implemented to adjust headcount in response to the decline in business activity, concluded on March 9, 2026. It resulted in 58 approved departures, compared to the 60 initially planned.

2.2. Auditors' Report on the Annual Financial Statements of Forsee Power S.A. as of December 31, 2025

To the Shareholders' Meeting of Forsee Power SA

Opinion

In accordance with the engagement entrusted to us by your Shareholders' Meetings, we have audited the accompanying financial statements of Forsee Power SA (hereinafter the "Company") for the year ended 31 December 2025.

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 31 December 2025 and of the results of its operations for the year then ended in accordance with French accounting principles.

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 accordance 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 1 January 2025, to the date of our report

Observation

Without modifying the above opinion, we draw your attention to:

- The change in accounting policy resulting from the first-time application of ANC Regulation No. 2022-06, as described in Note 2.1, "Preparation of the Financial Statements and Changes in Accounting Policies," to the annual financial statements.
- The subsequent events disclosed in Note 28 to the annual financial statements.

Justification of Assessments

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 following assessments that, in our professional judgment, were of most significant in our audit of the annual financial statements of the current year.

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.

- Note 2.3.3, "Development Costs" to the annual financial statements sets out the accounting policies and methods applicable to the recognition of development costs.

As part of our assessment of the accounting principles applied by your Company, we reviewed the methods used to capitalize development costs of a total net amount of €29.4 million as of 31 December 2025, as well as the methods used for their amortization and any anticipated impairment, and we verified the appropriateness of the disclosures in Note 2.3.3 to the annual financial statements.

- Your Company records provisions to cover risks as described in Note 2.3.11 to the annual financial statements, "Provisions for Risks and Charges." Regarding the litigation with Unu GmbH, we have reviewed your Company's procedures to ensure the satisfactory assessment and accounting recognition of the litigation. We verified that any uncertainties are correctly disclosed in Note 11.3.1, "Litigation with Unu GmbH," to the annual financial statements.
- Investments in subsidiaries and related receivables, of a net amount of €21.4 million as at 31 December 2025 compared to total assets of €126 million, are stated at acquisition cost and impaired to fair value in accordance with the methods described in Note 2.3.5 to the annual financial statements.

Based on the information provided to us, our work consisted of assessing the data on which these fair values are based, verifying the consistency of the assumptions used with the economic environment as of the balance sheet date and the date the financial statements were approved for issue, and verifying that the valuation method described in the notes to the annual financial statements corresponds to the method used by the Company, the application of which we were able to observe during our work.

- Goodwill, of a net amount of €8.6 million as of 31 December 2025 compared to total assets of €126 million, is stated at acquisition cost and impaired to fair value in accordance with the methods described in Notes 2.3.2, 3.1 and 3.2 to the annual financial statements.

On the basis of the information provided to us, our procedures consisted of assessing the data on which these fair values are based, verifying the consistency of the assumptions used with the economic environment as of the balance sheet date and the date the financial statements were approved for issue, and verifying that the valuation method described in the notes to the annual financial statements corresponds to the method applied 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 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 certify that the Board of Directors' report on corporate governance sets out the information required by Article L.225-37-4 of the French Commercial Code.

Other information

In accordance with French law, we have verified that the required information concerning the identity of shareholders and holders of voting rights has been properly disclosed in the management report.

Responsibilities of Management and the members of the Corporate Governance Committee regarding the annual 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 relating to going concern, and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The financial statements were approved by the Board of Directors on 7 May 2026.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

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.

Paris-La Défense and Paris, 13 May 2026

The Statutory Auditors

French original signed by

Deloitte & Associés

BDO Paris

Thierry QUERON

Arnaud TONNET

2.3. Consolidated Financial Statements of the Group as of December 31, 2025

Consolidated Statement of Financial Position

in thousands of euros	Notes	December 31, 2025	December 31, 2024
Non-current assets		75,614	82,115
Goodwill	7.1	1,523	1,523
Intangible assets	7.2	34,765	31,732
Property, plant, and equipment	7.3	32,479	41,177
Non-current financial assets	7.4	1,335	2,164
Investments in equity-method affiliates	7.5	4,687	4,289
Other non-current assets	7.8	724	1,139
Deferred tax assets	7.19	101	92
Current assets		62,125	87,279
Inventories	7.6	27,887	43,294
Trade receivables and related accounts	7.7	8,127	11,161
Other current assets	7.8	14,302	27,456
Cash and cash equivalents	7.9	11,809	5,369
Assets held for sale	7.20	4,646	
Total Assets		142,385	169,394
Equity		37,177	47,554
Equity attributable to owners of the parent company		37,177	47,554
Issued common stock	7.10	11,746	7,174
Share premium	7.10	63,763	66,616
Translation reserves	7.10.5	(1,154)	(258)
Reserves	7.10	(9,157)	(13,905)
Net income	7.10	(28,022)	(12,074)
Minority interest		(0)	(0)
Liabilities		105,208	121,841
Non-current liabilities		28,969	67,599
Provisions for risks and charges	7.11	9,246	8,626
Employee benefits	7.12	469	435
Loans and financial liabilities	7.13	13,694	52,594
Derivatives on financial instruments	7.14	749	696
Other non-current liabilities	7.18	4,077	4,299
Deferred tax liabilities	7.19	734	948
Current liabilities		74,811	54,241
Provisions for risks and charges	7.11		410
Loans and financial liabilities	7.13	53,810	11,799
Accounts payable	7.17	6,137	18,320
Other current liabilities	7.18	14,864	23,712
Liabilities held for sale	7.20	1,429	
Total Liabilities		142,385	169,394

Consolidated Statement of Comprehensive Income

in thousands of euros	Notes	December 31 2025	December 31 2024
Revenue	8.1	120,456	151,766
Other operating income and expenses	8.2	(1,533)	(1,062)
Outside services and purchases consumed	8.3	(92,540)	(121,797)
Personnel expenses	8.4	(27,965)	(26,807)
Taxes	8.5	(1,162)	(1,190)
Depreciation	8.6	(13,436)	(9,018)
Net impairment losses	8.6	(1,561)	(3,479)
Net provisions	8.6	(604)	754
Recurring operating income		(18,345)	(10,832)
Non-recurring operating income	8.7	(3,355)	(1,702)
Operating income		(21,700)	(12,534)
Financial income	8.8	160	63
Gross interest expense	8.8	(2,737)	(3,605)
Other net financial income and expenses	8.8	(4,335)	5,336
Financial result	8.8	(6,912)	1,794
Income from equity-method investees	7.5	397	(37)
Income before tax		(28,216)	(10,777)
Income taxes	8.9	194	(1,297)
Consolidated net income		(28,022)	(12,074)
<i>Of which attributable to owners of the parent company</i>		(28,022)	(12,074)
<i>Of which minority interests</i>		(0)	(0)

Statement of Other Comprehensive Income

in thousands of euros	Notes	December 31, 2025	December 31, 2024
Consolidated net income (A)		(28,022)	(12,074)
Other comprehensive income			
Currency translation adjustment for the period	7,105	(896)	(37)
Change in value of cash flow hedges in foreign currencies	7.13	379	(453)
Tax effects		(95)	113
Total gains and losses recognized in equity and transferable to income to income		(612)	(377)
Change in actuarial gains and losses related to defined benefit plans	7.12	36	131
Tax effects		(9)	(33)
Total gains and losses recognized in equity and not transferable to the income statement		27	98
Total gains and losses recognized in equity, net of tax (B)		(585)	(279)
Comprehensive income (A) + (B)		(28,606)	(12,353)
<i>Of which attributable to owners of the parent company</i>		<i>(28,606)</i>	<i>(12,353)</i>
<i>Of which minority interests</i>			

Consolidated Statement of Cash Flows

in thousands of euros	Notes	December 31, 2025	December 31, 2024
Operating income		(21,700)	(12,534)
<i>Elimination of calculated items and items related to other cash flows</i>			
Income from equity-method investees		397	(37)
Depreciation, amortization, and provisions	9.1	14,091	8,315
(Gain)/Loss on disposals	9.4	(146)	0
Share-based payments	7.10.3.2	113	555
Income tax expense (income)	8.9	(194)	1,297
CIR income allocated to operating expenses	9.2	(1,842)	(1,809)
Cash flow before net interest expense and taxes		(9,282)	(4,214)
Change in grants		0	0
Change in income tax receivables and payables (excluding CIR)	9.2	25	425
Change in non-pre-financed CIR receivables	9.2	(1,774)	(462)
Pre-financing obtained from BPI against the CIR receivable	9.2	0	2,800
Tax expense paid		(1,749)	2,763
Inventories	9.2	13,201	1,506
Accounts receivable	9.2	2,332	16,019
Other receivables	9.2	16,425	(6,849)
Accounts payable	9.2	(10,544)	(5,397)
Other liabilities	9.2	(7,903)	5,774
Change in operating working capital		13,512	11,053
Cash flows from operating activities (A)		2,481	9,603
Acquisitions of fixed assets (net of debt and advances paid)	9.3	(11,305)	(20,517)
Establishment of a cash pledge	7.4	0	(100)
Redemption of cash pledge	7.4	618	100
Assets managed under a liquidity agreement	7.4	83	21
Realized gains (losses) on liquidity contracts	7.4	1	3
Disposals of fixed assets (net of receivables)	9.5	578	0
Proceeds from financial assets	7.4	135	92
Cash flows from investing activities (B)		(9,890)	(20,401)
Cash capital increase	7.100	4,556	0
Increase in the share premium (net of expenses)	7.10	14,091	0
Payment of capital increase expenses	7.10	(437)	0
Drawdown of Tranche D of the EIB loan	7.13	10,000	0
Net drawdown of a short-term credit line for inventory financing	7.13	8,783	0
Issuance of a short-term cash line	7.13	1,764	2,013
Repayment of Tranche A of the EIB loan	7.13	(10,000)	0
Repayments of other loans	7.13	(5,137)	(7,286)
Repayments of leasehold liabilities	7.13	(2,771)	(2,314)
Issuance of repayable advances	7.13	327	218
Changes in financial liabilities related to related parties	7.13	(223)	(211)
Bank fees paid	8.8	(1,098)	(1,143)
Financial expenses paid	8.8	(5,428)	(1,080)
Cash provided by financing activities (C)		14,428	(9,804)
Cash reclassified to assets held for sale	7.20	(333)	
Impact of exchange rates		(248)	67
Change in cash (A) + (B) + (C)		6,440	(20,533)
Net cash at the beginning of the period	7.9	5,369	25,902
Net cash at end of period	7.9	11,809	5,369
Change in net cash		6,440	(20,533)

Consolidated Statement of Changes in Equity

in thousands of euros	Notes	Share capital issued	Premiums related to capital conversion	Reserves of	Reserve on payment in shares	Treasury shares	Other Reserves and interests attributable to company	Total Comprehensive income	Minority the parent	Equity
Shareholders' equity as of 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			
Issuance costs on capital increase	7.10.1									
Capital										
Share-based payments	7.10.3.2				555			555		555
Lapsed equity-based payments	7.10.3.2				(150)		150			
Exercised equity-based payments	7.10.1				(520)		520			
Comprehensive income				(37)			(12,316)	(12,353)	(0)	(12,353)
Treasury shares held under 7.10.4 of the liquidity agreement						147		147		147
Gain on sale of treasury shares and change in fair value of shares held by	7.4					(32)		(32)		(32)
Other				3			(3)			
Equity as of December 31, 2024		7,175	66,616	(258)	5,851	(315)	(31,515)	47,554	(0)	47,554
Capital increase	7.10.1	4,556	14,091					18,647		18,647
Underwriting fees on capital increase			(437)					(437)		(437)
Allocation of the share premium to reserves			(16,507)				16,507			
Share-based payments	7.10.3.2				113			113		113
Lapsed equity-based payments	7.10.3.2				(6)			(6)		(6)
Exercised equity-based payments	7.10.1	16			(131)		115			
Comprehensive income				(896)			(27,710)	(28,603)		(28,603)
Treasury shares held under 7.10.4 from the liquidity agreement						(85)		(85)		(85)
Gain on sale of treasury shares and change in fair value of shares held	7.4						(2)	(2)		(2)
Other									0	0
Equity as of December 31, 2025		11,747	63,763	(1,154)	5,827	(400)	(42,606)	37,177	0	37,177

Summary of Notes to the Consolidated Financial Statements under IFRS

1. Overview of the Forsee Power Group	112
2. Highlights	113
3.1. <i>Basis for preparation of the consolidated financial statements</i>	116
3.1.1. Accounting framework	116
3.1.2. Significant accounting estimates and judgments used by Management for the financial statements as of December 31, 2025	116
3.1.3. Going Concern	119
3.1.4. Consideration of Risks Related to Climate Change	120
3.2. <i>Consolidation Modalities</i>	120
3.2.1. Fiscal Year-End and Annual Financial Statements of Consolidated Companies	120
3.2.2. Consolidation Methods	120
3.2.2.1. Exclusively controlled investments: full consolidation	120
3.2.2.2. Shareholding stake in NEoT Capital	120
3.2.2.3. Transactions eliminated in the consolidated financial statements	121
3.2.2.4. Conversion of financial statements prepared in foreign currencies	121
3.2.2.5. Accounting for Business Combinations and Acquired Industrial Operations	122
3.2.2.6. Minority Interests	123
3.3. <i>Accounting policies and valuation rules</i>	123
3.3.1. Presentation of Non-Current and Current Items	123
3.3.2. Goodwill	124
3.3.3. Development Costs	124
3.3.4. Intangible and Tangible Assets	125
3.3.5. Asset-type leases	126
3.3.6. Impairment of fixed assets	128
3.3.7. Financial Assets	129
3.3.8. Inventories	130
3.3.9. Accounts Receivable	130
3.3.10. Working Capital Financing Instruments	131
1.9.1 Cash and cash equivalents	132
3.3.11. Capital and capital issuance costs	132
3.3.12. Equity Liquidity Agreement	132
3.3.13. Payments made with shares	133
3.3.13.1. Transactions with investing shareholders	133
3.3.13.2. Transactions with Management and Employees	133
3.3.14. Employee Benefits	134
3.3.15. Provisions for Risks and Charges	135
3.3.16. Financial Liabilities	135
3.3.17. Accounts payable	136
3.3.18. Derivative instruments	136
3.3.19. Hedge Accounting	136
3.3.20. Translation of Foreign Currency Transactions	137
3.3.21. Revenue Recognition	137
3.3.22. Operating Subsidiaries, Research Tax Credit (, CIR)	138
3.3.23. Government Grants	138
3.3.24. Taxation	139
3.3.24.1. Corporate Tax	139
3.3.24.2. Deferred Tax	139
3.3.25. Regional Economic Contribution (CET)	139
3.3.26. Current Operating Income (COI)	140
3.3.27. Non-Recurring Operating Income (RONC)	140
3.3.28. Financial Income	140
3.3.29. Earnings per Share	140
3.3.30. Segment Information	141
3.3.31. Related Parties	142
3.3.32. Assets held for sale	142

4. Information regarding the scope of consolidation	143
5. Information enabling comparability of financial statements	144
5.1. Changes in the scope of consolidation during the fiscal year	144
5.2. Changes in the scope of consolidation for the prior fiscal year	144
5.3. Changes in presentation and accounting policies	144
6. Information by Business Segment and Geographic Region	144
6.1. Information by Business Segment	145
6.2. Information by geographic region	147
7. Information regarding the items of the consolidated statement of financial position	148
7.1. Goodwill	148
7.2. Intangible Assets	149
7.3. Property, plant, and equipment	150
7.4. Financial assets	151
7.6. Inventories	155
7.7. Customer receivables	156
7.8. Other assets	157
7.9. Cash	158
7.10. Shareholders' equity	160
7.10.1. Share capital, and share premium	160
7.10.2. Dividends	160
7.10.3. Share-Based Payments	160
7.10.4. Stock Subscription Warrants	160
7.10.5. Stock Options and Free Shares	161
7.10.6. Treasury shares	165
1.9.2. Currency translation reserves	165
1.9.3. Net earnings per share	165
7.11. Provisions for risks and charges	166
7.12. Retirement benefits and long-service awards	171
7.12.1. Defined contribution plan	171
7.12.2. Defined benefit plan	171
7.13. Loans and financial liabilities	174
7.14. Derivatives on financial instruments	178
7.15. Management of Risks Related to Financial Assets and Liabilities	179
7.15.1. Credit Risk Management	179
7.15.2. Liquidity Risk Management	179
7.15.3. Market Risk Management	181
7.15.4. Capital Management	181
7.16. Information regarding the fair value of financial assets and liabilities	181
7.16.1. Cash, loans, and receivables	181
7.16.2. Assets at Fair Value	181
7.16.3. Derivative and hedging financial instruments	181
7.16.4. Financial liabilities at amortized cost	182
7.16.5. Statement of Financial Instruments	182
7.16.6. Accounts payable	183
7.17. Other liabilities	183
7.18. Deferred Taxes	184

7.19.	<i>Assets and liabilities held for sale</i>	186
8.	Information regarding items in the consolidated statement of comprehensive income	187
8.1.	<i>Revenue</i>	187
8.2.	<i>Other operating income and expenses</i>	188
8.3.	<i>External services and purchases consumed</i>	188
8.4.	<i>Personnel expenses and headcount</i>	189
8.5.	<i>Taxes</i>	189
8.6.	<i>Provisions/Reversals for depreciation and operating provisions</i>	190
8.7.	<i>Non-recurring operating income</i>	190
8.8.	<i>Financial result</i>	191
8.9.	<i>Income tax</i>	192
9.	Information regarding items in the consolidated statement of cash flows	193
9.1.	<i>Depreciation, provisions, and impairment charges</i>	193
9.2.	<i>Working capital requirement</i>	193
9.3.	<i>Cash flows from purchases of fixed assets</i>	194
9.4.	<i>Gain/(Loss) on the sale of fixed assets</i>	195
9.5.	<i>Cash flows from disposals of fixed assets</i>	195
9.6.	<i>Cash flows from changes in scope of consolidation</i>	195
10.	Other Information	195
10.1.	<i>Events after December 31, 2025</i>	195
10.1.1.	Adjustment of the debt structure	195
10.1.2.	Joint Venture Project in India	196
10.1.3.	Transfer of Forsee Power's listing	196
10.1.4.	Measures to Reduce Personnel Expenses	196
10.2.	<i>Relations with Related Parties</i>	196
10.2.1.	Compensation Paid to Management	196
10.2.2.	Transactions with related parties	197
10.3.	<i>Off-balance-sheet commitments</i>	198
10.4.	<i>Statutory Auditors' Fees</i>	200

1. Overview of the Forsee Power Group

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

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

Forsee Power S.A. is a company engaged in the design and integration of specialized batteries in the following fields:

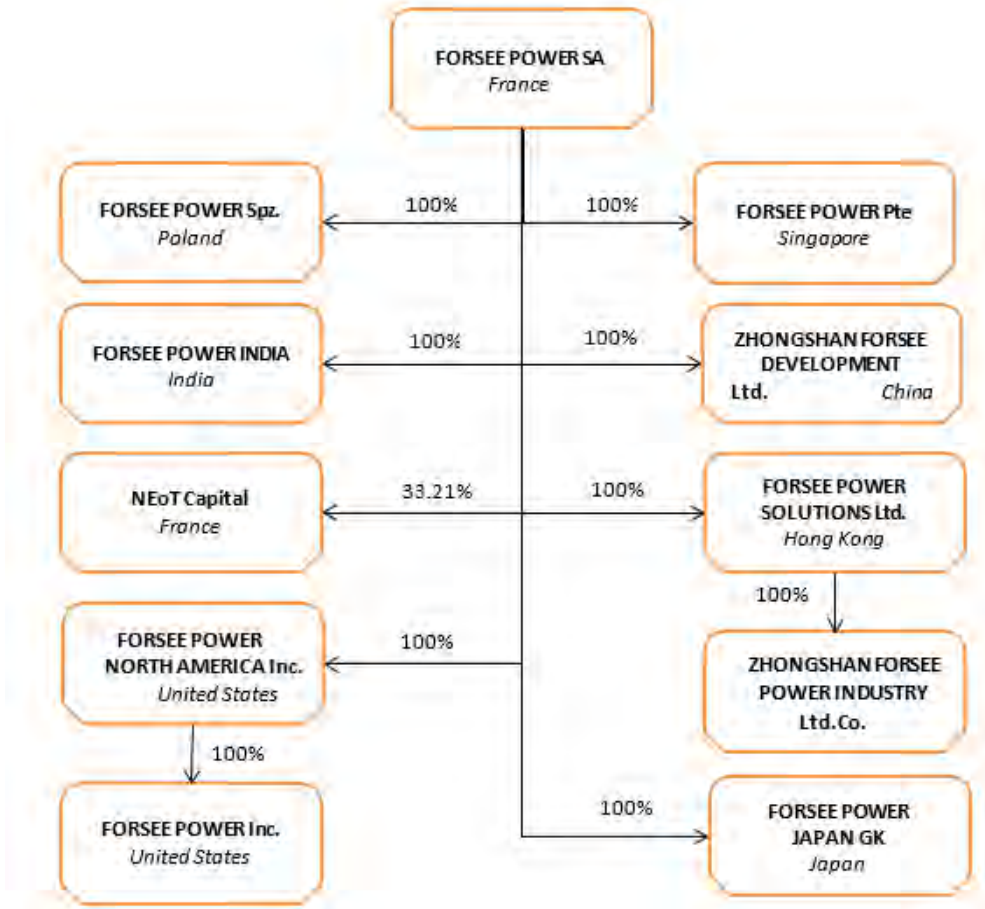
- Portability and mobility (bicycles, scooters, rolling stock, medical equipment, home automation, professional tools, and construction equipment, etc.);
- Electric transportation (buses, trucks, short-haul vehicles, rail transport).

The Group was formed following several company formations and external growth operations involving 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.

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

Forsee Power S.A. has been listed on the Euronext Paris Regulated Market, Compartment B, since November 3, 2021, under the ticker symbol FR0014005SB3.

Group Organization Chart as of December 31, 2025



2. Highlights

The key events of the fiscal year ended December 31, 2025, are as follows:

New Product Launches and Business Development

Forsee Power launched a new line of PULSE PLUS batteries, a new high-power battery system for heavy-duty vehicles, achieving initial commercial success as Medcom, a specialist in power electronics systems for rail vehicles, selected Forsee Power to equip the trams of a major U.S. city with its PULSE PLUS batteries.

Innovation Rail Technologies (IRT) has selected the FORSEE ZEN PLUS battery system to retrofit locomotives in the United States.

Turkish manufacturer Bozankaya has selected the FORSEE PULSE 15 high-power battery system to power Prague's trolleybuses, for which it recently won a tender.

Forsee Power has launched a new GO 6 power battery, an LFP solution designed to meet the growing demands of compact agricultural, industrial, and construction machinery, as well as light four-wheeled electric vehicles.

Light electric vehicle manufacturer Westward Industries has selected Forsee Power's battery systems, with production set to begin at the Hilliard, Ohio, plant in the second half of 2025.

Forsee Power has signed a partnership agreement with Connected Energy to jointly design and develop a modular and scalable energy storage solution.

€18.7 million capital increase

On June 24, 2025, Forsee Power carried out a €18.7 million cash capital increase (including the issue premium), resulting in the creation of 45,555,031 new common shares and an increase in share capital of €4.56 million.

New financing lines secured from a banking syndicate and renegotiations with the European Investment Bank (EIB)

- Financing obtained from a pool of banks

In April 2025, the Group arranged inventory financing with a pool of banks in the form of commercial paper, secured by the inventory at the Chasseneuil-du-Poitou plant. This financing bears interest at the 3-month Euribor rate plus a margin of 1.8% to 4%.

Payment on a portion of the maturities of this financing due on December 31, 2025, was deferred in the amount of €8.8 million as part of discussions with banking partners aimed at securing the Group's cash flow in light of the specific business circumstances expected for fiscal year 2026.

- EIB Financing

Discussions began in June 2025 with the EIB regarding the restructuring of the €25 million Tranche A, which is fully repayable in June 2026.

These negotiations led to:

- Extending the drawdown right for Tranche D;
- Repaying an initial portion of Tranche A in the amount of €10 million in advance in 2025 via a drawdown of €10 million from Tranche D maturing in 2030;
- Scheduling the repayment of the second portion of Tranche A, amounting to €6 million, in June 2026;
- Repaying the balance of Tranche A (now Tranche A Bis) in the amount of €10 million on a straight-line basis from June 2027 through June 2030;
- To amend, prior to July¹, 2026, the terms and conditions for exercising the warrants EIB Warrant E.

These agreements were formalized by the signing of a memorandum on August 28, 2025, followed by the repayment on September 9, 2025 of a portion of Tranche A and the issuance of Tranche D.

As of the fiscal year-end, December 31, 2025, since the financial ratios stipulated in the EIB financing agreement were not met, all EIB loans were classified as current financial debt, pending the granting of a *waiver* by the bank. This *waiver* was granted on April 27, 2026, as part of an agreement reached with the EIB regarding the rescheduling of maturities due in 2026.

For all information regarding the management of bank maturities, the reader is referred to Note 7.13 on Borrowings and Financial Liabilities and Note 10.1 on Events Subsequent to December 31, 2025.

Measures to reduce payroll costs in France and China

- Long-Term Partial Activity (APLD) / Short-Time Work:

To anticipate a decline in business activity in 2026, Forsee Power has implemented measures aimed at reducing payroll costs. A long-term partial activity scheme (APLD) has thus been established for all employees effective September¹, 2025, for a maximum duration of 18 months.

- Collective Voluntary Termination (RCC)

A collective voluntary redundancy campaign is currently underway. The goal is to finalize 60 cases between November 2025 and March 2026, with a priority list of positions affecting 41 people and a voluntary list comprising 19 people. The estimated cost of this campaign is between €2.5 million and €3 million, including consulting and support firms. The final cost of this RCC is reported as non-recurring expenses (see Note 8.7)

- China Layoff Plan (ZFI/ZFD):

The Group implemented a layoff plan at its Chinese subsidiaries involving the departure of 70 employees between October 20nd 2025. The cost of this layoff plan is approximately €570,000, fully recognized in non-recurring operating income (see Note 8.7).

Litigation with Unu GmbH

On November 23, 2023, the Group was informed of the initiation of insolvency proceedings against Unu GmbH before the Berlin Charlottenburg Court, with the appointment of an insolvency administrator. The administrator must decide on the continuation of the company's operations and the ongoing legal proceedings. The proceedings initiated in 2021 before the Paris Commercial Court made no progress in 2023. In December, a judge ordered the commencement of expert assessments, with a report expected by the end of 2024. New proceedings were initiated in Germany in 2023 regarding claims, similar to those in 2022.

On May 2, 2024, the assets of Unu GmbH were acquired by EMCO, excluding all litigation, with the receiver's work therefore continuing on this matter.

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

In August 2025, one of the civil proceedings initiated in Germany was closed without the Group being held liable.

Finally, in January 2026, a settlement agreement was reached regarding one of the civil proceedings in Germany.

Following this agreement, the Group believes that the risks associated with these disputes are fully covered by the amounts provisioned as of December 31, 2025.

Note 7.11 provides a detailed overview of the various legal disputes with Unu GmbH.

Incident at the Chasseneuil-du-Poitou plant

On October 28, 2025, a fire broke out in a lithium-ion battery at the Chasseneuil-du-Poitou site. The incident was quickly brought under control thanks to internal safety systems and the response of emergency services, with no casualties reported. In terms of property damage, the incident resulted in the destruction of the affected battery, damage to nearby equipment, as well as water and soot damage in the production area. The fire suppression system and certain facilities were also affected and required repairs and cleanup. After the water was pumped out and the facilities were restored, operations at the site resumed on November 3, 2025. The financial impacts of this event are currently being analyzed as of the balance sheet date.

Uncertainties related to the current economic and political environment

The current economic and political environment may create uncertainties regarding the Group's business activities (namely inflation, rising prices of certain raw materials and energy, supply chain disruptions, or shortages of electronic components, etc.). Nevertheless, the Group is closely monitoring and managing potential increases in its cost structures (raw material prices, inflation in wages and the supply chain), and is adjusting its selling prices to preserve its margins.

The tariff policy pursued by the new U.S. administration is creating uncertainty regarding the cost of raw materials

imported for battery assembly at Forsee Power's U.S. facility or for batteries assembled at Forsee Power's overseas subsidiaries, thereby slowing order intake from Forsee Power's U.S. prospects.

3. Accounting framework, consolidation methods, valuation methods and rules

3.1. Basis for preparation of the consolidated financial statements

3.1.1. Accounting framework

The accounting principles used in the preparation of the consolidated financial statements comply with IFRS (*International Financial Reporting Standards*) as published by the IASB (*International Accounting Standards Board*) and adopted by the European Union as of December 31, 2025. This framework incorporates international accounting standards (IAS and IFRS) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) (SIC and IFRIC).

These standards and interpretations are applied consistently across the periods presented.

The Group has applied the standards and interpretations published by the IASB and adopted by the European Union, the application of which is mandatory as of January¹, 2025. The application of these standards has not had a significant impact on the financial statements or the information to be presented as of December 31, 2025.

The Group has not anticipatedly adopted the standards and interpretations published by the IASB and adopted by the European Union, but for which application is not mandatory as of December 31, 2025. These standards and interpretations relate to amendments and improvements/clarifications primarily to IFRS 9 and IFRS 7, which do not have a significant effect on the financial statements or the information to be disclosed.

Standards and interpretations published by the IASB but not yet adopted by the European Union will not become mandatory until such adoption and are therefore not applied by the Group as of December 31, 2025. The impact of IFRS 18 on the new presentation of the primary financial statements, particularly regarding the level of aggregation and disaggregation of items, and on the new disclosures to be provided, will be analyzed during 2026 for application of the standard starting with the fiscal year beginning January¹, 2027, and ending December 31, 2027.

The presentation currency for the consolidated financial statements and the notes thereto is the Euro.

3.1.2. Significant accounting estimates and judgments used by Management for the financial statements as of December 31, 2025

The preparation of financial statements in accordance with international accounting standards requires management to use estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, revenues and expenses, as well as information regarding contingent assets and liabilities.

The underlying estimates and assumptions are based on information available at the time they are made. 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 revises these estimates based on past experience

and its view of the market. When an estimate is revised, it does not constitute a correction of an error.

Accounting estimates that require the formulation of assumptions are used primarily for the following items:

(a) Assessment of the recoverable amount of goodwill (see Notes 3.3.2 and 7.1)

The key 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 value in use are those resulting from discounted forecasts covering a five-year horizon in accordance with the latest strategic plan. The strategic plan covers the period 2025–2030 and was developed using economic assumptions deemed realistic by management, whether regarding revenue levels or production costs.

The discount rates used by the CGU correspond to the weighted average cost of capital calculated based on comparable parameters, potentially increased by a spread reflecting the specific risk level of the asset being tested. The data used to determine these rates are derived almost entirely from an independent external source.

(b) Research and development expenses (see Notes 3.3.3 and 7.2).

Management has identified development projects that lead to the improvement or creation of a product and/or technology used by one or more customers. These projects and the related expenses are analyzed regularly by Management based on information obtained during the period. Management assesses the amortization periods for development projects based on internal experience, current market conditions, and commercial prospects. These amortization periods are reviewed by Management in light of changes in products and/or technologies. Management also conducts a review of ongoing R&D projects at year-end to verify that they continue to meet the eligibility criteria under IAS 38 and, in particular, that they generate sufficient future economic benefits to justify their carrying amount as an intangible asset.

(c) Assessment of the recoverable amount of the NEOt Capital investment (see Notes 3.2.2.2 and 7.5)

Management assesses the recoverable amount of the NEOt Capital investment, including the goodwill recognized on this equity-accounted investment, based on the present value of estimated future cash flows expected to be generated by the company's operations.

Management has determined the recoverable amount of the NEOt Capital investment as of December 31, 2025, based on the present value of estimated future cash flows derived from the business plan established and communicated by NEOt Capital's management.

(d) Research Tax Credit (CIR) (see Notes 3.3.23)

Management estimates the proceeds from the Research Tax Credit based on eligible expenses, past discussions with the tax authorities regarding certain types of expenses, and the conclusions obtained from the advisors and experts engaged to evaluate the CIR.

Management has estimated the revenue related to the 2025 Research Tax Credit based on eligible expenses incurred during the fiscal year ended December 31, 2025.

(e) Valuation of battery inventories (see Notes 3.3.8 and 7.6)

Management estimates 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 net realizable value takes into account technical and technological developments in batteries, particularly for older battery lines that may face competition from other products launched more recently by the company.

(f) Customer credit risk

Management conducted a detailed review of accounts receivable due as of December 31, 2025, and performed a case-by-case impairment assessment.

No significant risk of early non-payment was identified on the outstanding balance as of December 31, 2025.

(g) Fair value measurement of equity-based payments (stock options and bonus shares) (see Notes 3.3.14.2 and 7.10.3.2)

The cost of transactions with employees settled in equity instruments through stock options or bonus shares is measured by management at the fair value of the equity instruments on the date they were granted.

Estimating the fair value of these equity-based payments requires the use of the Black-Scholes option pricing model, which takes into account complex assumptions and variables: the company's share price, the option's life, the exercise price, the expected volatility of the share, the risk-free rate, the share's risk premium, and the share's liquidity premium. These assumptions are determined based on an expected exercise schedule for the options.

Management assesses changes in the company's share price in the context of performance-based equity payments to adjust the probable number of instruments expected to vest at the end of the vesting period.

(h) Provisions (see Notes 3.3.16 and 7.11)

Management analyzes, together with its legal counsel, litigation and warranty obligations (after-sales service and recycling), and assesses the provisions to be recognized if a cash outflow is required to re the Group.

(i) Pension obligations (see Notes 3.3.15 and 7.12)

Management reviews the actuarial assumptions used in the valuation of post-employment obligations (defined benefit plan), including the discount rate, the *turnover* rate, and the rate of salary increases.

(j) Valuation of financial liabilities under lease agreements (see Notes 3.3.5 and 7.3)

Management has evaluated all facts and circumstances to determine the probability that an early termination or one of the renewal options included in the lease agreements will be exercised in the future in order to measure the liability under lease agreements in accordance with IFRS 16.

Management used available data, such as the company's risk premium and *spread* relative to the risk-free rate, to determine the marginal cost of debt used to measure 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 equity instruments (stock options) is measured using the Black-Scholes model, which

incorporates complex assumptions and variables: the Company's share price, the option's life, the exercise price, the expected volatility of the share, the risk-free rate, the share's risk premium, the share's liquidity premium, etc.

(l) Recognition of deferred tax assets on tax losses (see Notes 3.3.25 and 7.19)

Deferred tax assets related to carryforward tax losses are recognized only if management has sufficient visibility over a three-year horizon regarding the recovery of these losses in light of projected future taxable income and tax carryforward and carryback rules.

In the absence of applicable standards or interpretations, the Group relies on accounting principles that will provide relevant and reliable information, so that the financial statements present a true and fair view of the Group's financial position, financial performance, and cash flows.

As of December 31, 2025, there were no judgments, other than the estimates presented above, that required specific treatment in the application of accounting policies.

3.1.3. Going Concern

The consolidated financial statements as of December 31, 2025, have been prepared on a going concern basis, taking into account the following factors:

- The level of cash and cash equivalents as of December 31, 2025, which amounts to €11.8 million;
- The cash flow outlook related to the Group's operations over the next 12 months, which indicates a higher level of uncertainty compared to previous fiscal years;
- The renewal in 2026 of the non-recourse factoring program with Facto France, with an uncapped amount of receivables in euros and dollars (within the per-customer limits set by credit insurance);
- The implementation of short-time work to address a temporary decline in business and limit payroll costs;
- The implementation of a collective voluntary redundancy plan, which allows for the adjustment of headcount in a proactive and voluntary manner;
- Post-closing discussions with key banking partners, which led on April 27 and 30, 2026, to the conclusion of agreements allowing for the restructuring of financial debt repayment schedules and the securing of the Group's cash flow, notably through:
 - a deferral of the maturity date, originally scheduled for December 31, 2025, of the commercial paper issued as part of inventory financing, and a gradual repayment of the €8.8 million in outstanding principal through December 31, 2027;
 - the deferral and extension until the end of 2027 of the €6 million maturity of Tranche A of the EIB debt, originally due in June 2026;
 - the rescheduling of the repayment of the outstanding principal on the State-Guaranteed Loans.

(These agreements are subject to certain conditions precedent, the occurrence of which is considered highly unlikely by Group Management)

- The ongoing exploration of additional financing solutions, including, in particular, discussions with potential investors, as well as discussions with existing shareholders with a view to a possible strengthening of equity.

In light of these factors, Group Management believes it currently has sufficient financial resources to ensure the continuity of its operations over the next 12 months.

3.1.4. Consideration of Risks Related to Climate Change

The Group's current exposure to the consequences of climate change is limited.

3.2. Consolidation Modalities

3.2.1. Fiscal Year-End and Annual Financial Statements of Consolidated Companies

These consolidated financial statements have been prepared based on the individual financial statements of the subsidiaries of Forsee Power SA. All of these financial statements cover a 12-month period and are as of December 31, 2025. The sole exception is Forsee Power India Private Ltd, which has a fiscal year-end of March 31, 2026, and for which an interim statement as of December 31, 2025, has been prepared and included.

The financial statements used for comparative information are those as of December 31, 2024, for the statement of financial position, the income statement, and the cash flow statement, which cover a 12-month period.

The annual financial statements for the periods presented for the consolidated companies are prepared in accordance with the accounting principles and valuation methods adopted by the Group. They are restated to bring them into line with the accounting principles and IFRS standards adopted for the preparation of the consolidated financial statements.

3.2.2. Consolidation Methods

3.2.2.1. Exclusively controlled investments: full consolidation

An investment is a subsidiary controlled by the Group. Control exists when the Group has the power to direct, directly or indirectly, the financial and operating policies of the entity in order to obtain benefits from its activities. To assess control, potential voting rights that are exercisable or convertible as of the balance sheet date are taken into account.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control is obtained until the date on which control ceases. Full consolidation involves:

- Incorporating the items from the financial statements of the consolidated entities into the financial statements of the consolidating entity, after any necessary adjustments;
- Allocating equity and net income between the interests of the consolidating entity, referred to as "Share attributable to owners of the parent" or "Group share," and the interests of other shareholders or partners, referred to as "Non-controlling interests" or "Minority interests";
- Eliminate intercompany transactions between the fully consolidated entity and the other consolidated entities.

3.2.2.2. Shareholding stake in NEoT Capital

Since 2016, the Group has held a 15% stake in NEoT Capital, a company dedicated to financing projects in the renewable energy and electric mobility sectors. As of December 31, 2021, partners Mitsubishi Corporation and EDF

(through EDF Pulse Holding) held an equal 85% stake in the company's share capital.

With a view to strengthening the Group's strategy of offering a comprehensive range of products and services for battery systems, the Group signed a binding agreement on March 25, 2022, to acquire all of the NEoT Capital shares held by partner Mitsubishi Corporation (representing 42.5%) for €2,292,000. This acquisition was finalized on May 31, 2022, following approval from the EIB, resulting in the Forsee Power Group holding 57.5% of the shares in NEoT Capital.

This stake was reduced to 50% following the unanimous joint decision by the two partners, Forsee Power and EDF, taken on June 30, 2022, resulting in the recapitalization of NEoT Capital in the amount of €3,210,000, of which €710,000 came from a capital increase through debt conversion and €2,500,000 from a capital increase through cash subscription.

In parallel with these transactions, a new shareholders' agreement was signed, and the articles of association of NEoT Capital were amended to reflect the desire of partners Forsee Power and EDF Pulse to hold the same number of shares, the same number of votes, and to ensure perfect equality between the two partners in the governance and decision-making processes 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 agreement led Forsee Power and EDF Pulse to jointly sell their stakes in on November 2, 2023, amounting to 4.01% each for a total of €370,000, authorized a cash capital increase of €3,500,000 fully subscribed by Mitsui, authorized the entry of management members into NEoT Capital's share capital, and authorized the implementation of a plan to grant free preferred shares to NEoT Capital employees. Following the completion of these transactions, Forsee Power, EDF Pulse, and Mitsui each hold a 33.21% stake in NEoT Capital.

In parallel with these transactions, the shareholders' agreement was updated, and NEoT Capital's articles of incorporation were amended to reflect the desire of the partners—Forsee Power, EDF Pulse, and Mitsui—to hold the same number of shares, the same number of votes, and to ensure perfect equality between the two partners in the governance and decision-making processes within NEoT Capital.

An analysis of the legal and contractual provisions leads to classifying this investment as an associate under IAS 28, resulting in the consolidation of NEoT Capital using the equity method as of June 30, 2022.

3.2.2.3. Transactions eliminated in the consolidated financial statements

In the consolidated financial statements, the following items are eliminated:

- Intercompany receivables and payables;
- Intra-Group transactions such as purchases, sales, dividends, margins;
- Provisions set aside for consolidated companies;
- Any other transactions involving Group companies.

3.2.2.4. Conversion of financial statements prepared in foreign currencies

Financial statements prepared in foreign currencies are converted using the "closing rate" method:

- Monetary and non-monetary assets and liabilities are converted into euros at the closing exchange rate, with the exception of equity components, which are converted at the historical exchange rate;
- Income statement items and cash flows are converted into euros at the exchange rate on the transaction dates or, in practice, at a rate close to that date, which corresponds, except in the case of significant exchange rate fluctuations, to the average rate for the period;
- The resulting translation difference is recognized in other comprehensive income (OCI) and forms part of the “Translation Reserve,” allocated between the Group’s share and the minority interest’s share, if applicable.

The exchange rates used in preparing the consolidated financial statements for the periods presented are as follows:

Currency	Curre -ncy code	Rate as of December 31, 2025	12-month average rate December 2025	Rate as of December 31, 2024	12-month average rate December 2024
		1 € = currency	1 € = currency	1 € = currency	1 € = currency
Hong Kong dollar	HKD	9.14640	8.81042	8.06860	8.44536
Chinese yuan	CNY	8.22620	8.11850	7.58330	7.78747
Polish Zloty	PLN	4.22100	4.23966	4.27500	4.30580
Indian rupee	INR	105.59651	98.52391	88.93347	90.55625
Singapore Dollar	SGD	1.51050	1.47557	1.41640	1.44581
US Dollar	USD	1.17500	1.12998	1.03890	1.08238
Japanese Yen	JPY	184.08985	169.04342	163.06005	163.85196

3.2.2.5. Accounting for Business Combinations and Acquired Industrial Operations

The Group considers itself the acquirer as soon as it has obtained substantive control of the acquired business or business units. The cost of each acquisition is measured at fair value on the acquisition date. External acquisition costs incurred are recognized as expenses in the period in which the corresponding services are received. The period for assessing the fair value of the purchase price (including any contingent consideration) and for determining the fair value of identifiable assets and liabilities is 12 months following the acquisition date. After this period, any change in the purchase price and in the value of identifiable assets and liabilities is recognized in income. The Group has carried out:

The acquisition in June 2011 of the industrial operations of Uniross Batteries SAS (in France) and Zhongshan Uniross Industry Ltd (ZUI), renamed “Zhongshan Forsee Power Industry Ltd,” in China.

The acquisition of the industrial operations of Uniross Batterie and Zhongshan Uniross Industry Ltd resulted in the recognition of negative goodwill, as the acquisition cost was lower than the fair value of the net assets acquired. Management verified, on the one hand, the value of the acquired assets and liabilities to ensure there was no impairment or provision for risks and charges to be recognized, and, on the other hand, limited the valuation of intangible assets, particularly customer contracts and computer databases related to the technical and commercial specifications of the products of the acquired business segment, resulting in no negative goodwill being recognized on these intangible assets. Following these analyses, the negative goodwill was treated as a gain resulting from an

acquisition on favorable terms and was recognized in income in 2011.

The acquisition in March 2012 from Ersé of the Polish company Energy One, subsequently renamed “Forsee Power Spz.”

This acquisition of a 51% controlling interest in Energy One was accounted for by determining the fair value of the identifiable net assets for the non-controlling interests (minority interests), resulting in the recognition of full goodwill allocated between the Group’s share and the portion attributable to minority interests.

The subsequent repurchase between October 2013 and October 2014 of the 49% held by minority interests was treated in the consolidated financial statements as a transaction between equity holders in equity in accordance with IFRS 10, with no impact on the goodwill measured at the time of the 2012 acquisition.

The acquisition in November 2013 of Dow Kokam France, subsequently renamed “Forsee Power Industry.”

The Group measured the identifiable assets and liabilities of the acquired entity at their fair value, except as provided for by IFRS 3. Non-identifiable assets, such as goodwill or technical goodwill, were not included in the acquired assets. Contingent liabilities, in particular the contingent liability related to a tax dispute pending as of the acquisition date concerning Research Tax Credits for the acquired operations of Dow Kokam France, were measured and recognized as a provision since they constituted a present obligation as of the acquisition date, even though it was not probable that a cash outflow would be required to settle this obligation. The provisions related to these contingent liabilities were reversed through profit or loss upon receipt of a positive response from the tax authorities. The impact of deferred taxation was recognized in accordance with IAS 12.

The acquisition of assets in July 2021 from Holiwatt.

Forsee Power SA acquired, by judgment of the Lyon Commercial Court dated July 21, 2021, a portion of the business and assets, and confirmed the transfer of employees from Holiwatt (formerly Centrum Adetel Transportation). The acquired assets and liabilities were measured at fair value, resulting in the recognition of a negative goodwill of €28,000, which is presented in operating income. The most significant identifiable assets and liabilities acquired relate to patents, inventory, and payroll liabilities for the retained workforce.

3.2.2.6. Minority Interests

The Group does not hold any non-controlling interests (minority interests) for the periods presented.

3.3. Accounting policies 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, Presentation of Financial Statements.

Assets and liabilities are considered “current” when:

- The Group expects to realize the asset or settle the liability within its normal operating cycle or within 12

months of the balance sheet date;

- The asset or liability is held for trading or for transaction purposes;
- The asset consists of cash or cash equivalents;

All assets or liabilities that do not meet any of the criteria detailed above are classified as “non-current.”

Non-current financial assets and other non-current assets measured at amortized cost are presented with a discount using the original effective interest rate, which generally corresponds to the 1-year Euribor rate as of the closing date of the consolidated financial statements.

3.3.2. Goodwill

All goodwill arising from business combinations is allocated to the relevant cash-generating unit (CGU). CGUs are defined as the smallest group of related assets that generates cash inflows that are largely independent of the cash flows from other assets or groups of assets.

Management has determined, effective December 31, 2024, that the goodwill initially recognized upon the acquisition of Ersé and Dow Kokam (see Note 3.2.2.5)—which primarily relates to know-how—is now fungible across all of Forsee Power’s operations, such that it is no longer possible to track this goodwill separately. This goodwill arising from the acquisitions has therefore been consolidated at the Group level (see Note 7.1).

Goodwill is not amortized but is tested for impairment through the CGU to which it belongs, at least at each annual reporting date. An impairment loss is recognized if the recoverable amount of a CGU is less than its carrying amount. The impairment loss recognized for a CGU is first allocated to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of each asset in the unit. Impairment losses on goodwill are irreversible and are recognized in operating income under the line item “Goodwill Impairment.”

The recoverable amount of a CGU is the higher of its fair value less costs to sell and its value in use. The fair value of a CGU is determined either by reference to transactions like the asset being tested or through valuations performed by independent experts from a disposal perspective. To assess the value in use of a CGU, future cash flows are discounted at a post-tax rate that reflects the market’s current assessment of the time value of money and the risks specific to the CGU.

The Group uses a CGU-specific discount rate for its future cash flows that takes into account country risk and tax rates by geographic region, as well as a premium in the event that the assumptions used in the business plan are not met. 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; for the period between 2025 and 2030, and beyond this horizon, the terminal value corresponds to the infinite capitalization of the final cash flow of the horizon, based on a long-term growth rate determined by geographic region.

3.3.3. Development Costs

Expenditures incurred for development costs must be capitalized as intangible assets when the conditions defined by IAS 38 are met:

- Technical feasibility, and the technical capability to complete the development and use or sell the asset
- Intention to complete development, ability to use or sell the asset, and availability of financial resources;
- Probability of future economic benefits;
- Reliability of the measurement of the 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 assesses eligible expenses, the project start date, and the estimated project completion date through a Project Monitoring Committee.

Capitalized development costs include personnel expenses, external costs, and project-specific procurement expenses. The portion of the Research Tax Credit related to capitalized expenses is presented as a deduction from development costs.

The amortization periods for development projects are based on internal experience regarding the useful life of technologies developed by Forsee Power. The amortization period ranges from 2 to 6 years for projects, calculated from the estimated project end date. These amortization periods are reviewed by Management based on changes in products and/or technologies.

Expenses incurred that do not meet the criteria for capitalizing development costs, as well as research costs, are recognized as expenses for the period and are presented in Note 7.2.

3.3.4. Intangible and Tangible Assets

Property, plant, and equipment and intangible assets are recorded in the consolidated financial statements at their acquisition or production cost, or at their fair value when acquired as part of a business combination, less accumulated depreciation and accumulated impairment losses.

The Group has elected to account for intangible and property, plant, and equipment assets at amortized historical cost.

Depreciation is calculated based on the estimated useful life of the various categories of fixed assets. Where applicable, the total cost of a tangible asset is allocated among its various components, with each component recognized separately. This is the case when the various components of an asset have different useful lives or provide benefits to the company at different rates, requiring the use of different depreciation rates and methods.

Depreciation has been determined based on the rate at which the expected economic benefits are consumed by each asset component, using the acquisition cost, in accordance with their probable use. Depreciation periods are reviewed annually and are adjusted if expectations differ from previous estimates; these changes in estimates are recognized prospectively.

Depreciation is calculated using the straight-line method based on the useful life of the components of each fixed asset as follows:

Software and licenses	Straight-line	2 to 5 years
Industrial equipment	Straight-line	5 to 10 years
General installations and fixtures	Straight-line	8 to 10 years
Transportation equipment	Straight	5 years
Office and computer equipment	Straight-line	3 years

3.3.5. Asset-type leases

IFRS 16 on leases introduces a single accounting principle for lessees, requiring the recognition of a fixed asset and a lease liability for the vast majority of leases.

The lessee therefore records:

- A non-current asset representing the right to use the leased asset on the asset side of the consolidated statement of financial position;
- A financial liability representing the obligation to pay for this right on the liabilities side of the consolidated statement of financial position;
- Depreciation expense for the right-of-use asset and interest expense on lease liabilities in the consolidated income statement.

The main assumptions used to measure the right-of-use asset and the lease liability are:

The term of a lease

The term of a lease corresponds to the non-cancellable period during which the lessee has the right to use the underlying asset, plus any optional renewal or termination periods that the Group has reasonable certainty will exercise (for the renewal option) or will not exercise (for the termination option). The probability of exercising or not exercising an option is determined by contract type or on a case-by-case basis based on contractual and regulatory provisions and the nature of the underlying asset (in particular, its technical specificity and strategic location);

The terms used for leases of industrial and commercial buildings correspond to the duration of the longest enforceable contractual periods in cases where a termination option exists for French commercial leases. This term reflects Management's best estimate of the period during which the Group is reasonably certain to continue the lease until its expiration. Periods of tacit renewal of the initial lease were not included in Management's assessment of the initial lease term, given the potential evolution of the Group's future needs, which could lead to adjustments in the size of certain sites.

Lease agreements for industrial and commercial buildings were assessed with the following terms:

- Industrial site located in Chasseneuil-du-Poitou: the BEFA lease expires on August 2, 2033, representing an initial term of 14 years;

- Commercial premises and corporate headquarters located in Ivry-sur-Seine: the leases expire on April 30, 2026, or March 31, 2032, or September 30, 2032, and have been set for an initial term of 9 years;
- Commercial premises located in Dardilly (Lyon): BEFA lease effective as of October¹, 2023, and expiring on September 30, 2032, for an initial term of 9 years;
- Industrial site located in Zhongshan (China):
 - The lease for the 5,200 m² industrial premises was renewed from February 29, 2024, to February 28, 2026, and then from March¹, 2026, to February 29, 2028;
 - The lease agreement for the 3,500 m² industrial premises and storage facilities expires on January 31, 2025, and was renewed on March¹, 2025, for a term extending through June 30, 2027, taking into account the lessor's expected renewals of these lease agreements and management's development plans in China.
- Industrial site located in Hilliard, Ohio: the lease expires on January 31, 2033, representing an initial term of 11 years;
- This industrial site is subject to a sublease covering approximately 33% of the total area, effective from August¹, 2025, through July 31, 2027, with two annual renewal options through July 31, 2029. The terms of this sublease agreement classify this contract as an operating lease, and the rent received under this contract is reported under "Other Revenue."
- Industrial premises located in Poland: lease agreement renewed every 3 years, with the current term extended through January 31, 2028;
- Industrial site located in Pune (India): lease agreement for 1,700 m² of industrial space effective October¹, 2023, for a term of 5 years.

Management reviews the lease terms at each reporting date, either by renewing the initial lease or by exercising a tacit extension period, depending on the occurrence of certain events.

The discount rate for lease liabilities

The discount rate used is the lessee's marginal borrowing rate (risk premium added to the company's spread relative to the risk-free rate). The discount rates used as of December 31, 2025, to measure financial liabilities are as follows:

Contract term	Type of leased asset	Number of contract	France	China	Poland	United States
Less than 3 years	Vehicles	36	Between 3.21% and 5.7%	6.11%	NA	NA
	Industrial equipment and tools Short-term premises					
Between 4 and 7 years	Industrial equipment and tools	20	3.84% and 5.5%	NA	NA	NA
Over 7 years	Industrial buildings and commercial premises	18	Between 3.21% and 3.721%	Between 3.721% and 5.59%	NA	4.48%

At the effective date of the lease, the lease liability is recognized for an amount equal to the present value of the

minimum payments remaining over the non-cancellable term of the lease, as well as payments related to options that the lessee has reasonable certainty of exercising. This amount is then measured at amortized cost using the effective interest rate method.

On that same date, the right-of-use asset is recognized at a value equal to the initial amount of the liability, plus, if applicable:

- advance payments made to the lessor, net, if applicable, of benefits received from the lessor;
- the initial direct costs incurred by the lessee to enter into the contract;

This amount is then reduced by recognized depreciation and impairment losses. Right-of-use assets are amortized on a straight-line basis over the term of the contract, including early termination and renewal options that the lessee is reasonably certain to exercise. When the contract results in the transfer of ownership of the asset to the lessee or includes a purchase option that is reasonably certain to be exercised, the right-of-use asset is amortized over the useful life of the underlying asset under the same terms as those applied to owned assets.

Lease payments are allocated between interest expense and principal repayment of the lease liability and are recognized in financing activities in the consolidated statement of cash flows.

Subsequently, the liability and the right to use the underlying asset must be remeasured to account for the following situations:

- A change in the lease term;
- Any changes related to the assessment of whether it is reasonably certain (or not) that an early termination or renewal option will be exercised;
- The re-estimation of residual value guarantees;
- Revision of the rates or indices on which lease payments are based;
- Rent adjustments.

The main simplifications provided for by the standard and adopted by the Group are:

- The exclusion of short-term contracts;
- And the exclusion of leases involving low-value assets.

Rentals from contracts excluded from the scope of IFRS 16, as well as variable payments not taken into account during the initial measurement of the liability, are recognized as operating expenses.

3.3.6. Impairment of fixed assets

Fixed assets with finite useful lives are tested for impairment when there are indications of impairment resulting from events or circumstances that occurred during the period, and their recoverable amount appears to be permanently lower than their net book value.

Fixed assets with indefinite useful lives, such as goodwill and assets under construction, are tested for impairment at each year-end and whenever there are indications of impairment due to events or circumstances that occurred during

the period. Impairment tests are performed by comparing the recoverable amount with the asset's net book value. When an impairment loss is recognized, the amount recorded equals the difference between the net book value and the recoverable amount. The recoverable amount is the higher of the fair value less costs to sell and the value in use.

3.3.7. Financial Assets

Financial assets are recognized in accordance with the provisions of IFRS 9 and presented in accordance with the provisions of 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 collect contractual cash flows on the one hand, and on the other hand, on compliance with the asset's contractual characteristics under the SPPI test (*solely payments of principal and interest* or the "basic loan" test).

Financial assets at amortized cost, including:

Held-to-maturity investments such as deposits and guarantees: fixed-income or determinable-income securities that the Group intends and is able to hold until maturity. These securities are initially recognized at their acquisition cost and subsequently measured using the amortized cost method at the effective interest rate. An impairment loss is recognized for the difference between the carrying amount and the estimated recoverable amount, incorporating an expected future credit loss, i.e., the estimated future cash flows discounted at the original effective interest rate.

Loans and receivables related or unrelated to equity investments: this category includes non-derivative financial assets with fixed or determinable payments. These assets are measured at amortized cost using the effective interest rate method. Loans and receivables maturing within 12 months of the balance sheet date are not discounted. An impairment loss is recognized for the difference between the carrying amount and the estimated recoverable amount, which incorporates expected future credit losses, i.e., 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 through profit or loss, such as marketable securities: these are securities acquired by the Group with the objective of generating a profit from short-term price fluctuations. They are initially recognized at fair value (excluding direct transaction costs recognized in profit or loss). At each balance sheet date, changes in fair value are recognized in profit or loss.

Financial assets at fair value through other comprehensive income

(OCI)

The Group has elected to classify equity instruments not held for trading as other comprehensive income (OCI) rather than in profit or loss. This category includes other financial assets such as unconsolidated equity investments not accounted for using the equity method. These securities are initially recognized at their acquisition cost (including transaction costs). At each balance sheet date, these assets are measured at fair value in accordance with IFRS 13.

Changes in fair value are recorded in equity with , in a special reserve for “Other Comprehensive Income” (OCI). In the event of a decline in fair value, the unrealized loss is also recognized in equity. Changes in fair value are not reclassified to net income upon the disposal of these assets. Dividends received are recognized in net income, except for dividends received immediately after the acquisition of the securities, which are then presented in OCI.

3.3.8. Inventories

Inventories consist of raw materials and other supplies, purchased components (batteries, electronic cards, wiring harnesses, sheet metal parts, etc.), semi-finished/semi-assembled products, and finished goods.

Inventories of raw materials, other supplies, and purchased parts are valued at acquisition cost using the weighted average unit cost method (WAUC). This acquisition cost includes the purchase price, delivery costs (transportation and customs clearance), and incidental expenses.

Inventories of finished goods are valued at production cost, which includes delivery charges, customs duties, purchase-related transportation costs, and direct production labor costs. Financial expenses are not included in the valuation of inventories.

Inventories are written down to reflect the net realizable value of the products as of the fiscal year-end:

- The impairment of inventory items (raw materials, components, semi-finished, and finished goods) is assessed by considering both the sales outlook for a product based on its life cycle and changes in market selling prices (in the battery industry, these selling prices are expressed in euros or currency per kWh).
- The impairment applies to semi-finished goods, finished goods, and components that cannot be used in the production of another battery line. This impairment reduces the inventory value to the net realizable value at which it is likely that a product will be sold or a component used. Batteries (also known as “cells”), slow-moving components, and certain finished goods may, depending on the circumstances, be written down in full.

Internal margins applied between the Group’s various companies on goods held in inventory as of the balance sheet date are eliminated from the consolidated financial statements.

3.3.9. Accounts Receivable

Trade receivables are initially measured at fair value and consist primarily of the difference between revenue recognized and invoiced and cash received from customers, particularly in cases where advance payments have been made. The Group has adopted the simplified model for impairment of receivables, as trade receivables do not include a significant financing component. Impairment is assessed at the time of initial recognition and throughout the receivable’s life, and corresponds to expected credit losses over the receivable’s life. The expected credit loss is estimated using an impairment matrix based on historical default rates, adjusted for forward-looking information. The average historical loss rate on revenue observed over the past five years is less than 0.04%, and the average historical credit loss rate on outstanding customer receivables is less than 0.2%. Impairment losses on trade receivables are recognized in income for the period under the line item “Net impairment losses.”

3.3.10. Working Capital Financing Instruments

The Group has several instruments to finance its Working Capital Requirements (WCR):

(a) *Non-recourse factoring program*

The Group has non-recourse factoring agreements, meaning that risks related to late payment, non-payment, and foreign exchange are transferred, and the factor's recourse is limited in the event of non-payment of the secured receivables.

Since these factoring agreements transfer to the factor the contractual rights to cash flows and virtually all of the associated risks and rewards, the assigned and securitized trade receivables on a non-recourse basis are derecognized from the "Trade receivables" line item under "Financial assets" in accordance with IFRS 9.

A non-recourse factoring agreement was signed on December 21, 2023, with Facto France. This factoring agreement covers an open-ended, uncapped balance up to the amount per customer covered by the credit insurer. This new factoring agreement replaces the factoring agreement signed with HSBC Factoring France, which had a capped outstanding balance. Transactions involving the assignment of trade receivables under this new agreement have been carried out since January 2024. This agreement with Facto France was renewed in 2026.

The outstanding receivables financed by non-recourse factoring are presented in Note 7.7.

(b) *Factoring agreement under a customer's reverse factoring program*

A factoring agreement under a client's (Heuliez Bus-IVECO-Case NewHolland) *reverse factoring* program with a banking institution (Banco Santander) was established with payment terms based on a variable discount rate depending on the maturity of the receivable as of the date of transfer to the factor.

This factoring agreement is non-recourse at the time of discounting, meaning it involves a transfer of risks related to late payment, non-payment, and exchange rate fluctuations, as well as a limitation on the factor's recourse in the event of non-payment of the secured receivables, leading, under IFRS 9, to the derecognition of trade receivables upon presentation for discounting to the factor.

This factoring arrangement is of unlimited duration and has no cap on receivables from the customer Heuliez-Iveco (Case New Holland Group).

This reverse factoring agreement was used during the 2025 fiscal year but was not active as of December 31, 2024 or as of December 31, 2025.

The outstanding receivables financed by factoring under a *reverse factoring* program are presented in Note 7.7.

(c) *Pledge of Cash Against Standby Letters of Credit*

On July 25, 2022, Forsee Power obtained a *Standby Letter of Credit* (SBLC) from a French bank for a maximum

amount of \$1 million in favor of the owner of the industrial building leased in Hilliard, United States. The amount guaranteed by this SBLC decreases annually by 10% until November 1, 2032.

This SBLC is accompanied by an interest-bearing cash pledge in the amount of €1 million, effective from July 25, 2022, through July 25, 2027.

On July 11, 2023, Forsee Power obtained a *standby letter of credit* (SBLC) from a French bank in favor of the Indian bank ICICI Bank on behalf of its subsidiary Forsee Power India Private Limited to secure an overdraft facility and a customs guarantee in the amount of 45 million Indian rupees (€490,000). This SBLC is accompanied by a secured cash pledge in the amount of €650,000 covering the period from July 10, 2023, to July 10, 2025, and has been renewed through December 2025. Note that the pledge was released on December 31, 2025, resulting in the release of the collateral. In April 2026, this amount was reclassified as available cash.

In September 2024, Forsee Power also obtained a new SBLC (*standby letter of credit*) for 9 million Indian rupees (approximately €100,000) from a French bank in favor of Indian customs, accompanied by a cash pledge maturing on March 31, 2025.

The amounts of the cash pledges are presented in Note 7.4.

Commissions and interest expenses related to these financing programs are presented in the Financial Results section of the income statement.

1.9.1 Cash and cash equivalents

Cash and cash equivalents include demand deposits in euros (€), U.S. dollars (\$), and the local currencies of subsidiaries (Indian rupees, Chinese yuan, Polish zloty), as well as short-term investments in euros that are highly liquid and not subject to a significant risk of change in value. Short-term investments are measured at fair value as of the balance sheet date (financial assets at fair value through profit or loss). Changes in value are recognized in Financial Income.

3.3.11. Capital and capital issuance costs

Equity instruments are recognized upon issuance at their transaction price net of transaction costs. Equity instruments are not subject to revaluation. If an equity instrument is canceled or redeemed, the consideration received is deducted directly from equity, and no gain or loss is recognized in profit or loss.

Expenses directly attributable to capital increases are recognized as a deduction from the share premium, i.e., as a deduction from equity in accordance with IAS 32. Costs directly attributable to capital increases are recognized net of deferred taxes when there is a probability of recovering the tax savings (see Note 3.3.25.2).

3.3.12. Equity Liquidity Agreement

In November 2021, the company signed a market-making mandate agreement with an independent investment services provider (ISP) to operate on Segment B of the Euronext Paris market with the aim of promoting trading liquidity and the regularity of the Forsee Power share's listing.

This contract, which remains in effect for the 2025 fiscal year, was entered into for a term of 12 months, automatically renewable unless terminated, with an overall limit (cash and securities) that was increased from €500,000 to €700,000 in 2024.

Cash funds made available to the investment services provider for market-making activities are recorded and presented as “Non-current financial assets” on the balance sheet. Gains or losses realized on the sale of securities are recognized directly in equity.

Purchases and sales of treasury shares carried out by the investment services provider on behalf of Forsee Power are recognized directly in the Group’s equity, as are all direct transactions involving treasury shares. Changes in fair value (unrealized gains or losses) on the securities held are recognized directly in equity.

3.3.13. Payments made with shares

3.3.13.1. Transactions with investing shareholders

Share-based transactions with investing shareholders are not classified as share-based payments under IFRS 2 but are treated as equity instruments and accounted for in accordance with IAS 32. They are recorded in equity at their transaction price (subscription amount) and are not revalued in subsequent financial statements.

3.3.13.2. Transactions with Management and Employees

The granting of stock options (SO) and bonus shares (AGA) to employees is 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 the equity instruments in exchange for services rendered by employees. The fair value measurement is determined on the grant date of the stock options (SO) and bonus shares (AGA), using the Black & Scholes option pricing model. This valuation model includes several complex assumptions and variables: the parent company’s share price, the option’s life, the exercise price, the expected volatility of the share, the risk-free rate, the share’s risk premium, the share’s liquidity premium, etc. These parameters are determined based on the expected schedule for the exercise of options and free share warrants.

The cost of a share-based payment is recognized as an expense for the period under “Personnel Expenses,” in proportion to services rendered starting from the grant date of the free shares. If the vesting period spans multiple periods, the cost of a share-based payment is allocated *pro rata temporis* over that same period.

The cost is adjusted at each balance sheet date if the number of shares to be issued changes during the period. The cost recognized as an expense is not reversed in income even if the option is not exercised by the beneficiary.

The expense related to the 30% employer contribution to URSSAF is recognized and paid on the date the stock options are granted. The expense related to the 30% employer contribution to URSSAF on free shares is determined on the date the free shares are granted, recognized in the financial statements over the vesting period, and paid *in full* at the end of the period.

3.3.14. Employee Benefits

Employee benefits are measured and presented in accordance with IAS 19 as follows:

- Short-term benefits, such as salaries, social security contributions, bonuses payable, vehicles made available to employees whether acquired by the Group or financed through a finance lease, training expenses, as well as all other items consumed free of charge by employees;
- Long-term benefits, such as long-service awards and bonuses payable more than 12 months after the end of the fiscal year;
- Severance pay;
- Post-employment benefits (defined benefit or defined contribution plans).

Short-term benefits are recognized in income under the line item “Employee benefits” and disclosed in Note 8.4 below.

The Group contributes to various defined-contribution plans:

- French employees: contributions to pension funds under the two basic pension schemes (mandatory and supplementary);
- Employees located in China: contributions to the basic pension plan and the mandatory supplementary pension plan;
- Employees located in Poland: contributions to the Public Social Insurance Institute (ZUS) for both mandatory pension schemes (pay-as-you-go and funded), and have not taken out a voluntary insurance policy;
- Employees located in the United States have enrolled in a private pension plan known as a “401k,” to which the company contributes 6% of the amounts saved;
- Employees in Japan: contributions to the basic pension plan and the mandatory supplementary pension plan.

Under these defined-contribution post-employment benefit plans, the Group has no obligation other than the payment of premiums recognized in income under the line item “Employee benefits,” offset by a liability recognized until such premiums are paid.

The Group has not established any employee benefits under defined benefit plans. Its obligation is limited to the statutory end-of-career severance pay plan for French employees, which is measured using the projected unit credit method. Under this method, each period of service results in an additional unit of benefit entitlement, and each of these units is measured separately to determine the final obligation. This obligation takes into account the provisions of IFRIC on IAS 19 published in April 2021 regarding the vesting of benefits based on years of service. This obligation is then discounted to determine the final obligation. These calculations incorporate financial and demographic assumptions presented in Note 7.12.2. The costs related to services rendered by employees during the period, past service costs—i.e., gains or losses related to a contractual or regulatory change to the plan and/or a plan curtailment (significant reduction in the number of employees covered by the plan)—are presented in the income statement under “Employee benefits.” Actuarial gains and losses related to changes in financial and demographic assumptions, and past service costs in the event of a non-significant plan curtailment (departure of employees representing less than 10% of the workforce covered by the plan), which are treated as actuarial experience gains and losses, are presented

in the statement of Other Comprehensive Income (OCI).

3.3.15. Provisions for Risks and Charges

A provision for risks and charges is recognized as soon as there is a clearly defined obligation resulting from past or ongoing events, making an outflow of resources probable but with an uncertain timing. The amount provided for in the financial statements is the best estimate of the expenditure required to settle the obligation as of the balance sheet date, excluding any expected income. Each risk or expense is assessed on a case-by-case basis as of the balance sheet date, and provisions are adjusted to reflect the best estimate as of that date.

Provisions are considered current if they cover an obligation that must be settled or resolved within 12 months of the balance sheet date. Otherwise, provisions are classified as non-current.

Non-current provisions are discounted if the time value of money is significant 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 statements, with the exception of contingent liabilities recognized in a business combination.

As a manufacturer, 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, classified as a “warranty provision.”
- This obligation is covered by a provision known as “After-Sales Service” (ASS), valued based on a percentage of revenue excluding extended warranty sales. This percentage was determined based on both an industry benchmark and an estimate of probable repair costs weighted by the probability of return. Management adjusts this estimate based on actual repair costs.
- The obligation to collect and process end-of-life batteries (European Waste Electrical and Electronic Equipment Regulation – WEEE).
- This obligation is covered by a provision called “recycling,” valued based on the inventory of units sold (by weight) and to be recycled in the future.

3.3.16. Financial Liabilities

Financial liabilities are measured in accordance with the provisions of 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 the debt) and are subsequently carried at amortized cost using the effective interest rate method.

Financial liabilities are broken down in the consolidated financial statements as follows:

- Long-term borrowings and financial liabilities for the portion of liabilities maturing more than 12 months after the balance sheet date, which are classified as non-current liabilities;

- Short-term borrowings and financial liabilities for the portion due within 12 months after the balance sheet date, which are classified as current liabilities.

Interest-bearing non-current financial liabilities are not discounted as of the balance sheet date.

Cash flows from receivables sold with recourse and mobilized with the factoring company are presented as financial debt net of reserves and security deposits applied by the factoring company

The Group has no financial liabilities measured at fair value (other than derivatives) in the statement of financial position as of the balance sheet date.

Financial liabilities obtained under non-market conditions (zero-interest loans or loans at rates below market rates) are presented at fair value with a corresponding gain recognized in income. The gain is subsequently reversed in income to be incorporated into the effective interest rate of the loan, thereby bringing the latter in line with the normal market rate.

Borrowing costs are deducted from the initial fair value of the debt issued and amortized over the term of the loan using the effective interest method.

3.3.17. Accounts payable

Trade payables are measured, upon initial recognition, 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 payment as a liability.

3.3.18. Derivative instruments

Stock options (BSAs) issued by the company that do not meet the definition of an equity instrument—that is, when the settlement of the instrument does not result in the delivery of a fixed number of the company's shares—are classified and measured as a derivative instrument and presented as a liability.

This financial liability is measured at fair value on the date of issuance of the instrument and at each reporting date. The estimation of fair value, which corresponds to the cost of the option in the event of exercise of these stock warrants, requires the use of the Black-Scholes option pricing model, which takes into account complex assumptions and variables: the company's share price, the option's life, the exercise price, the expected volatility of the share, the risk-free rate, the share's risk premium, and the share's liquidity premium. Changes in the fair value of the derivative instrument are recognized in income and presented as a financial expense.

3.3.19. Hedge Accounting

The Group occasionally enters into foreign exchange hedges (forward contracts) in U.S. dollars (\$) and Japanese yen (¥) to limit foreign exchange risk when settling invoices with certain foreign suppliers. Forward contracts are individually entered into on a notional basis for the amount of the supplier debt, in the same currency and with the same maturity as the supplier debt.

Management has opted to apply hedge accounting in accordance with IFRS 9 in order to reflect in the financial statements the impact of foreign exchange risk management through the use of *currency forward* contracts.

To ensure compliance with the criteria for hedge accounting, Management has established hedge documentation specifying the strategy and objective of U.S. dollar currency risk management, the nature of the currency risk, the type of hedging relationship, and the identification of the hedged items and the hedging instrument. Qualitative effectiveness tests, based on a comparison of key characteristics, and quantitative effectiveness tests (*dollar offset method*) are performed to verify that the hedge ratio is appropriate and that there is no imbalance between trade payables in foreign currency and the hedge consisting of currency forward contracts.

The currency hedging derivative is presented on the balance sheet under financial liabilities.

The change in fair value of the currency hedge is recognized in income for the period under the line item “Cost of Goods Sold.” Similarly, the change in fair value of the foreign currency trade payables between the initial exchange rate and the exchange rate at the end of the period is recognized in income under the line item “Cost of Goods Sold.” Consequently, the changes in fair value recognized in income on the hedging instruments consisting of forward contracts and on the hedged item consisting of accounts payable offset each other al , except for the ineffectiveness of the hedge.

The premium and discount on forward contracts are excluded from hedge accounting.

3.3.20. Translation of Foreign Currency Transactions

The recognition and measurement of transactions denominated in foreign currencies are governed by IAS 21, “The Effects of Changes in Foreign Exchange Rates.”

In accordance with this standard, transactions denominated in foreign currencies are converted at the exchange rate in effect on the date of the transaction.

At the end of the fiscal year, monetary assets and liabilities denominated in foreign currencies are converted at the closing exchange rate. The resulting foreign exchange gains and losses are recognized in the income statement:

- In operating income for commercial transactions;
- In cash flow income or in the cost of financial debt for financial transactions.

3.3.21. Revenue Recognition

The Group’s revenue is measured and presented in accordance with IFRS 15. Revenue is measured based on the transfer of control over the batteries.

Revenue recognition is based on the following principles:

- Battery sales are recognized upon the transfer of control, which is determined based on the Incoterm used for the sale;
- Consulting services are recognized in accordance with contractual terms, generally based on the delivery of

deliverables at various stages of project progress;

- After-sales services are recognized upon completion of the service;
- Warranty extensions are recognized as deferred revenue, amortized over the warranty period.

Contract liabilities consist primarily of deferred revenue from invoices issued for batteries not yet delivered to the customer and warranty extensions on batteries.

The Group has no commitments regarding the return of goods or buyback obligations, except for legal and regulatory obligations related to after-sales service and battery recycling (see Note 3.3.16).

Revenue that is not likely to be collected is not recognized in the financial statements for the period in which the transaction occurs.

3.3.22. Operating Subsidies, Research Tax Credit (, CIR)

Revenue from operating subsidies is presented under other operating income.

Research Tax Credits are granted to companies by the French government to encourage them to conduct technical and scientific research. Companies that can demonstrate expenses meeting the required criteria for the CIR benefit from a tax credit that may be used to offset corporate income tax due for the fiscal year in which the expenses were incurred and the three subsequent fiscal years, or, if applicable, be refunded for any excess amount. The income related to the Research Tax Credit is reported net of fees incurred for the assessment of this tax credit, namely:

- As a deduction from the expenses to which it relates (personnel expenses, studies, and services);
- As a deduction from development costs presented as intangible assets when the expenses to which it relates have been capitalized as development costs (see Note 3.3.3).

Cash flows from the Research Tax Credit are presented in the cash flows from financing activities.

Operating grants that function in the same manner as the CIR are treated similarly for accounting purposes.

Tax receivables related to the tax credit are presented under “Other non-current assets” if settlement or offset against current taxes is more than 12 months after the balance sheet date, and are discounted when the effect of discounting is material.

3.3.23. Government Grants

State-Guaranteed Loans (PGE) obtained at zero interest are loans at rates below market conditions.

The difference between the amount received in cash and the initial fair value of the loan granted (recognized in accordance with IFRS 9) constitutes government assistance or a grant received under IAS 20. Consequently, the borrower:

- Records the corresponding debt at its fair value (i.e., with a discount equal to the interest rate differential, discounted at the market rate), so as to bring the effective interest rate (EIR) back to that of a standard debt as

of the issuance date. The discount is amortized using the effective interest rate method over the life of the PGE loans in the income statement, as a financial expense with an actuarial component

- Records the benefit received (the counterpart to the discount) as a grant, i.e., as deferred revenue. This grant is amortized over the life of the loans using the effective interest rate method in accordance with IFRS 9, and presented in the income statement under “Other financial income.”

3.3.24. Taxation

3.3.24.1. Corporate Tax

As of December 31, 2025, there is no tax consolidation within the Forsee Power Group in France.

As of December 31, 2025, the Group is not subject to the provisions regarding global minimum taxation (the “GloBE – Pillar 2” model).

3.3.24.2. Deferred Tax

Deferred taxes are recognized on all temporary differences between the value of an asset or liability in the consolidated financial statements and its tax basis in accordance with IAS 12. Permanent differences, such as goodwill impairments and share-based payments, are not subject to deferred taxation.

Deferred tax assets and liabilities are measured at the tax rate expected to apply in the period in which the asset is realized or the liability settled, based on tax rates that have been enacted or substantively enacted as of the balance sheet date.

The effects of changes in tax rates (variable carryforward) are recognized in the income statement for the period in which the change was decided by the local tax authority, except when the corresponding amount was initially recognized in equity; in that case, the effect of the rate change is also recognized in equity.

Deferred tax assets and deferred tax liabilities are presented on a net basis (net deferred taxes) for each tax entity. Deferred tax assets and deferred tax liabilities are not presented on a net basis based on the maturity of the reversal of temporary differences (i.e., deferred tax assets due within 12 months and deferred tax liabilities due after 12 months).

Where there are net deferred tax assets arising from tax loss carryforwards, deferred tax assets are recognized in the statement of financial position only if it is highly probable that they will be offset against the entity’s projected future taxable income over a three-year period, taking into account tax rules regarding the timing and allocation of tax benefits.

Unrecognized deferred tax assets are disclosed in Note 7.19.

Deferred taxes are presented in the non-current section of the statement of financial position and are not discounted.

3.3.25. Regional Economic Contribution (CET)

Forsee Power SA’s Territorial Economic Contribution is reported in the consolidated income statement:

- Under “Taxes and Duties” for the Corporate Property Tax (CFE), which is based on the rental value of only those

properties subject to property taxes, and is therefore treated as an operating expense;

- Under “Corporate Income Tax” for the Corporate Value-Added Contribution (CVAE), which is based on the value added generated by Forsee Power SA, it has the characteristics of income taxes under IAS 12.

However, the expense related to the CVAE is zero for the periods presented.

3.3.26. Current Operating Income (COI)

The Group’s operating performance is assessed based on “Current Operating Income” calculated in accordance with ANC Recommendation No. 2020-01 of March 2020.

3.3.27. Non-Recurring Operating Income (RONC)

Non-Recurring Operating Income includes transactions related to major events that occurred during the fiscal year, the amounts of which are particularly significant such that they would distort the interpretation of business performance if these items were presented in the “Other Items” section of the income statement. These events are limited in number, unusual, and infrequent.

Items presented in Non-Recurring Operating Income may include transactions such as: costs related to the initial public offering that are not eligible for deduction from the offering premium, costs of acquiring equity securities, transactions related to the disposal of equity securities, impairment losses on goodwill and impairment losses on assets of material significance, costs related to restructuring, costs related to a significant litigation matter, costs related to the implementation of new integrated management software operating in SaaS mode...

Non-Recurring Operating Income is presented in Note 8.7.

3.3.28. Financial Income

Financial income includes the following cash receipts:

- Financial income received from financial instruments such as income from securities, loans, and receivables;
- Financial expenses paid, such as interest on bank overdrafts, loans, finance leases, and factoring, as well as fees related to banking services;

Financial income also includes the following calculated items:

- The effects of discounting items in the financial position;
- Changes in the fair value of financial instruments with a cash flow hedge relationship;
- Impairments of financial assets measured at amortized cost;

The cost of net debt consists of cash financial expenses net of cash financial income; it is presented in Note 8.8.

3.3.29. Earnings per Share

Basic earnings per share are calculated by dividing net income attributable to the shareholders of Forsee Power SA by the weighted average number of common shares outstanding during the period. Treasury shares held during the period through the liquidity program (see Note 3.3.13) are not included in the number of common shares outstanding.

The weighted-average number of common shares outstanding for the periods presented is adjusted to reflect events that changed the number of common shares outstanding without a corresponding change in resources, such as stock splits or the issuance of bonus shares. The number of common shares outstanding is thus adjusted pro rata to the change as if the event had occurred at the beginning of the earliest period presented.

Diluted earnings per share are determined by dividing net income attributable to the 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 result in a reduction in net earnings per share.

If including instruments that entitle holders to equity on a deferred basis in the calculation of diluted earnings per share results in an anti-dilutive effect, these instruments are not included.

According to IAS 33, diluted net income per share is equal to net income per share in the event of a net loss.

3.3.30. Segment Information

An operating segment is a distinct component:

- That engages in activities from which the Group is likely to earn revenue and incur expenses, including revenue and expenses related to transactions with other components of the Group;
- Whose operating results are regularly reviewed by Group management to make decisions regarding resources to be allocated to the segment and to assess its performance; and
- For which separate financial information is available.

The Group remains a single-sector entity under IFRS 8 for the 2025 fiscal year.

The Group nevertheless comprises two business segments known as:

- *“Light Vehicles and Industrial Tech”* (hereinafter *“Lev & Ind Tech”*): encompassing the light electric mobility market as well as other electric applications (electric scooters, light 2- to 4-wheeled vehicles, electric bicycles, medical equipment, connected devices, home automation, robotics, and professional tools);
- *“Heavy Vehicles”* (hereinafter *“HeV”*): encompassing the market for solutions tailored to the development of electric or hybrid-powered vehicles across various modes of transport (buses, commercial and “last-mile” vehicles, trams, trains, trucks, and marine) and stationary storage (residential, commercial, and industrial).

The Group’s first level of segment reporting is by business segment; the second is by geographic segment.

The segment data in internal reporting and that 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 management’s internal reporting. There were no significant changes in the 2025 fiscal year to the management tools that would allow for greater depth in segment information.

The Chief Executive Officer (CEO) and the Executive Committee (Comex) of Forsee Power SA are the Group's principal operational decision-makers.

3.3.31. Related Parties

Related parties presented in the consolidated financial statements are defined as:

- Entities controlled by the Group: no other controlled equity interest or associate has been identified, with the exception of the 33.21% equity interest in the associate NEoT Capital held as of December 31, 2025;
- Legal entities controlling or exercising significant influence over the Group, such as the shareholder companies of Forsee Power SA;
- Individuals 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 related to related parties are presented as non-current financial assets or liabilities if they are settled or become due within 12 months of the reporting period's end date; otherwise, these items are presented as current financial assets and liabilities. The non-current portion of financial assets and liabilities related to related parties is discounted if the time value of money effect is significant.

Information regarding related parties is presented in Note 10.2 in accordance with IAS 24.

3.3.32. Assets held for sale

Non-current assets taken individually or a group of assets held for sale are presented in accordance with IFRS 5 under the heading "Assets held for sale" on the balance sheet if their carrying amount is recovered principally through a sale transaction rather than through continuing use. Similarly, if a group of assets held for sale includes liabilities, these are presented separately under the "Liabilities held for sale" line item on the balance sheet.

These assets or liabilities held for sale are available in their current condition for immediate sale, subject only to customary conditions, and the sale must be highly probable. The criteria considered in assessing the high probability of a sale include the following:

- Management has initiated an appropriate disposal plan;
- There is a plan in place to find a buyer and finalize the disposal process;
- The asset must be actively marketed for sale at a price reasonable in relation to its current fair value ;
- The disposal is expected to be completed within 12 months of classification as *Assets and Liabilities Held for Sale*;
- The steps taken to finalize the plan must indicate that it is unlikely that significant changes will be made to the disposal plan or that the plan will be withdrawn.

Assets presented in the "Assets held for sale" category are measured at the lower of their net book value and their fair value less costs to sell. An impairment loss is recognized if applicable.

In the event of a disposal of shares resulting in a loss of control over an investment, all of the subsidiary's assets and

liabilities are classified as assets or liabilities held for sale under the balance sheet items “Assets held for sale” and “Liabilities held for sale” provided that the disposal meets the classification criteria set forth above, in particular:

- Securities held for sale are available for immediate sale in their current condition, subject to any customary conditions precedent for disposals;
- The disposal of these securities is highly probable, meaning the transaction is expected to be completed within 12 months;
- The carrying amount of the securities will be recovered primarily through the sale.

4. Information regarding the scope of consolidation

The scope of consolidation for the periods presented is as follows:

Company	Location	Currency	December 31, 2025			December 31, 2024		
			% ownership	% of ownership	Consolidation method	% method	% Consolidation	
1 - Forsee Power SA	France	Euro	100%	100%	Parent	100%	100%	Parent
2 - Forsee Power Solutions Ltd.	Hong Kong	Hong Kong Hong Kong	100%	100%	IG	100%	100%	IG
3 - Zhongshan Forsee Power Industry Co., Ltd.	China	Renminbi	100%	100%	IG	100%	100%	IG
4 - Zhongshan Forsee Power Development Co., Ltd.	China	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 Singapore	100%	100%	IG	100%	100%	IG
8 - NEoT Capital	France	EUR	33.21%	33.21%	ME	33.21%	33.21%	ME
9 - Forsee Power North America Inc	United States	U.S. Dollar	100%	100%	IG	100%	100%	IG
10 - Forsee Power Inc	United States	US Dollar US	100%	100%	IG	100%	100%	IG
11 - Forsee Power Japan GK	Japan	Japanese yen	100%	100%	IG	100%	100%	Fully consolidated

The scope of consolidation adopted by the Group’s parent company (1) includes 9 fully consolidated companies (FC) and 1 equity-accounted company (EAC) as of December 31, 2025.

The entities are identified as follows:

- (2) Forsee Power Solutions Ltd, a company incorporated under the laws of Hong Kong with its registered office 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 Companies Registry;
- (3) Zhongshan Forsee Power Industry Co. Ltd, a company incorporated under Chinese law with its principal place of business located on the 1st and 2nd floors, No. 39 Gongye Da Dao Zhong, Industry District, Xiao Lan Town, Zhongshan, People’s Republic of China, and registered under number 9144200075451119XY with *the Zhongshan Administration for Market Regulation*;
- (4) Zhongshan Forsee Power Development Co. Ltd, a company incorporated under Chinese law, with its principal place of business located on the 1st floor, No. 39 Gongye Da Dao Zhong, Industry District, Xiao Lan Town, Zhongshan, in the People’s Republic of China, and registered under number 91442000MA52PUYC0T with *the 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, with its principal place of business located 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 Register of Companies.
- (7) Forsee Power PTE Ltd, a company incorporated under the laws of Singapore, with its principal place of business located at 1 Georges Street, #10-01, One Georges Street, Singapore (049145), and registered under number 201838879C in the Singapore Registry of Companies.
- (8) NEoT Capital, a simplified joint-stock company under French law, with its registered office 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 company incorporated under the laws of the United States in 2022, with its principal place of business located at 1209 Orange Street, Wilmington, Delaware (19801), New Castle County, and registered under EIN 88- 2706910 in the Delaware Division of Corporations.
- (10) Forsee Power Inc., a U.S. corporation formed in 2022, with its principal place of business at 4555 Lyman Drive, Hilliard (43026), Ohio, and registered under EIN 88-2794171 with the Columbus Department of Business and Industry.
- (11) Forsee Power Japan GK, a company incorporated under Japanese law in 2023, with its registered office located at 3-7-1 Minatomirai, Nishi-ku, Yokohama, Japan, and registered under number 7020003023279 in the Yokohama Commercial Register.

All of these subsidiaries are consolidated in the financial statements of Forsee Power SA, a company incorporated under French law with its registered office at 1 Boulevard Hippolyte Marquès, Ivry-sur-Seine, and registered under number 494 605 488 in the Créteil Trade and Companies Register.

5. Information enabling comparability of financial statements

5.1. Changes in the scope of consolidation during the fiscal year

There were no changes in the scope of consolidation during the fiscal year

5.2. Changes in the scope of consolidation for the prior fiscal year

There were no changes in the scope of consolidation for the fiscal year ended December 31, 2024.

5.3. Changes in presentation and accounting policies

There were no changes in accounting policies or presentation for the fiscal year ended December 31, 2025, compared to the financial statements published for the fiscal year ended December 31, 2024.

6. Information by Business Segment and Geographic Region

Management has defined the business segments based on the reporting it reviews regularly to make decisions regarding resource allocation to the segments and to evaluate their performance.

The Chief Executive Officer (CEO) and the Executive Committee (Comex) of Forsee Power SA are the Group's primary operational decision-makers.

The Group’s reporting includes two business segments:

- “*Light Vehicles and Industrial Tech*” (LeV & Ind Tech): encompassing the light electric mobility market as well as other electric applications (electric scooters, light 2- to 4-wheeled vehicles, electric bicycles, medical equipment, connected devices, home automation, robotics, and professional tools);
- “*Heavy Vehicles*” (HeV): encompassing the market for solutions tailored to the development of electric or hybrid-powered vehicles across various modes of transport (buses, commercial and “last-mile” vehicles, trams, trains, trucks, and marine) and stationary storage (residential, commercial, and industrial).

6.1. Information by Business Segment

Segment information is tracked in Management’s internal reporting solely at the revenue level.

Information on earnings by business segment, including operating income, has not been tracked by management to date due to limitations in its internal information system regarding the allocation of costs by business segment. The presentation of segment profit information, limited solely to revenue, complies with IFRS 8 given the absence of any other available and more detailed internal management reporting.

in thousands of euros	Light Vehicles and Industrial Tech (LeV & Ind Tech)	Heavy Vehicles (HeV)	December 31 2025
Total Revenue	14,262	106,194	120,456
<i>Breakdown in %</i>	<i>11.8%</i>	<i>88.2%</i>	<i>100%</i>

in thousands of euros	Light Vehicles and Industrial Tech (LeV & Ind Tech)	Heavy Vehicles (HeV)	December 31 2024
Total Revenue	16,243	135,523	151,766
<i>Breakdown in %</i>	<i>10.7%</i>	<i>89.3%</i>	<i>100%</i>

Revenue generated from customers each representing more than 10% of total revenue amounted to €89 million in the *HeV (Heavy Vehicles)* segment as of December 31, 2025 (compared to €108 million as of December 31, 2024).

Revenue generated from customers in the *LeV & Ind Tech (Light Vehicles and Industrial Tech)* segment individually represents less than 10% of total revenue as of December 31, 2025, and as of December 31, 2024.

The customers individually representing more than 10% of the Group’s revenue are as follows:

in thousands of euros	Business segment in question	December 31, 2025	% of Revenue	December 31, 2024	% of revenue
Client 1	HeV	54,755	45.5%	76,877	50.7%
Client 2	HeV	18,424	15.3%	31,114	20.5%
Client 3	HeV	16,316	13.5%		
Selection		89,495	74.3%	107,991	71.2%
Total Revenue	HeV	106,194	88.2%	135,523	89.3%

in thousands of euros	Light Vehicles and Industrial Tech (LeV & Ind Tech)	Heavy Vehicles (HeV)	Cross-sector and Other	December 31 2025
Non-current segment assets	10,888	47,441	17,285	75,614
Current segment assets	10,002	56,135	634	66,771
Non-current segment liabilities	(952)	(5,488)	(22,530)	(28,969)
Current segment liabilities	(5,191)	(21,164)	(49,884)	(76,239)
Total	14,747	76,924	(54,494)	113,416
Capitalization of R&D expenses				
Acquisition of fixed assets	344	9,852	1,132	11,328
Other non-current capital expenditures				-
Total	344	9,852	1,132	11,328

in thousands of euros	Light Vehicles and Industrial Tech (LeV & Ind Tech)	Heavy Vehicles (HeV)	Cross-sector and Other	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)	(58,790)	(67,564)
Current segment liabilities	(7,269)	(43,015)	(3,993)	(54,278)
Total	4,051	85,845	(42,343)	47,554
Capitalization of R&D expenses		10,355		10,355
Acquisition of fixed assets	311	8,897	1,022	10,230
Other non-current capital expenditures				-
Total	311	19,252	1,022	20,585

6.2. Information by geographic region

in thousands of euros	Light Vehicles and Industrial Tech (LeV & Tech Ind)	Heavy Vehicles (HeV)	December 31 2025	Breakdown in %
France	8,321	6,878	15,199	12.6%
Europe	1,436	80,775	82,211	68.3%
Asia	3,507	16,898	20,405	16.9%
United States	997	1,038	2,035	1.7%
Rest of the world		605	605	0.5%
Total Revenue	14,262	106,194	120,456	100%

in thousands of euros	Light Vehicles and Industrial Tech (LeV & Ind Tech)	Heavy Vehicles (HeV)	December 31 2024	Breakdown in %
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%
United States	332	274	606	0.4%
Rest of the world		2,804	2,804	1.8%
Total Revenue	16,243	135,525	151,766	100%

in thousands of euros	December 31 2025	December 31 2024
France	64,841	62,306
Europe	741	464
Asia	6,835	7,966
United States	3,197	11,379
Rest of the world		
Total Non-current Assets	75,614	82,115

in thousands of euros	December 31 2025	December 31 2024
France	9,338	11,609
Europe	10	104
Asia	1,737	3,629
United States	243	5,243
Rest of the world		
Total Investments	11,328	20,585

7. Information regarding the items of the consolidated statement of financial position

7.1. Goodwill

in thousands of euros	31 December 2025	December December 2024
Goodwill	1,523	1,523
Goodwill	1,523	1,523
Total	1,523	1,523

There were no changes in the Goodwill line item for the fiscal years ended December 31, 2025, and 2024.

Since the fiscal year ended December 31, 2024, management has considered that the goodwill initially recognized upon the acquisition of Ersé (2012) for €219,000 and Dow Kokam (2013) for €1,304,000, corresponding primarily to know-how, are now fungible across all of Forsee Power's activities, such that it is no longer possible to track this goodwill separately.

Impairment tests are performed using a valuation model whose methodology is described in Note 3.3.2. The key assumptions used in the model are the business growth rate, the long-term growth rate, and the discount rate (see Note 3.3.2 (a)). The discount rate is determined by taking into account the specific characteristics of the business in terms of country risk and tax rates, as well as a premium in the event that the assumptions used in the business plan are not met. The long-term growth rate is determined based on terminal growth rates used by companies comparable to Forsee Power that also operate in an immature market with high potential.

in %	December 31 2025	December 31 2024
Discount rate (WACC)	12.04%	12.88%
Average revenue growth rate for the 2025–2030 period	22.65%	21.00%
Long-term growth rate	3.00%	3.00%

The impairment test performed as of December 31, 2025, did not result in the recognition of any impairment loss, as the recoverable amounts derived from the model exceed the net book value of the capital employed.

The Group has not recognized any impairment loss on this goodwill since its acquisition.

No reasonably possible change in the key assumptions would result in an impairment loss to be recognized.

An impairment loss would be recognized in the event of a change in the following key assumptions:

Impairment to be recognized starting at a level of:	
Discount rate (WACC)	14.15%
Average revenue growth rate for the 2025–2030 period, assuming the plan’s margin rates remain unchanged of revenue	(0.90)%

7.2. Intangible Assets

in thousands of euros	31 December 2024	Changes in scope	Increase in provisions	Decreases Reversals	Reclassification	Effects of conversion	Grant awarded for R&D funding	December December 2025
Gross intangible assets								
Development costs	17,503		92	(52)	18,392	(307)		35,627
Development costs not capitalized	25,959		9,258		(17,211)			18,006
Software and patents	2,485			(500)	624			2,610
Other intangible assets	604		23	(240)		(42)	(6)	340
Intangible assets in progress	1,637				(1,637)			
Total	48,188		9,373	(792)	169	(349)	(6)	56,582
Depreciation and impairments								
Development costs	(14,212)		(5,151)			5		(19,358)
Software	(1,823)		(619)	224				(2,218)
Other intangible assets	(421)		(94)	240		29	5	(241)
Total	(16,456)		(5,864)	464		33	5	(21,818)
Net intangible assets	31,732		3,510	(329)	169	(316)	(1)	34,764

A portion of R&D expenses was written down during fiscal year 2025 in the amount of €1.7 million. This write-down resulted from a project’s projected margins being insufficient to cover the corresponding amortization

With the exception of the impairment of the TER project, no other indications of impairment were identified for intangible assets as of December 31, 2025.

Uncapitalized research and development expenses amounted to €5,774,000 for fiscal year 2025, compared to €9,532,000 for fiscal year 2024.

Changes from the prior period in 2024 are as follows:

7.3. Property, plant, and equipment

in thousands of euros	31 December 2024	Expired lease agreements	Increase Additions	Decrease in Reversals	Reclassification	Translation effects	New leases (1)	December 31 December 2025
Property, plant, and equipment gross								
Construction	91					1		92
Right to use real estate (2) Technical installations,	23,144		313	(287)	1,198	(1,011)	857	22,990
Equipment and tools	19,764					(427)		20,561
Other tangible assets tangible	19,814		190	(68)	410	(1,856)	(1,775)	18,914
Royalties from others tangible assets	1,154	(209)				0	282	1,228
Property, plant, and equipment as of in progress	1,462		1,306		(2,453)	(19)		296
Advances and deposits on property, plant, and equipment								
Total	65,429	(209)	1,809	(355)	(845)	(3,112)	(636)	62,081
Depreciation and impairment								
Construction	(23)		(7)			(0)		(31)
Right to use real estate Technical installations, equipment, and tools	(8,325)		(2,250)			325	139	(10,112)
Other tangible fixed assets	(10,841)		(2,855)	203		147		(13,147)
Rights to use other tangible assets	(4,809)		(2,103)	31		332	967	(5,582)
	(453)	201	(478)			(0)		(730)
Total	(24,251)	201	(7,693)	233		804	1,105	(29,601)
Property, plant, and equipment net	41,177	(8)	(5,884)	(122)	(845)	(2,309)	469	32,479

1) New lease agreements for 2025 primarily concern:

- a. The lease for 3,500 m² of industrial and storage space in Zhongshan (China) was renewed for the period from January 31, 2025, to January 31, 2027.
- b. The effect of indexation on commercial lease agreements for Forsee Power SA and Forsee Power Spz.
- c. The renewal of the lease for a 108 m² technical facility located in Kawasaki City (Japan) effective June 19, 2025, and for offices effective June¹ 2025, located in Yokohama (Japan) for the subsidiary Forsee Power Japan Limited Liability Co, for a term of 1 year.
- d. Vehicles leased on a long-term basis by Group companies for use by staff and for transporting production equipment.

2) Rights to use real estate include:

- a. The lease terms for the industrial premises in Zhongshan, China, covering 5,200 m² for which the lease was renewed from February 29, 2024, to February 28, 2028, industrial premises covering 3,500 m² whose lease expires on January 31, 2025, and storage facilities whose lease expires on January 31, 2025, have been set until January 31, 2027, taking into account the lessor's expected renewals of these lease agreements and management's development plans in China.
- b. Real estate usage rights include the lease agreement signed on July 25, 2022, covering a 12,820 m² industrial building located in Hilliard on the outskirts of Columbus, Ohio. This lease agreement has an initial term of eleven years, from November 1, 2022, to January 31, 2033, and may be renewed twice for a period of five years. The term used to value the right to use this property corresponds to the minimum term of the lease agreement, i.e., until January 31, 2033.
Development work on this site is currently underway and will be completed in the second quarter of 2024. These works will be primarily funded by Forsee Power in exchange for a lease with favorable long-term financial terms; the owner will cover a portion of the works as agreed in the lease, and the State of Ohio will also reimburse certain expenses related to the restoration and adaptation of the building for Forsee Power's operations. Forsee Power is also exploring the possibility of financing or grants for the work from the U.S. federal government under the *Inflation Reduction Act*, the terms of which were published in 2023.
This lease agreement is secured by a *stand-by letter of credit* (SBLC) signed on July 25, 2022, by a French bank for a maximum amount of \$1 million and covering the period through November¹ 2032. This guarantee is accompanied by the establishment of a secured cash deposit of €1 million effective from July 25, 2022, through July 25, 2025.
- c. The rights to use the office space at the Ivry-sur-Seine site.
- d. The use of new premises of 1,992 m² located in Dardilly (Lyon), with the lease taking effect on October¹ 2023.
- e. The right to use the 1,700-square-meter industrial facility in Pune, India, effective October¹ 2023, for a term of five years, is classified as assets held for sale.

No indication of impairment of property, plant, and equipment was identified as of December 31, 2025.

Changes from the prior period in 2024 are as follows:

in thousands of euros	31 December 2023	Expired lease contracts	Increase Provisions	Decrease	Reclassification	Translation effects	New leases (2)	December 31 December
Gross property, plant, and equipment								
Buildings	162			72		(146)	3	91
Right to use real estate		(36)					476	23,144
Technical installations, equipment and tools	21,812		4,933	(2,903)	(387)	174		19,764
Other tangible fixed assets	17,947		4,009		9,824	509		19,814
Usage rights on other tangible assets	5,672	(195)				1	686	1,154
Property, plant, and equipment in tangible assets	662		163		(7,691)	147		1,482
Advances and deposits on	8843		0		(1,018)			
1018								
Total	56,116	(230)	9,176	(2,903)	382	1,310	1,578	65,429
Depreciation and impairment								
Construction Real estate	(69)		(5)	52		(1)		(23)
Amortization of right-of-use assets and	(6,026)	38	(2,191)			(120)	(24)	(8,324)
Technical installations, equipment equipment	(11502)		(2,498)	3,461	(40)	(62)		(10,641)
Other property, plant, and equipment	(2,797)		(1,988)		40	(64)		(4,809)
Right-of-use assets	(288)	195	(360)			(0)		(453)
Total	(20,683)	230	(7,040)	3,513		(247)	(24)	(24,251)
Property, plant, and equipment	35433	(0)	2,136	609	382	1,062	1,554	41,177

7.4. Financial assets

in thousands of euros	31 December 2024	Increase Allocations	Decrease Reversals	Reclassification	Conversion and discounting effects	December 31 December 2025
Financial assets						
Financial instruments not held for trading	0				0	0
Other long-term receivables						
Assets and securities held under liquidity agreements (1)	94		(83)			11
Security deposits and guarantees paid	457	146	(135)		(175)	292
Cash pledge (2)	1,613		(618)		37	1,032
Total	2,164	146	(837)		(138)	1,335
<i>Of which</i>						
Current	0	0	0	0	0	0
Non-current	2,164	146	(837)	0	(138)	1,335

- 1) On November 26, 2021, the company signed a liquidity and market-making agreement with an independent investment services firm (PSI) to operate on the Euronext Paris market with the aim of promoting the liquidity of transactions and the regularity of the Forsee Power share price. The breakdown and change in the liquidity agreement are as follows:

in thousands of euros	Number of shares	December 31 2025	December 31 2024
Total liquidity portion reported under Financial assets at the beginning of the period	302,121	94	72
Purchases of Forsee Power shares	1,591,303	(904)	(930)
Sales of Forsee Power shares	(1,371,319)	820	751
Additional payment		0	200
Total cash component reported under Financial Assets at the balance sheet date		11	94
Forsee Power shares held under the liquidity agreement	522,105	176	174
Change in fair value		(112)	(47)
Total share of securities held and presented as a deduction from equity		64	127
Total Liquidity Agreement		75	221

A payment of €200,000 was made in the first half of 2024 increasing the overall limit (cash and securities) from €500,000 to €700,000.

- 2) An interest-bearing cash pledge of €1 million effective from July 25, 2022, through July 25, 2027, under the SBLC (*standby letter of credit*) for a maximum amount of \$1 million in favor of the owner of the industrial building leased in Hilliard, United States. This letter of credit was reissued in November 2024 with another banking institution, allowing for a €400,000 reduction in the cash pledge; this reduction is applied annually on a declining balance basis in increments of €100,000 from November 2024 to November 2028. The cash collateral under this SBLC amounts to €900,000 (before discounting) as of December 31, 2024. Interest-bearing cash collateral in the amount of €650,000 from July 10, 2023, through July 10, 2025, under the SBLC (*standby letter of credit*) in favor of the Indian bank ICICI Bank on behalf of the subsidiary Forsee Power India Private Limited to secure an overdraft facility and a customs guarantee in the amount of 45 million Indian rupees (€490,000). In September 2024, Forsee Power also obtained a new SBLC (*standby letter of credit*) for 9 million Indian rupees (approximately €100,000) from a French bank in favor of Indian customs, accompanied by a cash pledge with a maturity date of March 31, 2025. This cash pledge was repaid in the first half of 2025.

Non-interest-bearing non-current financial assets were discounted to €33,000 as of December 31, 2025, based on the asset's maturity (1 year or 5 years).

Changes from the prior period in 2024 are as follows:

in thousands of euros	31 December 2023	Increase Provisions	Decrease Reversals	Reclassification	Effects of conversion and discounting	31 December 2024
Financial assets						
Financial instruments not held for trading	0	(0)				0
Other long-term receivables						
Assets and securities held under a Cash and Security deposits and guarantees cash	72	22		(0)		94
Cash collateral	407	136	(92)		6	457
	1,610	100	(100)		3	1,613
Total	2,089	257	(192)	(0)	10	2,164
<i>Of which</i>						
<i>Current</i>	0	0	0	0	0	0
<i>Non-current</i>	2,089	257	(192)	(0)	10	2,164

7.5. Investments in equity-method affiliates

The "Equity-method investments" line item includes only NEoT Capital, in which Forsee Power held a 33.21% stake as of December 31, 2025, in partnership with the EDF Group and Mitsui (see Note 3.2.2.2).

The NEoT Capital investment was recapitalized on November 2, 2023, following a €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 €370,000 and authorized the entry of individual investors into NEoT Capital’s capital. Following the completion of these transactions, Forsee Power, EDF Pulse, and Mitsui each hold a 33.21% stake in NEoT Capital.

The evolution of NEoT Capital’s ownership stake over the 2025 fiscal year is as follows:

in thousands of euros	NEoT CAPITAL
Equity as of January 1, 2022	842
Acquisition on May 31, 2022 of the stake held by Mitsubishi Corporation (1)	2,292
Cash capital increase by collective resolution of the partners on June 30, 2022 (1)	1,058
Capital increase through debt conversion pursuant to a collective resolution of the partners dated June 30, 2022 (1)	185
QP in net income for 2022	(331)
QP in comprehensive income (OCI)	(3)
Equity as of December 31, 2022	4,043
Diluted earnings from the transactions of November 2, 2023 (2)	359
QP in net income	(72)
QP in other comprehensive income (OCI)	(3)
Total equity method investments as of December 31, 2023	4,328
QP in net income	(37)
QP in other comprehensive income (OCI)	(1)
Total equity method investments as of December 31, 2024	4,289
QP in net income	397
QP in other comprehensive income (OCI)	1
Total equity method investments as of December 31, 2025	4,687

- 1) In the first half of 2022, Forsee Power increased its stake in NEoT Capital to accelerate the Group’s strategy of offering a comprehensive range of products and services related to battery systems.
- 2) The €3.5 million capital increase, fully subscribed by partner Mitsui, and the sale by Forsee Power and EDF Pulse of their respective 4.01% stakes, resulted in a decrease in Forsee Power’s ownership stake from 50% to 33.21%, leading to the recognition of a dilution gain of €356,000 reported under the line item “Income from equity-method investees.”

NEoT Capital’s condensed financial statements as of December 31, 2025, and December 31, 2024, are as follows:

in thousands of euros	December 31 2025	December 31 2024
Fixed assets	1,231	1,001
Accounts receivable	1,709	1,422
Other receivables	481	49
Cash	4,550	3,671
Total Assets (A)	7,971	6,143
Financial liabilities	587	1,069
Provision for risks and charges	61	53
Accounts payable	118	419
Other liabilities	2,185	781
Total Liabilities (B)	2,951	2,322
Equity (A) - (B) = (C) (1)	5,020	3,821
Share of equity (C) x Ownership percentage ownership = (D)	1,667	1,269
Goodwill (E) (2)	3,020	3,020
Total equity method investments (D) + (E)	4,687	4,289

- 1) The Partners of NEoT Capital authorized, by collective resolutions dated November 2, 2023, a free share allocation plan (AGA) limited to 1,000 preferred shares (ADP A) to be created. This grant plan provides for vesting rights spread over three tranches, each comprising one-third (1/3) of the total, with a vesting period subject to an employment requirement set at one year for the first tranche, two years for the second tranche, and three years for the third tranche. A grant of 400 shares was made on November 2, 2023, to employees who are members of the management team at NEoT Capital. A share-based payment expense (IFRS 2) related to this grant of free shares was recognized as of December 31, 2025, in the amount of €1,000 in the value of the NEoT Capital investment. There were no new share grants during the 2025 fiscal year.
- 2) The 16.79-point decrease in the ownership stake in NEoT Capital led to the disposal of a portion of the goodwill amounting to €609,000 in 2023.
- 3) Leasehold rights and lease liabilities include the commercial lease for office space located in Paris for the period from July¹, 2023, to June 30, 2032;

in thousands of euros	December 31 2025	December 31 2024
Revenue	5,507	3,011
Operating income	1,166	(180)
Net income	1,194	(112)
Other comprehensive income	5	(5)

The share of income from the equity-accounted investment in NEoT Capital amounts to €396,000 as of December 31, 2025.

No impairment loss is required to be recognized as of December 31, 2025, on the NEoT Capital investment following the completion of an impairment test consisting of comparing the carrying amount of the NEoT Capital securities, based on a 100% ownership interest, with the present value of the company calculated using the latest *business plan* provided by NEoT Capital's management.

7.6. Inventories

in thousands of euros	December 31 2025	December 31 2024
Raw material inventory (1)	18,953	33,940
In-process inventory (2)	4,760	5,050
Inventory of finished goods (3)	17,712	16,961
Gross inventory	41,425	55,950
Write-downs of raw material inventories	(6,632)	(6,246)
Write-downs of work-in-progress inventory	(2,490)	(1,461)
Write-downs of finished goods inventory	(4,416)	(4,950)
Impairments (4)	(13,538)	(12,657)
Net inventory	27,887	43,294

- 1) Of which €14,389,000 in France and €4,257,000 in China as of December 31, 2025, compared to €24,190,000 in France and €7,159,000 in China as of December 31, 2024;
- 2) Of which €4,343,000 in France and €417,000 in China as of December 31, 2025, compared to €4,270,000 in France and €780,000 in China as of December 31, 2024;
- 3) Of which €17,372,000 in France and €333,000 in China as of December 31, 2025, and €16,690,000 in France and €262,000 in China as of December 31, 2024;
- 4) Of which €4,910,000 in impairments recognized in France, €1,722,000 in impairments in China, and €705,000 in India.

The gross value of inventory as of December 31, 2025, amounts to €41.4 million, with impairment charges of 13.5 million, compared to a gross value of €55.9 million and impairment charges of €12.7 million as of December 31, 2024.

The amount of inventory pledged at the balance sheet date under short-term financing arrangements is €12.35 million.

The breakdown of inventory by net value by geographic region is as follows:

in thousands of euros	December 31 2025	December 31 2024
France	24,288	34,362
Poland	0	0
China	3,284	6,333
India (1)	0	2,098
United States	308	493
Japan	7	8
Total stocks	27,887	43,294

- 1) The Indian company's inventory, with a net value of €1,186,000, is presented as assets held for sale in accordance with IFRS 5 (see Note 7.20).

7.7. Customer receivables

in thousands of euros	December 31 2025	December 31 2024
Current trade receivables	9,417	12,737
Bad debt provision	(1,290)	(1,684)
Assets related to customer contracts (invoices to be issued)	0	107
Trade receivables and related accounts	8,127	11,161

The Group has implemented programs to sell trade receivables to banking institutions (see Note 3.3.10):

- Transactions involving the sale of trade receivables under a non-recourse factoring agreement with Facto France began in January 2024. The amount of receivables sold on a non-recourse basis to Facto France was €4,927,000 as of December 31, 2025, compared to €15,680,000 as of December 31, 2024. These receivables assigned without recourse are derecognized from the balance sheet on the date of assignment to the factor, with a corresponding entry for the cash received and retention deposits presented under “Financial Assets.”
- The factoring agreement with Banco Santander, part of a client’s *reverse factoring* program, was reactivated in early 2025 but is no longer active as of December 31, 2025. As of December 31, 2025, the Group has no discount on the receivables of the client in question.

The amount of expected credit losses is not material and is not recognized as of December 31, 2025.

The maturity schedule for current accounts receivable is as follows:

in thousands of euros	December 31 2025	December 31 2024
Current trade receivables (1)	9,417	12,737
Current trade receivables not due	4,053	3,483
Trade receivables due and past due	5,364	9,254

1) The accounts receivable of Forsee Power India Ltd as of December 31, 2025, are presented as €769,000 in assets held for sale (see Note 7.20).

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

The maturity schedule for the main maturities of trade receivables as of December 31, 2025, is as follows:

<i>in thousands of euros</i>	December 31 2025
Unmatured trade receivables	4,053
Accounts receivable past due for less than 30 days	1,384
Accounts receivable past due between 30 and 60 days	946
Accounts receivable past due for more than 60 days	3,033
Accounts receivable due	9,417

7.8. Other assets

<i>in thousands of euros</i>	December 31 2025	December 31 2024
Suppliers - Advances and prepayments	402	1,231
Social security receivables	53	176
Tax receivables (1)	2,159	4,550
Factoring accounts and reserves on sales of trade receivables (2)	4,521	17,358
Current accounts	(0)	18
Miscellaneous receivables (3)	1,977	1,394
Prepaid expenses (4)	1,631	1,292
Impairment of other current assets	0	(30)
Other receivables included in working capital	10,743	25,993
Borrowing costs in progress at the balance sheet date	(0)	(0)
Suppliers - Advances paid on fixed assets	0	0
Corporate income tax receivables (5)	4,283	2,602
Other assets	15,026	28,595
<i>Of which</i>		
<i>Current</i>	14,302	27,456
<i>Non-current</i>	724	1,139

1) Of the €2,159,000 in tax receivables, €735,000 was the subject of a refund request, which was accepted and refunded by the tax authorities in February 2026.

2) The first transactions involving the assignment of trade receivables under the new factoring agreement with Facto France have been carried out since January 2024.

The unutilized portion of trade receivables assigned to the factor Facto France amounted to €3,616,000 for the euro-denominated market and €1,117,000 for the dollar-denominated market as of December 31, 2025. Retention deposits with the factor Facto France totaled €447,000 as of December 31, 2025.

The unutilized portion of trade receivables assigned to the factoring company Facto France amounted to €4,657,000 for the euro-denominated market and €10,690,000 for the dollar-denominated market as of December 31, 2024. Retention of title with the factoring company Facto France amounted to €2,011,000

as of December 31, 2024.

- 3) Of which €6,000 in credits and rebates receivable as of December 31, 2025, from suppliers, compared to €184,000 as of December 31, 2024;
- 4) Of which €709,000 related to lease agreements as of December 31, 2025, compared to €1,039,000 as of December 31, 2024;
- 5) CIR receivables amounted to €4,351,000 as of December 31, 2025, before the effect of discounting. A portion of CIR's receivables had been pre-financed by BPI in the amount of €2,800,000 during the 2024 fiscal year.
CIR receivables were discounted by a total of (223) K€ at the Euribor rate based on the maturity of the receivable's repayment. CIR receivables net of pre-financing by BPI amounted to 5,007 K€ as of December 31, 2024, before the effect of discounting in the amount of (123) K€. CIR receivables, net of pre-financing by BPI, break down as of December 31, 2025, as follows: €162,000 for fiscal year 2021, €268,000 for fiscal year 2022 (€268,000 after discounting), €269K for fiscal year 2023 (€263K after discounting), €1,809K for fiscal year 2024 (€1,723K after discounting), and €1,842K for fiscal year 2025 (€1,713K after discounting).

CIR's receivables, net of pre-financing from BPI, break down as follows as of December 31, 2024: €171,000 for fiscal year 2021, €268,000 for fiscal year 2022 (€262,000 after discounting), €269K for fiscal year 2023 (€257K after discounting), and €1,498K for fiscal year 2024 (€1,393K after discounting).

7.9. Cash

in thousands of euros	December 31 2025	December 31 2024
Cash equivalents		
Cash and cash equivalents	11,809	5,369
Cash and cash equivalents	11,809	5,369
in thousands of euros	December 31 2025	December 31 2024
Cash and cash equivalents	11,809	5,369
Bank overdrafts (cash liabilities)	0	0
Net cash presented in the consolidated statement of cash flows cash	11,809	5,369

Cash consists of demand deposits in euros (€), U.S. dollars (\$), and the local currencies of the subsidiaries (Chinese yuan, Polish zloty, Japanese yen).

Cash and cash equivalents are broken down by currency as follows:

in thousands of euros	December 31 2025	December 31 2024
Cash in euros (€)	7,406	2,334
Cash in U.S. dollars (\$)	255	499
Cash denominated in other currencies (Chinese yuan, Indian rupee, Polish zloty, Japanese yen, etc.)	3,366	2,536
Cash and cash equivalents	11,027	5,369

The cash and cash equivalents of Forsee Power India, amounting to €332K as of December 31, 2025, are presented as assets held for sale in accordance with IFRS 5.

The balances from the prior period are as follows:

in thousands of euros	December 31 2024	December 31 2023
Cash equivalent	0	435
Cash and cash equivalents	5,369	25,466
Cash and cash equivalents	5,369	25,902

in thousands of euros	December 31 2024	December 31 2023
Cash in euros (€)	2,334	17,572
Cash and cash equivalents denominated in U.S. dollars (\$)	499	5,689
Cash denominated in other currencies (Chinese yuan, Indian rupee, Polish zloty, Japanese yen, etc.)	2,536	2,641
	5,369	25,902

7.10. Shareholders' equity

7.10.1. Share capital, and share premium

The change in share capital and share premium during the fiscal year is as follows:

in thousands of euros	Number of shares or equity units shares	Par value	Amount of share capital	Amount of issue premium net of expenses
As of December 31, 2023	71,550,727	€0.10	7,155	177,661
Allocation of the share premium to reserves following the Annual General Meeting of June 21, 2024				(111,026)
Capital increase on December 22, 2024	194,000	€0.10	19	(19)
As of December 31, 2024	71,744,727	€0.10	7,174	66,616
Allocation of earnings from the share premium following the Annual General Meeting of June 24, 2025				(16,507)
Capital increase on June 24, 2025	45,555,031	€0.10	4,556	13,670
Capital increase on November 1, 2025	9,584	€0.10	1	(1)
Capital increase on December 1, 2025	152,671	€0.10	15	(15)
As of December 31, 2025	117,462,013	€0.10	11,746	63,763

The number of Forsee Power SA shares outstanding as of December 31, 2025, is 117,462,013 with a par value of €0.10, representing a total share capital of €11,746,201.30.

Forsee Power's share capital changed during the 2025 fiscal year as a result of the following transactions:

- A capital increase of €4,556,000 through the issuance of 45,555,031 new common shares was carried out on June 24, 2025.
- A capital increase of €1,000 through a drawdown from the share premium was carried out on November 1, 2025, following the exercise of 9,584 bonus shares (2024 AGM) and the creation of 9,584 new common shares.
- A capital increase of €15,000 through a drawdown from the share premium was carried out on December 1, 2025, following the exercise of 152,671 bonus shares (2024 AGM) and the creation of 194,000 new common shares.

7.10.2. Dividends

Forsee Power SA did not pay any dividends in 2025 for the fiscal year ended December 31, 2024, nor for the two preceding fiscal years.

The company does not plan to distribute a dividend for the fiscal year ended December 31, 2025.

7.10.3. Share-Based Payments

7.10.4. Stock Subscription Warrants

Forsee Power has issued Stock Subscription Warrants (SSWs) to the European Investment Bank (EIB) (see Notes 7.13

and 7.14).

These Stock Subscription Warrants entitle the holder to a number of common shares to be issued, which is adjusted based on capital increases and bonus share allocations (AGA), namely:

- 6,857 BSA EIB Warrant A entitling the holder to 1,828,228 common shares (AO), issued on March 18, 2018, to supplement the €20 million financing raised in 2017 and repaid in 2021;
- 3,500 stock warrants BEI Warrant C giving access to 810,972 common shares (AO), issued on June 4, 2021 to supplement the €21.5 million financing (Tranche A) raised in June 2021;
- 1,000 stock warrants EIB Warrant E granting access to 494,615 common shares (CS), issued on December 4, 2023, in addition to the €10 million financing (Tranche C).

7.10.5. Stock Options and Free Shares

The table below presents, as of December 31, 2018, 2020, and 2025, the stock options (SO) granted in prior fiscal years:

	Date of grant	Number Granted	Number canceled	Number of SO options outstanding	Number of shares subscribed during acquisition	Period of acquisition	Expiration date
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) Grants under the 2018 Stock Option Plan (SO 2018) authorized by the General Meeting of December 21, 2018. These SO 2018 grants include a vesting period of 4 years with a service requirement ending between April 2, 2023, and November 13, 2024. The grants were made to the Chairman, members of management, and employees considered key personnel of Forsee Power SA.
- (2) Following authorization by the General Meeting of August 5, 2021, 1,500,000 stock options (2021 SO) granting access to 1,500,000 common shares were granted on August 12, 2021, to the Chairman of the Board of Directors as compensation for services rendered. These 1,500,000 stock options include “off-market” performance conditions (conversion of the OC5 convertible bonds and completion of the acquisition of Holiwatt’s assets) that were met on September 27 and 28, 2021. These 1,500,000 stock options include an initial two-year vesting period ending on August 12, 2023, and may be exercised over a period ranging from the second to the fifteenth year following the grant date. Management estimated, as of the grant date, an expected exercise schedule for these 1,500,000 options, with this schedule spanning from 2023 to 2025.
- (3) The number of options was adjusted following the 100-for-1 stock split of Forsee Power SA shares approved by the Extraordinary General Meeting on October 15, 2021.

The table below presents the Bonus Shares (AGM) granted as of December 31, 2025, and in prior fiscal years:

Date of grant	Number of options AGM granted	Number of options AGM cancelled	Number of outstanding AGA options	Number of shares subscribed upon vesting the exercise of AGM	Period of rights	Date of acquisition
Bonus Shares (2021 AGM) (1) (3) September 14, 2021	382,000	(20,000)	362,000	362,000	1 year	September 14, 2022
Bonus shares (2021 AGM) (2) October 15, 2021	282,616	0	282,616	282,616	2 years	October 15, 2023
Bonus shares (2022 AGM) (4) (5) September 14, 2022	64,000	(32,000)	32,000	32,000	1 year	September 14, 2023
Bonus shares (2022 AGM) (6) December 21, 2023	208,000	(14,000)	194,000	194,000	1 year	December 21, 2024
Bonus shares (2024 AGM) (7) July 30, 2024, 31 October 2024 and 31 December 2024	570,780	(40,936)	529,844	162,255	16 months	November 30, 2025, 28 February 2026 and April 30 2026
Bonus shares (2024 AGM Compensation 2025) (8) 1st December 2025	550,000	(15,000)	535,000		24 months	December 1, 2027
Total Bonus Shares (BSA)	2,057,396	(121,936)	1,935,460	1,032,871		

(1) The Board of Directors granted 382,000 bonus shares (2021 BSA) on September 14, 2021, to members of the Executive Committee and to employees considered key personnel of Forsee Power SA. These 2021 AGAs have a one-year vesting period with a service requirement ending on September 14, 2022.

On September 14, 2022, the Board of Directors noted the definitive vesting of 362,000 free shares to the beneficiaries and authorized a capital increase on September 15, 2022, through the issuance of 362,000 new common shares drawn from the share premium account.

(2) The Board of Directors, at its meeting on October 15, 2021, acting pursuant to a delegation of authority from the General Meeting held on the same day, decided, for the benefit of the Chairman of the Board of Directors and in addition to the compensation for the 2021 fiscal year, an allocation of up to 1,000,000 bonus shares and/or stock options, which were definitively granted no later than June 30, 2022. The Board of Directors meeting of April 6, 2022, definitively granted a total of 282,616 Bonus Shares (AGA R 2021) following the recommendation of the Nominating and Compensation Committee dated April¹, 2022. This grant of 282,616 AGA as part of the Chairman's 2021 variable compensation is subject to a two-year service requirement ending on October 15, 2023, followed by a requirement to hold the subscribed shares for a limited period. The expense related to these 282,616 free shares is recognized in the financial statements for fiscal years 2021 and 2022 on a pro-rata basis according to the beneficiary's service requirement.

These 282,616 free shares were definitively vested on October 15, 2023, and were exercised on the same day through the issuance of 282,616 new common shares.

(3) The number of bonus shares was adjusted following the 100-for-1 stock split of the par value of Forsee Power SA shares approved by the Extraordinary General Meeting on October 15, 2021.

(4) The Board of Directors granted 64,000 bonus shares (2022 Bonus Shares) on September 14, 2022, to members of the Executive Committee of Forsee Power SA. These 2022 Bonus Shares have a one-year vesting period with a service requirement ending on September 14, 2023.

(5) 32,000 fully vested 2022 AGAs were exercised on June 20, 2023, through the issuance of 32,000 new common shares.

(6) The Board of Directors granted 208,000 bonus 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. On December 21, 2024, the Board of Directors noted the definitive vesting of 194,000 free shares to the beneficiaries and authorized a capital increase on December 22, 2024, through the issuance of 194,000 new common shares drawn from the share premium account.

(7) The Board of Directors granted, as compensation for the 2024 fiscal year (AGA 2024 Plan – 2024 Compensation), a total of 478,647 bonus shares on July 30, 2024, 40,516 bonus shares on October 31, 2024, and 51,617 bonus shares on December 31, 2024, to the Chairman of the Board of Directors, members of the Executive Committee, and employees of Forsee Power SA and its subsidiaries. These 2024 AGAs have a 16-month vesting period with a mandatory holding requirement starting from the grant date. These stock grants are subject to three collective performance conditions, of which only one had been met as of December 31, 2024. The Chairman, acting on behalf of the Board of Directors as delegated on June 25, 2024, recorded on December 1, 2025 the definitive vesting of 162,255 bonus shares to the beneficiaries, and authorized a capital increase as of December¹, 2025, through the issuance of 162,255 new ordinary shares drawn from the share premium account.

(8) The Board of Directors allocated, as compensation for the 2025 fiscal year (2024 AGM Plan – 2025 Compensation), a total of 550,000 bonus shares on December 1, 2025, to the Chairman of the Board of Directors, members of the Executive Committee, and employees of Forsee Power SA and its subsidiaries. These 2024 AGAs have a 24-month vesting period with a mandatory retention requirement starting from the grant date. These share grants are subject to four collective performance conditions, one of which is expected to be reasonably met during the vesting period.

The expense recognized for the periods presented in connection with share-based transactions is as follows:

in thousands of euros	December 31 2025	December 31 2024
Costs recognized in the specific reserve at the beginning of the period	5,851	5,966
Expenses recognized in income for the period (services rendered)	113	555
Write-off of past costs of options that expired during the period: <i>breach</i> of the attendance requirement	(6)	(150)
Costs of options exercised during the period: <i>vested</i> in connection with the exercise of options	(131)	(520)
Costs in the specific reserve at the end of the period	5,827	5,851
Expense to be recognized in future periods	37	119
Total estimated cost of awards as of the balance sheet date	5,864	5,970

The IFRS 2 expense recognized in income for fiscal years 2025 and 2024 breaks down as follows:

in thousands of euros	December 31 2025	December 31 2024
Stock Options (SO 2018)	0	5
Bonus Shares (2022 AGM) - 2022 Allocation	0	0
Free Shares (2022 Annual General Meeting) - 2023 Allocation	0	505
Bonus Shares (2024 AGM) - 2024 Compensation	110	45
Bonus shares (2024 AGM) - 2025 compensation	3	0
Total	113	555

The IFRS 2 expense to be recognized in future fiscal years breaks down as follows:

in thousands of euros	December 31 2025	December 31 2024
2025	0	119
2026	22	0
2027	15	0
2028	0	0
Total	37	119

The expense to be recognized in future fiscal years by SO and AGA plan is broken down as follows:

in thousands of euros	December 31 2025	December 31 2024
Bonus shares (2024 AGM) - 2024 compensation	4	119
Bonus shares (2024 AGM) - 2025 compensation	33	0
Total	37	119

The table below summarizes the data used in the stock option valuation model.

	Grant date	Assumptions used to determine fair value using the PER method under IFRS 2 (Black & Scholes)				Valuation per share under IFRS 2 (1)	Probable IFRS 2 cost at grant date in thousands of euros	Remaining probable cost as of December 31, 2025 in thousands of euros
		Strike price in € (1)	Interest rate risk	Volatility risk	premium risk			
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		
Bonus shares (2021 AGM) (4)	September 14, 2021	- €	-0.68%	0.0%	65.9%	€6.50	2,353	0
		- €	-0.67%	0.0%	71.5%	€7.25		
Bonus shares (2021 AGM) (3)	October 15, 2021	- €	-0.58%	0.0%	69.0%	€7.25	2,049	0
		- €	-0.38%	0.0%	65.6%	€7.25		
Bonus shares (2022 AGM) (5)	September 14, 2022	- €	1.31%	0.0%	52.9%	€4.21	270	0
Bonus shares (2022 AGM) (6)	December 21, 2023	- €	3.24%	0.0%	36.1%	€2.68	557	0
Bonus shares (2024 AGM) (7)	December 21, 2024	- €	3.22%	0.0%	43.0%	€0.86	164	21
Bonus shares (2024 AGM) (8)	December 1, 2025	- €	2.22%	0.0%	88.4%	€0.27	37	37
Total							11,428	5,864

- (1) A 100-for-1 stock split of the par value of the shares, as approved by the Extraordinary General Meeting held on October 15, 2021.
- (2) The probable cost of the 1,500,000 stock options granted on August 12, 2021, was estimated based on an expected exercise schedule spanning 2023 to 2025.
- (3) The probable cost of the 282,616 Bonus Shares granted on October 15, 2021, was estimated based on an expected exercise schedule spanning 2023 to 2025. The valuation of the option takes into account a Forsee Power share price of €7.25, as adopted for the capital increase approved by the Combined General Meeting of October 15, 2021.
These 282,616 AGA shares were definitively vested on October 15, 2023, and were exercised on the same day through the issuance of 282,616 new common shares.
- (4) The 2021 AGAs were definitively vested on September 14, 2022, and were exercised on September 15, 2022, through the issuance of 362,000 new common shares.
- (5) 32,000 fully vested 2022 AGAs were exercised on June 20, 2023, through the issuance of 32,000 new common shares.
- (6) Allocation on December 21, 2023, of 208,000 AGAs with a one-year vesting period.
These 194,000 free shares were fully vested on December 21, 2024, and were exercised on December 22, 2024, through the issuance of 194,000 new common shares.
- (7) The Board of Directors granted, as part of the compensation for fiscal year 2024 (2024 AGA Plan), a total of 478,647 bonus shares on July 30, 2024, 40,516 bonus shares on October 31, 2024, and 51,617 bonus shares on December 31, 2024, to the Chairman of the Board of Directors, members of the Executive Committee, and employees of Forsee Power SA and its subsidiaries.
- (8) Allocation on December¹ 2025, of 550,000 bonus shares to the Chairman of the Board of Directors, members of the Executive Committee, and employees of Forsee Power SA and its subsidiaries, with a 24-month vesting period.

The employer contribution is paid during the grant year for stock options and upon the final vesting of rights for free shares.

7.10.6. Treasury shares

Treasury shares consist of Forsee Power SA shares held by the Group through an independent investment services firm (Kepler Cheuvreux) responsible for the liquidity contract (see Notes 3.3.13 and 7.4).

As of December 31, 2025, the Company directly or indirectly held 522,102 treasury shares, representing a value of €176,000, based on book value.

Treasury shares held under the liquidity agreement are recorded as a deduction from consolidated equity.

1.9.2 Currency translation reserves

The translation reserve by currency is as follows:

in thousands of euros		December 31 2025	December 31 2024
Hong Kong Dollar	HKD	(335)	321
Chinese Renminbi	CNY	(217)	(144)
Polish zloty	PLN	(29)	(26)
Indian rupee	INR	32	(79)
Singapore dollar	SGD	(1)	0
US Dollar	USD	(531)	(300)
Japanese Yen	JPY	(73)	(30)
Translation reserve - Group share		(1,154)	(258)

1.9.3 Net earnings per share

	December 31 2025	December 31 2024
Consolidated net income	(28,022)	(12,074)
Weighted average number of shares outstanding	95,087,933	71,395,506
Net income per share	(0.29) €	(0.17)
Diluted net earnings per share	(0.29)	(0.17) €

7.11. Provisions for risks and charges

Changes for fiscal years 2025 and 2024 are as follows:

in thousands of euros	31 December 2024	Provisions	Reversals	Of which used	Reclassification	Translation effects	December 31 December 2025
Provisions for after-sales service warranty (1)	6,665	3,293	(2,427)	(2,427)		(1)	7,530
Provisions for recycling (2)	927	101					1,028
Provisions for litigation (3)	828	289	(615)				502
Provision for litigation with Unu GmbH (4)	206		(20)				186
Other provisions for expenses	410		1	1	(371)	(40)	
Provisions	9,036	3,683	(3,061)	(2,426)	(371)	(41)	9,246
<i>Of which</i>							
<i>Current</i>	410				(371)	(40)	
<i>Non-current</i>	8,626	3,683	(3,061)	(2,426)		(1)	9,246

in thousands of euros	31 December 2023	Provisions	Reversals	Of which used	Reclassification	Conversion effects	31 December 2024
Warranty provisions	6,634	4,554	(4,523)	(4,523)			6,665
After-sales service (1)							
Provisions for recycling (2)	2,397		(1,471)				927
Provisions for litigation (3)	270	721	(163)				828
Provision for litigation with Unu GmbH (4) Expenses	249		(43)				206
Other provisions for	0	170			233	7	410
Provisions	9,550	5,444	(6,199)	(4,523)	233	7	9,036
<i>Of which</i>							
<i>Current</i>		170			233	7	410
<i>Non-current</i>	9,550	5,275	(6,199)	(4,523)			8,626

The main provisions for risks and charges are detailed below:

- 1) The provision for after-sales service (ASS)** recognized at the balance sheet date of December 31, 2025, amounted to €7,530,000, compared to €6,665,000 as of December 31, 2024.

This provision is intended to cover the risk of future after-sales service costs arising from Forsee Power's liability for products sold (commitment to repair or replace any defective component of the battery systems sold). This warranty is a legal obligation; it is not optional under the contract and generally covers a period of 4 to 5 years. Given the uncertain nature of the probability of a defect occurring, this provision is measured in accordance with IAS 37 using a statistical approach based on products sold, and is adjusted based on the after-sales service costs actually incurred by the Group during the fiscal year.

- 2) The provision for recycling** of €1,028,000 as of December 31, 2025 (€927,000 as of December 31, 2024) was

established 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 that customers return the batteries.

This provision is calculated based on the number of systems sold covered by the take-back commitment, and is valued according to the external recycling cost of the various types of batteries. The Group regularly updates these external recycling costs to account for improvements in processing costs within this relatively new industry.

The discount rate used to value the recycling provision as of December 31, 2025, is 4.95%, comprising 2.95% used to value the risk-free rate and 2% to incorporate an ICPE discount.

- 3) Provisions for litigation** totaled €502,000 as of December 31, 2025 (€927,000 as of December 31, 2024), and correspond to the valuation of other risks, such as risks related to commercial disputes estimated at €240,000, and litigation with Group employees for which provisions of €262,000 have been made.

Commercial Dispute with CaetanoBus

In 2020, Forsee Power supplied batteries to CaetanoBus for buses operated by Abellio in London. Following technical incidents resolved without an initial claim, CaetanoBus sought penalties in 2024, arguing that these incidents had resulted in the vehicles being taken out of service, a claim Forsee Power disputes.

Despite several exchanges, repeated claims, and an attempt at amicable negotiation in 2025, no agreement was reached, as the parties remain at odds over the interpretation of the contract and the assessment of damages. CaetanoBus now considers that the contractual limit on penalties for vehicle downtime is no longer applicable.

To date, no legal proceedings have been initiated.

The dispute with Unu GmbH is presented separately below for €299,000.

4) Dispute with Unu GmbH:

Unu GmbH has been placed in receivership before the Berlin Charlottenburg Court, according to information brought to Forsee Power's attention on November 23, 2023.

Following the initiation of these insolvency proceedings in Germany, a German insolvency administrator was appointed. This German insolvency administrator must rule both on the continuation of Unu GmbH's business operations and on whether to maintain the ongoing legal proceedings in France and Germany.

On May 2, 2024, the assets of Unu GmbH were acquired by EMCO, excluding all litigation, with the insolvency administrator's work on this matter continuing.

On December 27, 2024, HDI Global SE, as Unu GmbH's liability insurer and acting as subrogated to Unu's rights, filed a lawsuit against Forsee Power, Axa France IARD SA, and Generali IARD SA before the Paris Commercial Court

As of the balance sheet date for the fiscal year ended December 31, 2025, Forsee Power does not have information enabling it to assess whether the legal proceedings initiated in France and Germany will be continued or not.

Summary expert assessment proceedings in Paris:

On March 12, 2021, Unu GmbH filed a motion for summary judgment against Forsee Power and its former insurer, Generali, before the Paris Commercial Court, seeking a judicial expert opinion. Unu GmbH is suing the Company on the grounds of liability for defective products and general contractual liability, alleging that the batteries are defective and do not meet the technical specifications agreed upon by the parties under the terms of the supply agreement dated July 23, 2016, and its amendment dated June 29, 2018. The Company did not object to this request for a judicial expert opinion but indicated that it should also cover the scooters manufactured by Unu GmbH, whose characteristics—which do not comply with the initial contractual specifications—are the cause of the battery malfunctions.

In an order dated March 31, 2021, the judge presiding over the summary proceedings ordered the appointment of a court-appointed expert tasked with examining both the batteries and the scooters in order to determine the cause of the malfunctions, the associated issues, and, consequently, liability. Since the initially appointed expert withdrew, the judge presiding over the summary proceedings ordered the appointment of a new expert by an order dated April 16, 2021.

Beginning on May 5, 2021, the expert heard the various arguments presented by the Parties but has not yet designated a laboratory to perform the necessary tests on the batteries and scooters. However, the expert has repeatedly noted difficulties in cooperating with Unu GmbH, which refuses to provide certain key documents for the expert assessment, notably the test reports for its scooters.

On December 31, 2021, Unu GmbH filed a motion for summary judgment against Forsee Power with the Paris Commercial Court seeking to replace the court-appointed expert named in April 2021. Unu GmbH contends that the expert is manifestly biased and lacks the necessary expertise to conduct the judicial assessment. On January 26, 2022, the Company responded to these arguments by stating that the judge presiding over the summary proceedings lacked jurisdiction and that the matter should be brought before the Supervisory Judge. The Company also rejects Unu GmbH's arguments regarding the expert's alleged bias or incompetence.

The judge presiding over summary proceedings at the Paris Commercial Court ruled, in a judgment dated March 18, 2022, that he lacked jurisdiction over Unu GmbH's request to replace the judicial expert appointed in April 2021.

The Supervisory Judge upheld the appointment of the court-appointed expert and appointed a co-expert.

Due to persistent disagreements regarding the scope of the expert examinations to be conducted, Forsee Power filed a motion on November 22, 2023, with the judge overseeing the expert examinations to order the experts to commence their examinations without delay and to establish a reasonable timeline.

At the hearing on December 21, 2023, the judge overseeing the expert assessments ordered the court-appointed experts to begin their assessments of the scooters with a view to submitting their report, which was expected by the end of 2024.

In an order dated January 29, 2024, the supervising judge confirmed that the testing protocol could proceed as is. Tolosa Lab was ultimately selected following Emitech's withdrawal.

In late 2024, Tolosa Lab informed the court-appointed experts that the project had become too burdensome to manage alone and required the support of another laboratory for the electrical testing of the batteries. It then proposed a collaboration with Volvaria Laboratory.

In an order dated November 3, 2025, the supervising judge echoed Forsee Power's arguments regarding the very limited and unrepresentative sample of the remaining batteries. The experts have until December 15, 2025, to produce a test protocol, and the parties have until December 31, 2025, to submit their observations on the advisability of continuing the expert assessment.

Proceedings on the merits:

On November 2, 2021, despite the ongoing expert assessment, Unu GmbH filed a lawsuit against Forsee Power before the Paris Commercial Court, which is ruling on the merits of the case on the same grounds as the expert assessment, and is claiming €15,845,000 for material damages suffered, as well as €50,000 for non-material damages.

At the procedural hearing on September 28, 2022, the Court adjourned the case until April 12, 2023. In its deliberations of June 22, 2023, the Court stayed proceedings until the expert report is filed.

On December 27, 2024, HDI Global SE, in its capacity as the general liability insurer of UNU GmbH, acting as subrogated to UNU's rights, filed a lawsuit against the Company before the Paris Commercial Court.

Summary expert assessment proceedings in Lyon:

On May 25, 2022, Unu GmbH filed a motion for summary judgment against Forsee Power before the Lyon Judicial Court seeking a judicial expert opinion requested by the insurer and the family of an individual who died in a fire at his residence in August 2021.

The circumstances of this fire have not been established: according to the insurer, the fire started near the garage door, and the garage contained a Piaggio gas-powered scooter and an Unu electric scooter. It is in this context that the insurer sued Unu GmbH to have a forensic expert appointed to determine the cause of the fire.

The investigation has not yet begun, and no specific cause is currently being considered. The judge presiding over the preliminary injunction proceedings ordered the extension of the expert's mandate on August 1, 2022. An initial expert meeting took place on October 18, 2022. The expert intends to continue his investigation given the multiple possible causes of the fire.

In the event that the incident was indeed caused by the scooter, said incident would not be covered by Forsee Power's new insurer, as it would then constitute a new serial incident related to Unu batteries. Since the risk was identified in 2019, it would therefore also fall under the policy concluded with Forsee Power's former insurer.

Meanwhile, an investigation was launched by the Lyon Public Prosecutor's Office but was subsequently closed without further action. This does not preclude the victim's family from filing a complaint and bringing a civil action before an investigating judge at a later date.

Proceedings before the Paris Commercial Court:

On September 13, 2023, Forsee Power was summoned to appear before the Paris Commercial Court by the company Equité Assurances.

The summons was filed by the insurer of a consumer whose scooter caught fire in his garage, acting after having compensated its client. The insurer is suing Unu GmbH and its insurer on the grounds of the warranty against hidden defects, and is suing Forsee Power on the grounds of liability for defective products. The insurer is seeking a joint and several judgment against the defendants for the amount of €269,676.

The proceedings were adjourned until March 28, 2025, to allow the parties to inform the judge of their intentions.

Since the plaintiff did not file a brief at the hearing, which was ultimately held on March 31, 2025, Forsee's legal counsel moved to have the plaintiff's claims dismissed as inadmissible.

Equité Assurances withdrew its action in a brief dated November 10, 2025. This dispute is now closed.

Proceedings pending before civil courts in Germany:

On September 15, 29, and November 9, 2022, Forsee Power received summonses to intervene as a third party before three civil courts in Germany (the Regional Courts of Flensburg, Munich, and Coburg) from Unu GmbH in proceedings initiated by the victims of various incidents.

These proceedings were supplemented by new summonses received on July 19, July 31, August 22, November 30, and December 29, 2023, before four other civil courts in Germany (the Regional Courts of Cologne, Hamburg, Essen, and Aachen) by Unu GmbH in proceedings initiated by the victims of the various incidents

Forsee Power raised the same arguments as those presented in the proceedings initiated in France and requested a stay of proceedings pending the results of the judicial expert assessment underway in France.

Between January 31 and February 7, 2025, several developments occurred in the proceedings before the Aachen Regional Court (Landgericht Aachen): AOK Plus (a German health insurance fund) indicated its intention to intervene in the proceedings; the panel resumed its review of the case due to its complexity; and the hearing was scheduled for September 24, 2025, replacing the date originally set for August 13, 2025.

Furthermore, on May 20, 2025, the plaintiff in the case before the Flensburg Regional Court withdrew its claim, and Forsee Power accepted the withdrawal without comment. In August 2025, the proceedings before the Essen Regional Court were settled by Unu GmbH's insurer, without Forsee Power being held liable.

Finally, on January 28, 2026, the parties agreed to terminate the proceedings.

Risk Assessment and Provision:

The provision recorded in the consolidated financial statements as of December 31, 2025, in the amount of €185,000 (€205,000 as of December 31, 2024) therefore includes both the fees of the Company's legal counsel and those of the court-appointed expert and external experts engaged by the Company. The provision was reversed and utilized in the amount of €20K during the 2025 fiscal year in connection with expenses recognized during the period, primarily for expert witness and legal fees.

Management considers the claims made by Unu GmbH to be unfounded and intends to assert its rights and legal arguments justifying, at this stage of the proceedings, the absence of a provision for risks beyond the legal costs mentioned.

7.12. Retirement benefits and long-service awards

7.12.1. Defined contribution plan

An expense of €1,690,000 was recognized as of December 31, 2025 (€1,796,000 as of December 31, 2024) in connection with defined contribution plans in France.

7.12.2. Defined benefit plan

The Group does not have any defined benefit plans other than end-of-career benefits for French employees, details of which are as follows:

in thousands of euros	December 31 2025	December 31 2024
End-of-career severance pay	469	435
Long-service awards	0	0
Total	469	435

in thousands of euros	December 31 2025	December 31 2024
Beginning-of-period liabilities	435	499
Service cost	48	50
Interest on debt	14	16
Actuarial gains and losses on changes in financial and demographic assumptions (experience gains)	(28)	(130)
Actuarial gains and losses on plan participants leaving the plan	0	0
Benefits paid upon retirement	0	0
Liabilities at the end of the period	469	435

Actuarial assumptions

For the end-of-career severance pay plan, the basic assumptions (employee turnover rate, salary increases) used in these calculations were determined based on the Group's projected and historical policies.

The assumptions used for the valuations consist of:

	December 31 2025	December 31 2024
Financial assumptions		
Discount rate	3.75%	3.25%
Wage growth rate	2.00%	2.00%
Social security contribution rate for executives	47.55%	48.66%
Social security contribution rate for non-executives	39.00%	39.55%
Demographic assumptions		
Employee <i>turnover</i> for employees under 35 years of age	10.30%	25.30%
<i>Turnover</i> of employees aged 36 to 45	9.60%	15.56%
<i>Turnover rate</i> for employees over 46 years old	5.50%	4.15%
Retirement age at the end of career for executives	64	64
Retirement age at the end of career for non-executives	64	64
Mortality table	INSEE 2024	INSEE 2024

The discount rates used are based on the yield on bonds issued by investment-grade companies with a maturity equivalent to the duration of the plans being valued, which is approximately 10 years. The rate was determined by considering market indices for AA-rated bonds available as of the end of December 2025.

Sensitivity analyses of the liability were performed as of December 31, 2025, based on the following key assumptions:

	Gross impact on the commitments as of December 2025	% of total of commitments as of December 31, 2025
Discount rate		
Change in discount rate of -0.25%	8	1.7%
Change in discount rate of +0.25%	(5)	(1.0)%
Employee turnover rate		
Change of -1.00% in employee turnover	24	5.2%
Change of +1.00% in employee turnover	(21)	(4.6)%
Wage growth rate		
Change of +1.00%	34	7.1%
Change of +1.50%	52	11.1%
Retirement age		
Retirement at age 63	24	5.1%
Retirement at age 65	(45)	(9.6)%

7.13. Loans and financial liabilities

in thousands of euros	31 December 2024	Issuances	Redemptions -ments	Reclassification -n	Conversio -n effects	Impact of the TIE	Net change	Capitalized interest	Fair value	IFRS 16 debt issuances	December 31 December 2025
Loans from the EIB (1)	34,349	10,000		(44,976)		128		499			
Atout loan from BPI (3)											
State-Guaranteed Loan from BPI (2)	625			(625)							
State-Guaranteed Loan from BNP (2)	835			(835)							
State-Guaranteed Loan from HSBC (2)	828			(828)							
Deferred asset liability - non-current	14,952			(2,857)	(650)					1,321	12,065
Deposits and guarantees received	20	25	(20)		(1)						24
Refundable advances - non-current	283	327									590
Liabilities to related parties	482			(387)							115
Long-term financial debt	52,353	10,352	(20)	(50,287)	(651)	128		499		1,321	13,694
Loans from the EIB (1)			(10,000)	44,976							34,976
Atout loan from BPI (3)	625		(625)								
State-Guaranteed Loan from BPI (2)	1,250		(937)	625							938
State-Guaranteed Loan from BNP (2)	1,875		(1,790)	835							920
State-Guaranteed Loan from HSBC (2)	1,881		(1,785)	828							924
Accrued interest on financial debt	1,085	349	(325)		(0)					(0)	1,108
Current right-of-use liability	2,584		(2,771)	2,657	(91)					(71)	2,309
Accrued interest on usage rights	22	19	(21)		(3)					0	18
Financial liabilities related to related parties			(223)	387							144
Short-term credit line (4)	2,068	1,764			(185)						3,647
Financing obtained against inventory (5)		27,000	(18,217)								8,783
Fair value hedges related to foreign exchange risk (6)	651						(227)		(379)		45
Accrued but unpaid interest							0				0
Short-term financial debt	12,041	29,131	(36,694)	50,287	(278)		(227)		(379)	(71)	53,810
Gross financial debt & equivalents	64,394	39,484	(36,714)		(929)	128	(227)	499	(379)	1,250	67,505
<i>Of which</i>											
Current	11,799	29,131	(36,694)	50,528	(278)		(227)		(379)	(71)	53,810
Non-current	52,595	10,352	(20)	(50,528)	(651)	128		499		1,321	13,694

1) EIB financing

An EIB loan was signed in December 2020, with Tranche A of €21.5 million drawn down on June 16, 2021, for a term of 5 years. This Tranche A bears interest at a rate of 3% and a capitalized interest rate (PIK) of 4.5%. This tranche is accompanied by 3,500 warrants EIB Warrant issued on June 4, 2021, leading, if exercised, to the issuance of 810,972 common shares (CS).

Tranche C of the EIB loan was drawn down on December 18, 2023, in the amount of €10 million for a term of 5 years. This Tranche C bears interest at a rate of 3% and a capitalized interest rate (PIK) of 1.5%. This tranche is accompanied by 1,000 warrants EIB Warrant issued on December 4, 2023, leading, upon exercise, to the issuance of 494,615 common shares (CS).

Derivative financial instruments related to EIB loans (BEI Warrant A, BEI Warrant C, and BEI Warrant E) are presented in Note 7.14 below.

Discussions began in June 2025 with the EIB regarding the restructuring of the €25 million Tranche A, which is fully repayable in June 2026, for an initial amount of €26 million. These discussions concluded in July 2025 with the signing of an agreement on August 28, 2025, to:

- Extend the drawing right for Tranche D with the issuance on September 9, 2025, of Tranche D for €10 million bearing interest at a rate of 10% and maturing in June 2030
- Repay in advance in September 2025 a portion of Tranche A in the amount of €10 million;
- Repay a second portion of Tranche A in the amount of €6 million in June 2026;
- Repay the balance of Tranche A (now Tranche A Bis) in the amount of €10 million on a straight-line basis from June 2027 through June 2030. This Tranche A Bis bears interest at a rate of 5% and a capitalized interest rate (PIK) of 5%.

The 2020 EIB Credit Agreement requires Forsee Power to maintain a positive level of equity and to maintain:

- A debt service coverage ratio (cash flows/debt service) greater than 2.0; and
- A debt-to-equity ratio of less than 1.0.

These ratios are tested annually at the end of each fiscal year.

These financial ratios were not met as of December 31, 2025. Management did not obtain formal agreement prior to year-end regarding the EIB's waiver of the immediate maturity of the various tranches, resulting in the presentation of the financial debt to the EIB as current (less than one year) on the balance sheet. Negotiations with the EIB resulted in the signing of an agreement as of the balance sheet date (see Note 10.1).

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

In June 2020, Forsee Power SA also took out a "PGE – Innovation Support" loan from BPI in the amount of €5 million at a rate of 2.35%. The PGE loan from BPI is repaid quarterly from September 30, 2022, through June 30, 2026.

3) In June 2020, Forsee Power took out a €5 million "Atout" loan from BPI at a rate of 5%. This loan was repaid quarterly over four years through June 30, 2025, following a one-year grace period that ended on August 31, 2021.

4) In 2025, ZFI signed a new short-term letter of credit provided by CHINA MERCHANTS BANK during the fiscal year ending December 31, 2025.

- 5) Inventory Financing: In April 2025, the Group established inventory financing in the form of commercial paper secured by inventory at the Chasseneuil plant, amounting to 130% of the financing amount. A ^{first} drawdown of €10 million was repaid on June 30; a second drawdown of €9.5 million took place in July 2025 and was repaid in the amount of €7.5 million; and a third drawdown of €7.5 million was made in October 2025 and repaid in the amount of €0.7 million.
- These loans bear interest at a 3-month Euribor rate plus a margin of 1.8% to 4%.
The outstanding balance of the credit lines amounted to €8.8 million as of December 31, 2025.
- 6) Currency swap contracts (FX Swaps) with a notional amount of €19.2 million as of December 31, 2025, to hedge payments in U.S. dollars, Japanese yen, and Chinese yuan to several suppliers in the first half of 2026 during the 2025 fiscal year.

The schedule of financial liabilities with contractual cash flows is as follows:

in thousands of euros	Balance sheet value (with discounting)	Total contractual cash flows	On demand	December 31, 2025								Covenant
				< 1 year	> 1 year and < 5 years				> 5 years			
					2027	2028	2029	2030	2031	2,032		
Loans from the EIB												yes
State-Guaranteed Loan from the EIB												no
State-Guaranteed Loan from BNP												no
State-Guaranteed Loan from HSBC												no
Debts on leased property	12,965	14,581			2,440	2,235	2,558	2,246	2,278	2,116	708	No
Deposits and guarantees received	24	24			24							No
Refundable advances	500	500					500					No
Liabilities to related parties	115	115							115			No
Long-term financial debt	13,694	15,310			2,464	2,235	3,148	2,246	2,393	2,116	708	
Loans from the EIB	34,976	46,305		46,305								yes
State-Guaranteed Loan from EIB	998	993		993								no
State-Guaranteed Loan from BNP	920	928		928								no
State-Guaranteed Loan from HSBC	924	951		951								no
Accrued interest on financial debt	1,108	1,108		1,108								no
Debt on right of use - current	2,309	2,938		2,938								no
Accrued interest on usage rights	18	18		18								No
Financial liabilities related to related parties	144	144		144								no
Short-term credit line (4)	3,647	3,647		3,647								no
Inventory financing (5)	8,783	8,783		8,783								no
Fair value hedges related to foreign exchange risk (5)	45	45		45								no
Short-term financial debt	53,810	65,859	45	65,815								
Gross financial debt and equivalent	67,505	81,169	45	65,815	2,464	2,235	3,148	2,246	2,393	2,116	708	

The loan from the EIB is presented as current financial debt since, as of December 31, 2025, Management had not obtained the EIB's agreement to waive the immediate repayment of the debt following non-compliance with the financial ratios (covenants) set forth in the financing agreement (see (1) above).

Negotiations with the EIB, which began in late 2025, led to the formalization of an agreement on April 28, 2026, which includes:

- The non-callability of EIB Tranches A, C, and A Bis;
- The repayment of Tranche A, amounting to €6 million and originally due in June 2026, to be spread out until the end of 2027;

In addition, an agreement was also reached to restructure the maturity of the inventory financing facility and the state-guaranteed loans.

The schedule of financial liabilities as of December 31, 2025, taking into account the measures of the April 2026 agreement, is as follows:

in thousands of euros	Repayment schedule reflecting the measures of the April 2026 agreement											
	Balance sheet value (with discounting)	Total contractual cash flows	On demand	< 1 year	> 1 year and < 5 years					> 5 years		Covenant
					2027	2028	2029	2030	2031	2032	> 2033	
Loans from the EIB	34,976	46,305		950	8,155	3,002	2,893	31,304				yes
State-Guaranteed Loan from BPI	0	0										no
State-Guaranteed Loan from BNP	0	0										no
State-Guaranteed Loan from HSBC	0	0										no
Debts on leased property	12,965	14,581			2,440	2,235	2,558	2,246	2,275	2,116	708	No
Deposits and guarantees received	24	24			24							No
Refundable advances	590	590					590					No
Liabilities to related parties	115	115							115			No
Long-term financial debt	48,670	61,615	0	950	10,619	5,237	6,041	33,550	2,393	2,116	708	0
Loans from the EIB		0										yes
State-Guaranteed Loan from BPI	938	953				477	477					no
State-Guaranteed Loan from BNP	920	938				484	484					No
State-Guaranteed Loan from HSBC	924	951				478	478					No
Accrued interest on financial liabilities	1,108	1,108		1,108								No
Liability for right of use - current	2,309	2,938		2,938								No
Accrued interest on usage rights	18	18		18								No
Financial liabilities related to related parties	144	144		144								No
Short-term credit line	3,647	3,647		3,647								No
Financing obtained against inventory	8,783	8,783		1,500	7,283							No
Fair value hedges related to foreign exchange risk	45	45	45									No
Short-term financial debt	18,834	19,553	45	9,354	7,283	1,436	1,436	0	0	0	0	0
Gross financial debt and equivalent	67,505	81,168	45	10,305	17,902	6,673	7,477	33,550	2,393	2,116	708	0

The changes from the previous fiscal year are as follows:

in thousands of euros	December 31, 2023	Issuances	Redemptions	Reclassification	Conversion effects	Impact of the TIE	Net Change	Capitalize interest	Fair value	IFRS debt issuances	16	December 31 2024
Bond issues												
Loans from the EIB (1)	32,324						819		1,206			34,349
Atout Loan from BPI (3)	938			(938)								
State-Guaranteed Loan from BPI (2)	2,188			(1,583)								825
State-Guaranteed Loan from BNP (2)	2,983			(2,128)								835
State-Guaranteed Loan from HSBC (2)	2,729			(1,901)								828
Deferred asset-related debt - non-current	15,578	234		(2,749)	334						1,554	14,952
Deposits and guarantees received	20											20
Refundable advances - non-current	45	218										283
Liabilities to related parties	694							(211)				482
Long-term financial debt	57,477	452		(9,279)	334		819	(211)	1,206		1,554	52,353
Atout loan from BPI (3)	1,250		(1,583)	938								825
State-Guaranteed Loan from BPI (2)	1,250		(1,583)	1,583								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 debt	1,089	116	(55)		1							1,085
Current right-of-use debt	2,109		(2,314)	2,749	39							2,584
Accrued interest on usage rights	39	(83)	(1)	46	2							22
Short-term credit line (4)		2,013			54							2,068
Fair value hedges related to foreign exchange risk (5)	77							121	453			651
Accrued but unpaid interest												
Current financial debt	9,626	2,066	(9,600)	9,325	96		121		453			12,041
Gross financial debt & similar items	67,104	2,518	(9,600)	46	430		819	(90)	1,206		1,554	64,334
<i>Of which</i>												
Current	9,626	2,066	(9,600)	9,490	96		121		453			11,798
Non-current	57,477	452		(9,444)	334		819	(211)	1,206		1,554	52,595

1) EIB Financing

An EIB loan was signed in December 2020, with Tranche A of €21.5 million drawn down on June 16, 2021, for a term of 5 years. This tranche is accompanied by 3,500 warrants ^{EIB Warrant C} issued on June 4, 2021, leading, if exercised, to the issuance of 500,090 common shares (CS).

Tranche C of the EIB loan was drawn down on December 18, 2023, in the amount of €10 million for a term of 5 years. This tranche is accompanied by 1,000 stock warrants ^{EIB Warrant E} issued on December 4, 2023, which, if exercised, will result in the issuance of 300,000 common shares (CS).

Tranche D

Derivative financial instruments on the EIB loans (Warrants ^{EIB Warrant A}, Warrants ^{EIB Warrant C}, and Warrants ^{EIB Warrant E}) are presented in Note 7.14 below.

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

In June 2020, Forsee Power SA also took out a "PGE – Innovation Support" loan from BPI in the amount of €5 million at a rate of 2.35%. The PGE loan from BPI is repaid quarterly from September 30, 2022, through June 30, 2026.

3) In June 2020, Forsee Power took out a €5 million "Atout" loan from BPI at a rate of 5%. This loan is repaid quarterly over four years through June 30, 2025, following a one-year grace period that ended on August 31, 2021.

4) Currency swap contracts (FX Swaps) with a notional amount of €46.7 million as of December 31, 2024, to hedge payments in U.S. dollars, Japanese yen, and Chinese yuan to several suppliers in the first half of 2025 for the 2024 fiscal year.

7.14. Derivatives on financial instruments

in thousands of euros	Issue Date	Maturity	Number of Warrants	Number of shares issued upon exercise of the Warrants	31 December 2025	31 December 2024
BSA Warrant A for EIB (1)	March 18, 2018	March 15, 2028	6,857	1,828,228	399	397
BSA Warrant C for BEI (1)	June 4, 2021	June 4, 2041	3,500	810,972	224	203
BSA Warrant E for BEI (1)	December 4, 2023	December 4, 2043	1,000	494,615	126	96
Total			11,357	3,133,815	749	696

- (1) The company issued several Stock Subscription Warrants (BSA) to the European Investment Bank (EIB):
- 6,857 BSAs ^{EIB Warrant A} granting access to 1,828,228 common shares (AO), issued on March 18, 2018, to supplement the €20 million financing;
 - 3,500 BSA ^{EIB Warrant B} granting access to 810,972 common shares (AO), issued on June 4, 2021, in addition to the €21.5 million financing;
 - 1,000 warrants ^{BEI Warrant E} giving access to 494,615 common shares (CS), issued on December 4, 2023, in connection with the €10 million financing. These warrants are presented and measured as a derivative liability for the following reasons:
 - These warrants do not meet the criteria for an equity instrument insofar as their exercise cannot result in a fixed number of the company's shares;
 - These warrants are accompanied by a *put option* allowing the EIB to receive a cash refund for the fair value of the shares not received.
- (2) The conversion ratios of these warrants into the Company's common shares were updated following the capital increase on June 24, 2025, the acquisition of 162,255 Bonus Shares, and the allocation of 570,000 Bonus Shares.
- The number of common shares (CS) for the 6,857 stock warrants ^{EIB Warrant A} thus increased from 1,118,379 CS to 1,828,228 CS as of December 31, 2025, for the 3,500 ^{EIB Warrant B} thus increased from 496,094 OS to 810,972 OS as of December 31, 2025, and for the 1,000 ^{BEI Warrant E} thus increased from 302,079 AO to 494,615 AO as of December 31, 2025.
- (3) Pursuant to the amendment of August 28, 2025, Forsee Power has committed to the EIB to amend, prior to July¹ 2026, the terms and conditions of ^{EIB Warrant E}. The purpose of this amendment is to revise the exercise price of ^{EIB Warrant E} to set it at the par value of the shares to which they entitle the holder. Under the terms of the initial documentation, the exercise price of ^{EIB Warrant E} was calculated using a formula based on a weighted average of the most recent capital increases carried out by Forsee Power.
- The next annual general meeting of Forsee Power SA will be called upon to approve this amendment regarding the exercise price of the ^{BEI Warrant E}.

The changes for fiscal years 2025 and 2024 are presented in the table below:

in thousands of euros	December 31 2025	December 31 2024
Derivatives at the beginning of the period	696	4,835
Change in fair value recognized in income	53	(4,139)
Derivative instruments issued (net of costs) (1)	0	0
Derivative instruments canceled upon conversion	0	0
Derivative instruments at closing	749	696

- (1) Issuance of 1,000 BSA ^{EIB Warrant E} on December 4, 2023, to supplement the EIB financing of €10 million;

The maturity schedule for derivatives on financial instruments is as follows:

in thousands of euros	1 year	1 to 5 years	Over 5 years	Total
EIB Warrant A		399		399
BSA Warrant C for EIB			224	224
BSA Warrant E for EIB			126	126
Total	0	399	350	749

The fair value of derivatives based on changes in the key assumption regarding the value of the Forsee Power 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 of December 31, 2025
Decrease in share price Forsee Power by (25)% Forsee	278	167	93	538
Increase in share price Power by 10%	448	247	140	835

7.15. Management of Risks Related to Financial Assets and Liabilities

7.15.1. Credit Risk Management

The Group is exposed to credit risk in the event of delays in customer payments or the default of a customer who fails to meet its obligations, resulting in a financial loss for the Group. The Group ensures it does not create or maintain dependence on any single customer by diversifying its customer base and expanding its export share.

The Group is exposed to limited credit risk as of December 31, 2025, given the financial strength of its major customers.

Furthermore, the Group has a non-recourse factoring agreement, meaning that risks related to late payment, non-payment, and exchange rates are transferred, and the factor's recourse is limited in the event of non-payment of the secured receivables.

7.15.2. Liquidity Risk Management

The Group faces liquidity risk, i.e., the risk that the Group may be unable to meet its financial obligations inherent in the conduct of its business, given the financing needs associated with the development of its operations.

As of December 31, 2025, Forsee Power has several financing instruments in place to ensure the continuity of its liquidity:

- 1) A financing agreement with the EIB signed in December 2020 provides for a loan of €21.5 million (Tranche A), €8.5 million (Tranche B), and two new financing lines (Tranches C and D), both with principal repayment *due at maturity*, five years after the drawdown date.

Tranches A and B of the financing agreement have been drawn down, and only Tranche B has been repaid.

The €10 million Tranche C subscription was subject to revenue covenants that the Group had already met by the end of the 2020 fiscal year. Tranche C of €10 million was also contingent upon the completion of a €10 million capital increase by one or more shareholders, which was carried out in November 2021 with the company's initial public offering. Tranche C was therefore drawn down on December 4, 2023, in compliance with these two conditions.

The deadline for exercising the drawdown right for the €10 million Tranche D, which was contingent upon a certain level of revenue and profitability, expired on December 31, 2023, but negotiations initiated in 2025 resulted in an extension of the deadline.

An agreement was signed on August 28, 2025, with the EIB regarding the restructuring of the €25 million Tranche A, which is fully repayable in June 2026. This agreement entails the early repayment of a portion of Tranche A in the amount of €10 million on September 9, 2025, using the drawdown of the €10 million Tranche D maturing in 2030; the repayment of a second portion of Tranche A in the amount of €6 million in June 2026; and to repay the remaining €10 million of Tranche A on a straight-line basis from June 2027 to June 2030.

The December 2020 financing agreement sets forth financial ratios that were not met as of December 31, 2025. Management did not obtain formal agreement prior to year-end regarding the EIB's waiver of the immediate maturity of the various tranches, resulting in the financial debt to the EIB being presented on the balance sheet as current (less than one year). Negotiations with the EIB resulted in the signing of an agreement as of the balance sheet date (see Note 10.1).

- 2) A non-recourse factoring agreement was signed on December 21, 2023, with Facto France. This new factoring agreement covers an open-ended, uncapped balance within the limit of the amount insured by the credit insurer.
- 3) Historically, banks and the Group's financial partners have consistently supported the Group in its organic growth and financing needs.
- 4) The company's shareholders have consistently provided financial support for its financing. Notably, Forsee Power benefited from a €18.7 million cash capital increase on June 24, 2025.
- 5) In April 2025, the Group established inventory financing in the form of commercial paper secured by the inventory of the Chasseneuil plant, amounting to 130% of the financing amount, with a banking syndicate.

The repayment of this financing facility was subject to a rescheduling agreement with the banks as of the balance sheet date (see Note 10.1).

7.15.3. Market Risk Management

The Group is exposed to rising commodity and energy prices on the international market. However, the Group has implemented countermeasures, as described in Note 2 “Key Facts,” to mitigate this risk.

The Group conducts a volume of merchandise purchases and battery sales denominated in U.S. dollars, Chinese yuan, and Japanese yen. Management implements a foreign exchange risk management policy aimed at protecting budgeted exchange rates. The hedging instruments used are forward contracts and currency swaps (*FX swaps*) on the U.S. dollar, Chinese yuan, and Japanese yen, based on purchase and sales forecasts at the various industrial sites. As of December 31, 2025, the fair value of foreign exchange hedging instruments amounted to (45) K€.

7.15.4. Capital Management

On November 26, 2021, Forsee Power SA signed a liquidity agreement with an independent investment services firm (PSI), Kepler Cheuvreux, to ensure the liquidity of transactions and the regularity of the company’s share price in accordance with AMF Decision No. 2021-01 of June 22, 2021. This agreement has a term of 12 months and is automatically renewed unless terminated.

The agreement provides for an overall limit of €500,000 (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 provider’s services.

The cash made available to the investment services firm is initially €500,000, and no securities were initially made available. The cash available in the liquidity account amounts to €11,000 as of December 31, 2025, and the total net value of the Forsee Power SA securities held amounts to €146,000 as of December 31, 2025.

Forsee Power SA publishes a semi-annual report on securities purchases and sales conducted under the liquidity agreement.

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

7.16.1. Cash, loans, and receivables

The Group believes that the carrying amount of cash, trade receivables, other receivables, trade payables, other payables, and miscellaneous deposits and guarantees is a good approximation of fair value as of December 31, 2025, due to the high degree of liquidity of these items and their maturity of less than one year.

7.16.2. Assets at Fair Value

The Group does not hold any marketable securities as of December 31, 2025.

7.16.3. Derivative and hedging financial instruments

The Group does not hold any trading derivatives as of December 31, 2025. As of December 31, 2025, the Group has currency hedges for the U.S. dollar, Japanese yen, and Chinese yuan through two currency swap contracts (*FX Swaps*) totaling €19.7 million to cover settlements in the first half of 2026.

7.16.4. Financial liabilities at amortized cost

For trade payables, the Group considers that the carrying amount is a good approximation of fair value, given the high degree of liquidity of these items.

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

7.16.5. Statement of Financial Instruments

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

- Level 1: fair value determined exclusively by reference to prices observed in active markets;
- Level 2: fair value estimated using a model that incorporates market inputs that are observable, either directly or indirectly;
- Level 3: fair value estimated using a model that incorporates certain parameters not observable in a market;

in thousands of euros	December 31 2025	Fair value	Level 1 Unadjusted market prices	Level 2 Observable data	Level 3 Unobservable data
Cash and cash equivalents	11,809	11,809	11,809		
Financial instruments not held for trading					
Financial assets at fair value	11,809	11,809	11,809		
Security deposits and surety bonds issued	292	292			292
Other financial assets	1,042	1,042			1,042
Accounts receivable and accounts related	9,417	9,417			9,417
Other assets	15,026	15,026			15,026
Assets at amortized cost	25,778	25,778			25,778
Derivatives on financial instruments	749	749		749	
Currency hedging derivative	45	45		45	
Financial liabilities at fair value	794	794		794	
Long-term financial debt	13,694	13,694			13,694
Short-term financial debt	53,766	53,766			53,766
Trade payables included in working capital	6,137	6,137			6,137
Other liabilities	18,941	18,941			18,941
Liabilities at amortized cost	92,537	92,537			92,537

The methods and assumptions used to estimate the fair value of financial assets and liabilities are presented in Note 3.3.7.

7.16.6. Accounts payable

in thousands of euros	December 31 2025	December 31 2024
Suppliers	6,137	18,320
Accounts payable reported in working capital	6,137	18,320
Accounts payable	6,137	18,320

7.17. Other liabilities

in thousands of euros	December 31 2025	December 31 2024
Customers - Advances and deposits received	1,441	11,101
Social security liabilities (1)	9,530	6,755
Tax liabilities	485	2,708
Liabilities related to customer contracts (2)	4,336	4,523
Other current liabilities (3)	2,945	2,542
Benefits granted under government-guaranteed loans at non-market rates	36	217
Other liabilities reported in working capital	18,773	27,845
Corporate income tax liability	77	98
Liabilities from acquisitions of fixed assets	91	68
Other liabilities	18,941	28,011
<i>Of which</i>		
<i>Current</i>	14,864	23,712
<i>Non-current</i>	4,077	4,300

- 1) Of the €9,530,000 in social security liabilities, €815,000 owed to URSSAF and €306,000 related to pension contributions—corresponding to the employer's share for November and December 2025—are subject to a payment schedule set for 2026. A 12-month payment plan has been granted.
- 2) Of this amount, €4,175,000 as of December 31, 2025, consists of deferred revenue from specific battery warranty extensions (€3,667,000 as of December 31, 2024) and €267,000 in investment grants;
The change in contract-related liabilities is as follows:

in thousands of euros	December 31 2025	December 31 2024
Contract liabilities at the beginning of the period	4,523	3,889
- Contract liabilities recovered following the fulfillment of performance obligations during the period	(419)	(1,275)
- Contract liabilities canceled following contract cancellation		
+ Unrealized performance obligations on new contracts for the period	231	1,909
+/- Discounting and currency translation effects		0
Contract liabilities at end of period	4,336	4,523

Performance obligations primarily relate to warranty extensions and are fulfilled over a period of 1 to 4 years.

- 3) Of which €490,000 relates to Zhongshan Forsee Industry Ltd (compared to €220,000 as of December 31, 2024) and €197,000 to Zhongshan Forsee Development (compared to €7,000 as of December 31, 2024).

Other liabilities have a maturity of less than 12 months, including the benefit granted on zero-interest government-guaranteed loans maturing between 1 and 5 years, and contract liabilities. Non-current liabilities are discounted when the time value of money is significant.

7.18. Deferred Taxes

Deferred taxes are broken down by temporary differences as follows:

in thousands of euros	December 31 2025	December 31 2024
Temporary tax differences	31	55
Provisions for retirement severance pay	126	122
Lease liability on lease agreements	5,086	4,297
Usage rights under lease agreements	(4,791)	(4,000)
Borrowing issuance costs at <u>the</u> effective interest rate	(190)	(182)
Internal margins on inventory	58	127
Other temporary differences (including R&D)	(952)	(1,276)
Capitalization of tax loss carryforwards	0	0
Total net deferred taxes	(632)	(857)

Deferred taxes for French companies were valued using the tax rate in effect in the year the temporary differences reverse, taking into account the 25% tax rate effective January¹, 2024, and for subsequent fiscal years.

Since December 31, 2021, the Group has limited the recognition of deferred tax assets (DTAs) on tax loss carryforwards

of tax entities based on the prospects for recovery over a 3-year horizon. Previously, the Group limited the recognition of DTAs on tax loss carryforwards based on the probability of recovery over a 5-year horizon.

The amount of unrecognized tax loss carryforwards in the financial statements for Forsee Power is €246,622 thousand (i.e., €61,656,000 in unrecognized deferred tax assets) as of December 31, 2025, compared to €212,770,000 (i.e., €53,193,000 in unrecognized deferred tax assets) as of December 31, 2024.

The change in deferred taxes recognized in income and equity is as follows:

en milliers d'euros	31 décembre 2025	31 décembre 2024
Impôts différés actifs à l'ouverture	92	488
Charge comptabilisée au résultat global	(28)	(1 084)
IDA sur activation des contrats de location	295	297
Compensation IDA/IDP sur entité fiscale	(309)	750
Autres	144	(360)
Impôts différés actifs à la clôture	101	92
Impôts différés passifs à l'ouverture	948	311
Charge comptabilisée au résultat global	0	113
Compensation IDA/IDP sur entité fiscale	(309)	750
Autres	(95)	(226)
Impôts différés passifs à la clôture	734	948

in thousands of euros	December 31 2025	December 31 2024
Deferred taxes at the beginning of the period	0	0
Deferred taxes on capital increase expenses	(109)	(684)
Deferred taxes not recognized in OCI	109	684
Deferred taxes at the balance sheet <u>date</u>	0	0

7.19. Assets and liabilities held for sale

The assets and liabilities of the subsidiary Forsee Power India Private Ltd are presented as of December 31, 2025, as assets and liabilities held for sale in light of an expected sale of 51% of the shares in this company, for which a letter of intent was signed in 2026 (see Note 10.1).

The breakdown of the assets and liabilities held for sale of Forsee Power India Private Ltd is as follows:

in thousands of euros	December 31 2025
Property, plant, and equipment	809
Usage rights	161
Financial assets	137
Deferred tax assets	5
Non-current assets	1,112
Inventories	1,265
Accounts receivable	538
Other receivables	1,399
Cash	333
Current assets	3,534
Total Assets held for sale	4,646

in thousands of euros	December 31 2025
Non-current debt related to usage rights	107
Other non-current liabilities	0
Non-current liabilities	107
Current debt on usage rights	71
Other non-current liabilities	
Accounts payable	559
Other current liabilities	693
Current liabilities	1,323
Total Liabilities held for sale	1,429

8. Information regarding items in the consolidated statement of comprehensive income

8.1. Revenue

in thousands of euros	December 31 2025	December 31 2024
Sales of goods	116,059	148,457
Services	2,978	2,332
Other activities	1,419	977
Total	120,456	151,766

The amount of the order backlog (firm but unfulfilled orders) and the projected timeline for fulfilling unmet service obligations are as follows:

in thousands of euros	December 31 2025	December 31 2024
Order backlog at the beginning of the period	66,320	133,346
- Commitments at the beginning of the period for which services were performed during the period and recognized as revenue	(63,975)	(75,963)
- Commitments at the beginning of the period for which services were not performed during the period because they were canceled (order cancellation)		
+ Firm offers signed during the period	78,243	84,740
- Firm offers signed during the period recognized as revenue	(55,891)	(75,804)
Order backlog at the end of the period	24,696	66,320
Projected revenue recognition schedule		
Expected to be recognized in 2025		66,074
Expected completion in 2026	20,569	245
Expected achievement in 2027 and beyond	4,127	
Total order backlog at the end of the period	24,696	66,320

8.2. Other operating income and expenses

in thousands of euros	December 31, 2025	December 31, 2024
Gain on disposal of fixed assets	146	0
Directors' fees	(199)	(393)
Losses on uncollectible receivables	(884)	(75)
Miscellaneous operating income and expenses (1)	(596)	(594)
Other operating income and expenses	(1,533)	(1,062)

1) Including, as of December 31, 2025, prior-period expenses of €203,000.

Of which, as of December 31, 2024: URSSAF and customs penalties totaling €138,000, compensation paid to Foncière du Paisy totaling €105,000, expenses from prior years totaling €257,000, and losses on uncollectible receivables totaling €75,000.

8.3. External services and purchases consumed

in thousands of euros	December 31, 2025	December 31, 2024
Purchases, including foreign exchange gains and losses on purchases (1)	(77,071)	(100,898)
Fees, external services (1)	(2,911)	(8,590)
Rent, maintenance & insurance	(4,431)	(3,627)
Transportation, travel & hospitality	(3,207)	(4,242)
Study and research expenses	(1,649)	(2,425)
Postage & telecommunications expenses	(521)	(290)
Contract work (1)	(1,781)	(1,513)
Other	(971)	(211)
Outside services and purchased supplies	(92,540)	(121,797)

1) No Research Tax Credit (CIR) proceeds were deducted from purchases as of December 31, 2025, or as of December 31, 2024.

A portion of the Research Tax Credit (CIR) proceeds is presented as a deduction from subcontracting expenses in the amount of €67,000 as of December 31, 2025, and €66,000 as of December 31, 2024.

A portion of the Research Tax Credit (CIR) proceeds is presented as a deduction from professional fees of €87,000 as of December 31, 2025, and €85,000 as of December 31, 2024.

8.4. Personnel expenses and headcount

in thousands of euros	December 31 2025	December 31 2024
Personnel expenses		
Compensation (1)	(19,714)	(19,330)
Social security contributions (2)	(7,283)	(6,162)
Other short-term benefits	(606)	(709)
Service cost of defined benefit plans	(50)	(51)
Share-based payment costs	(113)	(555)
Employer contributions on share-based payments	0	0
Directors' fees	(199)	0
Total	(27,965)	(26,807)

- 1) A portion of the Research Tax Credit (CIR) proceeds is presented as a deduction from compensation expenses in the amount of €1,108,000 as of December 31, 2025, and €1,017,000 as of December 31, 2024.
- 2) A portion of the Research Tax Credit (CIR) proceeds is presented as a deduction from social security contributions in the amount of €459,000 as of December 31, 2025, and €481,000 as of December 31, 2024.

The average number of full-time equivalent employees is as follows:

	December 31 2025	December 31 2024
Managers	286	305
Non-executives	298	374
Total	584	679

8.5. Taxes

in thousands of euros	December 31, 2025	December 31, 2024
Payroll taxes	(446)	(513)
Other taxes	(716)	(677)
Taxes	(1,162)	(1,190)

8.6. Provisions/Reversals for depreciation and operating provisions

in thousands of euros	December 31, 2025	December 31, 2024
Amortization and impairment of intangible assets	(6,053)	(2,580)
Amortization of right-of-use assets	(2,728)	(2,551)
Depreciation and impairment of property, plant, and equipment	(4,655)	(3,888)
Provisions for risks and charges (1)	(604)	754
Net write-downs on inventory and accounts receivable	(1,561)	(3,479)
Net provisions	(15,601)	(11,743)

1) Including an additional provision for recycling of €101,000 in 2025 compared to a provision of €1,470,000 in 2024 due to lower recycling costs.

8.7. Non-recurring operating income

in thousands of euros	December 31, 2025	December 31, 2024
Restructuring costs in France (1)	(2,486)	
Restructuring costs in China (2)	(583)	
Implementation and maintenance costs for Infor LN software (3)	(286)	(1,702)
Non-recurring operating income	(3,355)	(1,702)

1) Costs related to the restructuring of the industrialization department in Chasseneuil-du-Poitou (€384,000) carried out in the first half of 2025, the costs incurred following the implementation of the collective voluntary redundancy plan (€1,683,000) and the consulting fees associated with this restructuring plan (€419,000) were recognized in non-recurring income.

2) The costs associated with the layoffs of approximately 70 employees at the two Chinese companies in 2025 are reported as non-recurring expenses.

3) The final startup costs for the Infor LN ERP system continued into the first half of 2025, amounting to €286,000.

For the record, non-recurring expenses in 2024 corresponded to costs related to the implementation of a new SaaS-based integrated management software (ERP) system, named Infor LN, which went live on July¹, 2024.

8.8. Financial result

in thousands of euros	December 31, 2025	December 31, 2024
Financial income received from financial assets	160	63
Unrealized financial income	0	0
Financial income	160	63
Interest expense on borrowings (1)	(2,430)	(3,605)
Gross cost of debt	(2,430)	(3,605)
Foreign exchange gains and losses	(2,896)	1,877
Net impairment losses on financial assets measured at amortized cost	(14)	(16)
Change in fair value of derivatives (2)	175	4,017
Discounting <u>expense</u> on non-current assets and liabilities or with maturities exceeding 12 months	(61)	1,074
Effective interest expense on financial liabilities (EIR) (3)	(307)	(117)
Interest expense on debt related to leased assets	(660)	(739)
Bank and factoring fees and commissions	(1,098)	(1,143)
Other financial income received	39	56
Benefits granted under the PGE program at rates non-market terms	181	327
Other net financial income and expenses	(4,642)	5,336
Financial income	(6,912)	1,794

- 1) Of which, as of December 31, 2025, (1,391) K€ in interest on the loan taken out with the EIB Tranche A, (616) K€ in interest on the loan taken out with the EIB Tranche C, and (314) K€ in interest on the loan taken out with the EIB Tranche D. A portion of this interest was paid to the EIB in 2025 for a total amount of 1,362 K€.
- 2) Of which, as of December 31, 2025, €1,000 in fair value changes on the EIB Warrant A derivative, €21,000 in fair value changes on the EIB Warrant C derivative, and €31,000 in fair value changes on the EIB Warrant E derivative; and as of December 31, 2024, €2,469,000 in fair value changes on the EIB Warrant A derivative, €1,092,000 in fair value changes on the EIB Warrant C derivative, and €574,000 in fair value changes on the EIB Warrant E derivative (see Note 7.14).
- 3) Of which as of December 31, 2025, €129,000 in financial expenses related to the impact of the original effective interest rate (EIR) of the EIB Loan Tranche A, and €221,000 in financial expenses related to the impact of the original effective interest rate (EIR) of the EIB Loan Tranche C.

8.9. Income tax

Deferred tax liabilities at the beginning of the period	December 31 2025	December 31 2024
Current taxes	(153)	(214)
Deferred taxes (1)	347	(1,084)
Income tax expense	194	(1,297)

1) Of which €184K in deferred tax income in 2025 related to the capitalization and amortization of development costs on ZFI.

The tax breakdown for fiscal years 2025 and 2024 is as follows:

in thousands of euros	December 31 2025	December 31 2024
Theoretical tax expense (at the applicable rate)	7,054	2,694
Actual tax liability	194	(1,297)
Difference	6,860	3,991
Permanent differences on payments in shares	28	139
Other permanent differences	(672)	(231)
Tax credits (CIR and CIF)	(467)	(456)
Derivatives on financial instruments	(35)	(1,227)
Non-recognition of IDA on other temporary differences	451	(391)
Tax loss incurred during the period and not recognized on the balance sheet	7,403	6,182
Utilization of prior tax losses not recognized on the balance sheet	0	0
Tax rate differences between countries	152	(25)
Other differences	0	0
Total	6,860	3,991

9. Information regarding items in the consolidated statement of cash flows

9.1. Depreciation, provisions, and impairment charges

in thousands of euros	December 31, 2025	December 31, 2024
Net charges to fixed assets	10,708	6,468
Net additions to property, plant, and equipment	2,728	2,551
Net provisions for risks and charges	604	(754)
Service cost for defined benefit plans	50	51
Net provisions	14,091	8,315

9.2. Working capital requirement

in thousands of euros	Notes	31 December 2024	Work- ing Capit- al	IFRS impact 5 Forsee INDIA	Discounting effects and other non-cash effects in working capital	Translatio- n effects	31 December 2025
Net inventory	7.6	43,294	(13,201)	(1,265)	(132)	(809)	27,887
Trade receivables and related accounts	7.7	11,161	(2,332)	(538)		(163)	8,127
Other assets	7.8	25,993	(16,425)	(1,399)	132	2,442	10,743
Accounts payable	7.17	(18,320)	10,544	559	473	608	(6,137)
Other liabilities	7.18	(27,845)	7,903	692	181	297	(18,773)
Total		34,282	(13,512)	(1,951)	654	2,374	21,848

in thousands of euros	Notes	31 December 2024	Change and impact result	IFRS effect 5 Forsee INDIA	Translatio- n effects	Discountin- g effects and other non- cash effects on working Capital	31 December 2025
Change in deferred taxes	7.19	(857)	(28)	(5)	380	(123)	(632)
Change in corporate income tax receivables (1)	7.18	2,504	1,771		9	(77)	4,207
of which CIR		2,433	1,774			(77)	4,130
Tax expense recognized	8.9	(1,297)	(194)				194
Total changes in income tax			(225)	(5)	389	(123)	

(1) Including €1,899,000 in CIR receivables net of BPI pre-financing (2021, 2022, 2023, and 2024) as of December 31, 2025, as of December 31, 2024

Changes from the prior year are as follows:

in thousands of euros	Notes	31 December 2023	Work ing capit al	Discounting effects and other non-cash effects on working capital	Translatio -n effects	December 31 2024
Net inventory	7.6	44,481	(1,506)		319	43,294
Trade receivables and related accounts	7.7	27,633	(16,019)	(500)	46	11,161
Other assets	7.8	18,816	6,849	121	208	25,993
Accounts payable	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	31 December 2023	Change and impact on income	Discounting effects and other non- cash effects on working capital	Currency translation effects	Receipt of BPI pre- financing	December 31 December 2024
Change in deferred taxes	7.19	177	(1,084)	80	(30)		(857)
Change in income tax receivables and payables	7 and 7.18	3,382	872	1,054	(4)	(2,800)	2,504
<i>of which CIR</i>		3,717	462	1,054		(2,800)	2,433
Tax expense recognized	8.9	(411)	1,297				(1,297)
Total changes in income tax			624	80	(35)		

(1) Of which €1,899K in CIR receivables net of BPI pre-financing (2021, 2022, 2023, and 2024) as of December 31, 2024.

9.3. Cash flows from purchases of fixed assets

in thousands of euros	December 31, 2025	December 31, 2024
Acquisition of intangible assets	(9,373)	(11,273)
Acquisition of property, plant, and equipment, net of advances and deposits	(1,809)	(9,176)
Acquisition of financial assets	(146)	(136)
Total Investments	(11,328)	(20,585)
Debt on acquisition of fixed assets	23	68
Net cash flow from acquisition of fixed assets	(11,305)	(20,517)

9.4. Gain/(Loss) on the sale of fixed assets

in thousands of euros	December 31, 2025	December 31, 2024
Proceeds from disposal of intangible assets	(400)	0
Proceeds from the sale of property, plant, and equipment	(178)	0
Proceeds from the sale of financial assets	0	0
Net book value of intangible assets sold	276	0
Net book value of property, plant, and equipment sold	155	0
Net book value of financial assets sold	0	0
Gain / (loss) on disposal of fixed assets	(146)	0

9.5. Cash flows from disposals of fixed assets

in thousands of euros	December 31, 2025	December 31, 2024
Disposals of intangible assets	400	0
Disposals of property, plant, and equipment	178	0
Disposals of financial assets	0	0
Receivable from disposal of fixed assets	0	0
Net cash flow from disposal of fixed assets	578	0

9.6. Cash flows from changes in scope of consolidation

There were no cash flows related to changes in scope of consolidation for the fiscal years ended December 31, 2025, and December 31, 2024.

10. Other Information

10.1. Events after December 31, 2025

10.1.1. Adjustment of the debt structure

On April 28 and 30, 2026, the Group entered into a comprehensive plan with its banking partners to restructure the short-term maturities of its financial debt, aimed at securing the company's cash flow and business continuity.

This agreement is structured around the following agreements, each of which is contingent upon the other two:

- Regarding inventory financing, a moratorium on the maturity—originally scheduled for December 31, 2025—of the commercial paper issued in 2025, leading to a phased repayment of the €8.8 million in outstanding principal through December 31, 2027 (including €1.5 million in 2026 and €7.3 million in 2027);
- Regarding EIB loans, a moratorium and the extension until the end of 2027 of the maturity of €6 million of Tranche

A of the EIB debt (, initially due in June 2026 (including €0.9 million in 2026 and €5.1 million in 2027);

- c) Regarding State-Guaranteed Loans (€2.8 million), a moratorium until December 31, 2027, to be supplemented by an adjustment to the repayment schedule.

Each of these agreements is subject to standard conditions precedent, relating in particular to financing transactions, repayment and distribution flows, as well as the maintenance of a financial position in line with the lenders' expectations.

Finally, this plan will be supplemented, in the second half of 2026, by the implementation of a capital-raising transaction with the Group's current shareholders and/or new investors.

These agreements help support the application of the going concern accounting assumption at the 2025 year-end.

10.1.2. Joint Venture Project in India

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

This proposed sale is currently underway and remains subject to customary conditions precedent. As of the 2025 fiscal year-end, there is no binding obligation to sell.

10.1.3. Transfer of Forsee Power's listing

On February 12, 2026, FORSEE POWER shares were transferred from the regulated market of Euronext Paris to Euronext Growth® Paris. The delisting of the shares from Euronext Paris took place on the same day. The purpose of this transfer is to enable the Company to be listed on a market offering a regulatory framework better suited to its size. The transfer of the securities' listing is intended, in particular, to simplify the administrative obligations imposed on the Company and to reduce management costs, while allowing it to continue to benefit from the appeal of the financial markets.

10.1.4. Measures to Reduce Personnel Expenses

The long-term partial activity program (APLD), implemented for all employees since September 1, 2025, remains in effect and is expected to continue for much of 2026.

The collective voluntary termination program (RCC), implemented to adjust headcount in response to the decline in business activity, concluded on March 9, 2026. It resulted in 58 approved departures, compared to the 60 initially planned .

10.2. Relations with Related Parties

10.2.1. Compensation Paid to Management

The compensation allocated to members of the Executive Committee and members of the Board of Directors is as follows:

in thousands of euros	December 31, 2025	December 31, 2024
Salaries and other short-term benefits	3,836	3,800
Post-employment benefits	17	18
Other compensation	0	0
Severance pay	0	0
Share-based payments	181	236
Directors' fees	199	393
Compensation of key executives	4,233	4,447

10.2.2. Transactions with related parties

in thousands of euros	December 31, 2025	December 31, 2024
Receivable from NEoT CAPITAL	0	0
Accounts payable to a shareholder	2	0
Financial debt to shareholders	260	482
Total items in the statement of financial position	262	482
Salaries and other short-term benefits	(3,836)	(3,800)
Share-based payments	(181)	(236)
Fees	(49)	(48)
Other expenses	0	0
Revenue	124	346
Purchases	(52)	0
Interest income on receivables from NEoT CAPITAL	0	0
Total income statement items	(3,994)	(3,738)

Parties related to the Forsee Power Group are defined in Note 3.3.32.

Significant transactions with related parties during the 2025 fiscal year are:

Business Contribution Agreement entered into with Mitsui & Co., Ltd.

On December 21, 2020, Forsee Power SA entered into a contract titled *Business Contribution Agreement* with Mitsui & Co., Ltd., which was amended and replaced by a new contract on June 17, 2022. This new agreement took effect retroactively as of October¹, 2021, for a term of one year, renewable by tacit agreement for successive one-year terms. It was thus renewed by tacit agreement for a period running from October¹, 2022, to September 30, 2023.

Mitsui & Co., Ltd. is a shareholder of Forsee Power SA, holding more than 10% of the voting rights, 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.

Under this agreement, Mitsui & Co., Ltd. is tasked with assisting Forsee Power in business development, sales, and marketing activities on behalf of Forsee Power, acting as an exclusive agent within Japan. In exchange for the services provided, Mitsui & Co., Ltd. receives a success fee based on sales invoiced by Forsee Power to any customer headquartered in Japan.

Under this agreement, Mitsui & Co., Ltd. invoiced Forsee Power SA for €49,000 during the fiscal year ended December 31, 2025, compared to €48,000 in the previous fiscal year.

Collaboration Agreement entered into with Mitsui & Co., Ltd.

On September 27, 2021, Forsee Power SA entered into a *Collaboration Agreement* with Mitsui & Co., Ltd. Mitsui & Co., Ltd. is a shareholder of Forsee Power SA holding more than 10% of the voting rights, 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 agreement is to establish a framework for the commercial collaboration between Forsee Power SA and Mitsui & Co., Ltd. The financial terms in exchange for the services provided 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.

This agreement was extended through fiscal year 2025.

Collaboration Agreement entered into with Mitsui & Co. Europe Ltd.

On May 12, 2025, Forsee Power SA entered into a contract titled “*Sales Agency Agreement*” with Mitsui & Co. Europe Ltd. for an initial term of 12 months.

The purpose of this agreement is to establish a framework for the commercial and marketing collaboration between Forsee Power SA and Mitsui & Co. Europe Ltd. within Turkey. The financial terms for the services provided 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.

The agreement was amended in January 2026, extending its term to 24 months.

10.3. Off-balance-sheet commitments

Commitments as of December 31, 2025, are as follows:

SBLC in favor of a real estate lessor and cash pledge

On July 25, 2022, Forsee Power obtained from a French bank an SBLC (stand-by letter of credit) for a maximum amount of \$1 million in favor of the owner of the industrial building leased in Hilliard, United States. The amount guaranteed by

this SBLC decreases annually by 10% until November 1· 2032.

This SBLC, accompanied by an interest-bearing cash collateral of €1 million, was reissued in November 2024 with another banking partner, thereby reducing the cash collateral to €400,000, a sum that decreases by €100,000 annually until November 2028.

SBLC in favor of Indian customs and cash collateral

On July 7, 2023, Forsee Power obtained a standby letter of credit (SBLC) from a French bank for a maximum amount of €650,000 in favor of an Indian bank, enabling the issuance of a bank guarantee to Indian customs authorities.

This SBLC is accompanied by an interest-bearing cash deposit in the amount of €650,000 until January 18, 2025, and was renewed through December 2025, at which time it was released following the release of the guarantee in favor of Indian customs and the return of the SBLC.

Forsee Power also obtained a new SBLC (standby letter of credit) for 9 million Indian rupees (approximately €100,000) in September 2024 from a French bank in favor of Indian customs, accompanied by a cash pledge with a maturity date of March 31, 2025.

Guarantee in favor of a Chinese supplier

In December 2024, Forsee Power issued a guarantee in favor of a Chinese supplier in the amount of 58 million Chinese yuan, allowing for an extension of payment terms for its Chinese subsidiary.

In March 2025, Forsee Power also obtained a stand-by letter of credit (SBLC) from a French bank in the amount of €400,000, without a cash deposit, in favor of a Japanese supplier, in order to extend the payment terms for the French company. This letter of credit also remains in effect.

Pledge of business assets in favor of the EIB

A pledge of the business assets in favor of the EIB was granted upon the drawdown of the €21.5 million Tranche A in June 2021.

The refinancing of this Tranche A in July 2025 did not affect this pledge, which remains in effect to this day.

Guarantees granted to Mitsui & Co

Pursuant to an agreement titled the Investment Agreement entered into on December 18, 2017, Forsee Power SA provided guarantees in favor of Mitsui & Co., Ltd. If a warranty representation proves to be inaccurate, Forsee Power SA has undertaken to compensate Mitsui & Co., Ltd. for the resulting loss through either (i) a payment, or (ii) an issuance of shares reserved for Mitsui upon exercise of the stock options held by Mitsui (up to a maximum of 52,748 new shares). Following the cancellation of the BSAG by resolutions of the General Meeting of September 28, 2021, Mitsui & Co., Ltd. could only seek compensation for the loss through payment by the Company of indemnification in its favor. No claim for compensation had been received by Forsee Power SA as of the balance sheet date of April 23, 2024. The maximum amount of indemnification that could be owed by Forsee Power SA is capped at €4.5 million. This cap is, however,

largely theoretical, as Forsee Power SA's indemnification obligation expired in June 2019 for most of the matters covered by the guarantee. Only damages resulting from breaches of representations relating to tax, anti-corruption, or environmental matters remain covered until the end of their statute of limitations plus 30 days (namely until January 31, 2021, for most tax matters, and until the expiration 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, 2025			
	Deloitte & Associates	BDO	Others	Total
Fees related to the audit and review of the individual and consolidated financial statements	125	120	0	245
<i>Issuer</i>	116	114	0	230
<i>Fully consolidated subsidiaries (1)</i>	9	6	0	15
Fees related to the review of the Sustainability Report	20	0	0	20
Fees for services other than certification	14	0	0	14
Fees for services required by law	0	0	0	0
Other services	14	0	0	14
Total	159	120	0	279

Excluding tax and fees

1) Includes special reviews conducted at the Group's request in countries where a statutory audit is not required (China, India).

in thousands of euros	December 31, 2024			
	Deloitte & Partners	BDO	Others	Total
Fees for the audit and review of the individual and consolidated financial statements	155	120	0	275
<i>Issuer</i>	130	102	0	232
<i>Fully consolidated subsidiaries (1)</i>	25	18	0	43
Fees related to the audit of the Sustainability Report	66	0	0	66
Fees for services other than certification	46	10	0	56
Fees for services required by law	0	0	0	0
Other services	46	10	0	56
Total	267	130	0	397

Excluding tax and fees

1) Includes special reviews performed at the Group's request in countries where a statutory audit is not required (China, India).

2.4. Statutory Auditors' Certification Report on the Group's Consolidated Financial Statements as of December 31, 2025

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 31 December 2025.

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 31 December 2025 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.

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 1 January 2025 to the date of our report.

Emphasis of Matter

We draw attention to Note 10.1 of consolidated the financial statements, which describes subsequent events after 31 December 2025. Our opinion is not modified in respect of this matter.

Justification of Assessments

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.

- Notes 3.1.2, 3.3.3 and 7.2 to the consolidated financial statements set out the accounting policies and methods applicable to the recognition of development costs.

As part of our assessment of the accounting principles applied by your Company, we reviewed the methods used to capitalize development costs of a total net amount of €34.3 million, as well as the methods used for their amortization and any anticipated impairment. and we verified the appropriateness of the disclosures in Notes 3.1.2, 3.3.3 and 7.2 to the consolidated financial statements.

- Your Group records provisions to cover risks related to its litigation, including the litigation with Unu GmbH, as described in Notes 3.1.2, 3.3.16, and 7.11 to the consolidated financial statements.

Regarding the litigation with Unu GmbH, we have reviewed your Company's procedures to ensure the satisfactory assessment and accounting recognition of the litigation. We verified that any uncertainties are correctly disclosed in Note 7.11 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.

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 consolidated financial statements were approved by the Board of Directors on 7 May 2026

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.

Paris-La Défense and Paris, 13 May 2026

The Statutory Auditors

French original signed by

Deloitte & Associés
Thierry QUERON

BDO Paris
Arnaud TONNET

3.

CORPORATE GOVERNANCE REPORT

This corporate governance report is presented in accordance with the provisions of Article L.225-37, paragraph 6, of the French Commercial Code.

The Company notes that the provisions of Article L.22-10-10, 4° of the French Commercial Code, relating to the selection of a corporate governance code, are no longer applicable to the Company as of February 16, 2026, due to the admission of the Company's shares to trading on the Euronext Growth organized multilateral trading facility.

In an effort to simplify its governance and to address the Company's current size and challenges, the Company has decided not to maintain a voluntary reference to the corporate governance code for small and mid-cap companies published by MiddleNext (the "MiddleNext Code").

The Company complies with the corporate governance requirements established by law and nevertheless remains attentive to the relevance of the recommendations in the Middenext Code, given the Company's size and current resources

3.1. Board of Directors

3.1.1. Information on the Composition and Members of the Board of Directors

3.1.1.1. Composition of the Board of Directors

As of April 14, 2026, the date on which the Board of Directors prepared the corporate governance report, the Board consists of eight members, including three women and five independent members, as well as two non-voting members. The composition of the Board of Directors is described in the tables below.

The term of office for directors is set at three (3) years. This term is tailored to the specific characteristics of the company, within the limits set by law. Following changes to the composition of the Board of Directors approved by the Annual General Meeting held to approve the financial statements for the year ended December 31, 2023, the terms of office for directors have been staggered.

Last Name, First Name, Title or Position of Board Members	"Members of the Board" Independent Specify (Yes / No)	Year First Nomination	Term From Term	Experience and expertise contributed	Current terms
Christophe Gurtner Chairman and Chief Executive Officer Director	No	2021	Annual General Meeting to approve the financial statements for the fiscal year ending December 31, 2026	Management, reorganization, mergers and acquisitions, business and strategic development	Chairman of the Board of Directors and Chief Executive Officer of the Company; NeoT Capital: Chairman
Bpifrance Investissement, represented by Eric Lecomte Director	No	2021	Annual General Meeting to approve the financial statements for the fiscal year ending December 31, 2027	Investment in public-private partnership companies, investments in local energy distribution companies, structuring and investing in renewable energy production projects, structuring and investing in projects for the industrialization of innovations	Member of the Company's Board of Directors AVRIL PROTEIN SOLUTIONS SAS: Member of the Strategic Committee EVERTREE SAS: Member of the Board of Directors AFYREN NEOXY: Member of the Board of Directors, permanent representative of Bpifrance Investissement LACROIX ELECTRONICS BEAUPREAU SAS: Member of the Board of

					Directors, permanent representative of Bpifrance Investissement PRIMO1D: Member of the Board of Directors , permanent representative of Bpifrance Investissement ITEN SA: Member of the Board of Directors, permanent representative of Bpifrance Investissement MILLA SAS: Member of the Strategic Committee, permanent representative of Bpifrance Investissement BPIFRANCE INVESTISSEMENT: Deputy Director in charge of industrial project funds (investments to promote the industrialization of innovations in France).
EURAZEO GLOBAL INVESTOR represented by Matthieu Bonamy Director	No	2023	Annual General Meeting to approve the financial statements for the fiscal year ending December 31, 2027	Venture capital, growth capital, energy transition, green technologies, electric mobility, new forms of mobility, industry of the future	1Komma5° (DE): Member of the Board of Directors Wemaintain: Member of the Board of Directors SpaceFill (FR): Member of the Board of Directors Sunfire (DE): Member of the Board of Directors Actility (FR): Member of the Board of Directors Urban Chain (UK): Member of the Board of Directors Sonaura (UK): Member of the Board of Directors Rendesco (UK): Member of the Board of Directors COVE (SGP): Member of the Board of Directors.
Pierre Lahutte Director	No	2021	Annual General Meeting to approve the financial statements for the fiscal year ending December 31, 2026	25 years of experience in agricultural machinery, mobility, and transportation with a strong focus on sustainable development and the introduction of disruptive decarbonization solutions (electric, biomethane, hydrogen)	FORSEE POWER Member of the Board of Directors FRIEM S.p.A.: Director Berto Group: Member of the Supervisory Board AMILU SAS: Chairman Member of the Sterne Group's Strategic Council on behalf of Tikehau Capital FAYAT Cleantech – Fayat Group: Chairman Société Mathieu SAS: Chairman
Joerg Ernst Director	Yes	2021	Annual General Meeting to approve the financial statements for the fiscal year ending December 31, 2026	Over 30 years of experience in electric propulsion systems for various 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 the industry on a global level	FORSEE POWER: Member of the Board of Directors – Independent Director EUACO Rail AG (Switzerland): Founding Chairman EUACO Next AG (Switzerland): Founding Chairman
Corinne Jouanny Director	Yes	2021	Annual General Meeting to approve the financial statements for the fiscal year ending December 31, 2026	Innovation Management / Business Strategy / Research & Development	FORSEE POWER: Member of the Board of Directors – Independent Director CAPGEMINI: Executive Vice President
Marie Cros Director	Yes	2024	Annual General Meeting to approve the financial statements for the fiscal year ending December 31, 2025	25 years of experience in financial roles in the international industrial sector	FORSEE POWER: Member of the Board of Directors – Independent Director

Florence Triou Teixeira	Yes	2024	Annual General Meeting to approve the financial statements for the fiscal year ending December 31, 2025	Over 30 years of experience in corporate and market finance, marketing, and subsequently in the general management of business units and/or companies (including organizational transformation and business development) within major industrial groups operating in the chemical, construction, energy transition, and technology sectors	FORSEE POWER: Member of the Board of Directors – Independent Director CEO of Exertis Connect France and Azenn (DCC Group)
BALLARD POWER SYSTEMS Inc., represented by Nicolas Pocard Non-voting Director	-	2024	Annual General Meeting to approve the financial statements for the fiscal year ending December 31, 2026	Over 25 years of experience in sales, business development, marketing, management, and corporate strategy. Expertise in the electric mobility market with in-depth knowledge of European, North American, and Asian markets	FORSEE POWER: Member of the Company’s Board of Directors – Non-Executive Director Advisor to Ballard Power Systems Inc Executive at 49 Parallel Insights Board member of the California Hydrogen Business Council
NORIA Gestion, represented by Christophe Guillaume Non-voting Director		2025	Annual General Meeting to approve the financial statements for the fiscal year ending December 31, 2027	Over 25 years of experience in business turnarounds and restructuring. Since 2015, he has been developing a platform focused on a comprehensive environmental initiative	FORSEE POWER: Member of the Company’s Board of Directors – Non-voting Director President of Noria Gestion SAS Chairman of Noria SAS Manager of CKM SARL Manager of Campus Pro Emploi SARL Manager of Eoliennes des 4 Chemins SARL President of Passo SAS Permanent Representative of Passo SAS, President of Campus Pro SAS Director of Noria Invest SRL – Belgium Director of Orlandia SA – Belgium Director of Cimalp SA – Luxembourg Manager of Larochette Invest SARL – Luxembourg Chair of Cascadya SAS

3.1.1.2. Changes in the composition of the Board of Directors between 2025 and 2026

In 2025, the Board of Directors continued the process of staggering the renewal of directors' terms of office. In accordance with its recommendation to the Annual General Meeting of Shareholders held on May 16, 2025, it was proposed to renew the terms of office of the directors listed below, for a term expiring at the Annual General Meeting called to approve the financial statements for the year ended December 31, 2027:

- Bpifrance Investissement, represented by Mr. Eric Lecomte,
- Eurazeo Global Investor, represented by Mr. Mathieu Bonamy,
- Mr. Shinichi Ban.

This renewal proposal was approved by the resolutions of the Annual General Meeting of Shareholders held on May 16, 2025.

In 2025, the Board of Directors also decided to appoint Noria Gestion, represented by Mr. Christophe Guillaume, as an external director at its meeting on September 10, 2025, and this appointment was ratified by resolutions of the Company's General Meeting held on December 15, 2025. In 2025, the Board of Directors also took note of the resignations of Mr. Shinichi Ban and Ms. Aurélie Picart from their positions as directors.

In 2026, the terms of office of Directors Ms. Marie Cros and Ms. Florence Triou-Teixeira will expire, and the Board of Directors proposes their reappointment at the next General Meeting called to approve the financial statements for the year ended December 31, 2028.

Following approval by the General Meeting of the corresponding resolutions, the Board of Directors will continue to consist of eight directors. Its independence rate is 50%, the ratio of women to men is 3 to 5, and two nationalities are represented (French and German), excluding non-voting members. As the Company remains attentive to maintaining a proportion of independent directors on its board, it continues to monitor compliance with the independence criteria listed below:

Criteria (1)	Christophe Gurtner	Mathieu Bonamy (Eurazeo)	Eric Lecomte (Bpifrance Investissement)	Pierre Lahutte	Joerg Ernst	Corinne Jouanny	Marie Cros	Florence Triou-Teixeira
Criterion 1: Not having been, during the past five years, and not currently being an employee or an executive officer of the company or of a company within its group	X	✓	✓	✓	✓	✓	✓	✓
Criterion 2: Not having had, in the past two years, and not currently having a significant business relationship with the company or its group (customer, supplier, competitor, service provider, creditor, banker, etc.)	✓	✓	✓	X	✓	✓	✓	✓
Criterion 3: Not be a controlling shareholder of the company or hold a significant percentage of voting rights	X	X	X	✓	✓	✓	✓	✓
Criterion 4: Not have a close relationship or close family ties with a corporate officer or a major shareholder	✓	✓	✓	✓	✓	✓	✓	✓
Criterion 5: Not having served as the company's auditor during the past six years	✓	✓	✓	✓	✓	✓	✓	✓
Independent member (yes/no)	No	No	No	No	Yes	Yes	Yes	Yes

- (1) - In this table, ✓ indicates that an independence criterion has been met, and X indicates that an independence criterion has not been met.

3.1.2. Organization and Operation of the Board of Directors

3.1.2.1. Conditions for the preparation and organization of the Board's work

The operation of the Board of Directors (notices of meetings, meetings, quorum, and information provided to directors) complies with the Company's legal and statutory provisions.

The Board meets as often as required by the Company's interests and, in any event, at least four (4) times a year. In any event, the frequency and duration of meetings must be such as to allow for a thorough review and discussion of matters within the Board's purview.

The Board, in particular:

- determines the direction of the Company's business, particularly its strategy, and ensures its implementation. Subject to the powers expressly granted to shareholders' meetings and within the limits of the corporate purpose, it addresses any matter relevant to the proper functioning of the Company and resolves matters concerning it through its deliberations,
- appoints the Chairman of the Board, the Chief Executive Officer, and the Deputy Chief Executive Officers and sets their compensation,
- appoints the Secretary General of the Board (who may be chosen from among or outside its members—including from among the Company's employees) and sets the term of his or her office,
- authorizes the agreements and commitments referred to in Article L. 225-38 of the Commercial Code,
- proposes the appointment of the statutory auditors to the general meeting of shareholders,
- prepares the Board's report on corporate governance and internal control.

It ensures the quality of the information provided to shareholders and to the markets.

Board members and the Secretary General may participate in Board meetings via videoconference or, failing that, by teleconference. They are then deemed present for the purposes of calculating the quorum and majority.

During the 2025 fiscal year, the Board of Directors met six times, with an average attendance and representation rate of approximately 98%.

The Board of Directors meetings held during the 2025 fiscal year were primarily intended to prepare and/or decide on the following matters:

- Review and approval of the 2024 separate and consolidated financial statements,
- Review and approval of the 2025 interim financial statements and financial report,
- Review of financial information and forecasts,
- Ex-post and ex-ante compensation terms for the Chairman and Chief Executive Officer for fiscal year 2025,
- Allocation of incentive instruments to the Company's executives and key employees,
- Review of the Company's strategic objectives and 2026 budget,

- Review of potential risk factors for the Company,
- Review of the work of the specialized committees, particularly regarding the preparation and oversight of sustainability-related information.

Please note that, in order to simplify governance and reduce associated costs, the Company's management has decided to abolish the various specialized committees that existed within the Board of Directors prior to the transfer of the Company's shares to the Euronext Growth organized multilateral trading facility.

3.1.2.2. Composition of the Board

The Company is supported by Board members with extensive experience and/or who have previously held several directorships. The Company takes into account all training needs regarding technical matters 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 tailored to their needs in the exercise of their mandate on the Board.

3.1.2.3. Information for Board Members

All documents or draft documents intended to inform Board members about the agenda and all matters submitted for the Board's consideration are sent, delivered, or made available to them within a reasonable time prior to the meeting. In addition, where appropriate, requests from members of the Board of Directors for additional information useful for the performance of their duties shall be granted.

Furthermore, directors are regularly informed between meetings when current events at the Company warrant it.

3.1.2.4. Establishment of Board Rules of Procedure

The Board of Directors has adopted internal rules, which were last updated following the transfer of the company's shares to the "growth" segment of Euronext on February 16, 2026.

These internal rules specify, in particular, the rules and procedures governing:

- the powers of the Board of Directors;
- the rules applicable to directors;
- the composition of the Board and the independence criteria for members;
- the functioning of the Board (frequency, convening, informing members, use of videoconferencing and telecommunication tools, minutes, non-voting members, etc.);
- the determination of compensation for members of the Board of Directors;
- the evaluation of the Board's work;
- preparation for executive succession;
- arrangements for protecting corporate officers: directors' and officers' liability insurance (D&O).

The Board of Directors' internal rules provide for the possibility of appointing a Secretary General of the Board, who is responsible, in particular, for coordinating the meetings and work of the Board of Directors. A Secretary General of the

Board was appointed on April 6, 2022.

3.2. Information regarding corporate officers

3.2.1. Executive Management

Determination of the Modalities for the Exercise of General Management

At its meeting on October 15, 2021, the Company's Board of Directors decided to combine the roles of Chairman of the Board of Directors and Chief Executive Officer.

Name and business address	Term	Other position within the Company	Date of appointment	End of term
Christophe Gurtner 1 boulevard Hippolyte Marques, 94200 Ivry-sur- Seine	Chief Executive Officer	Chairman of the Board of Directors	October 15, 2021	Annual General Meeting to approve the financial statements for the fiscal year ending 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 conclusion of the Annual General Meeting to approve the financial statements for the fiscal year ended December 31, 2023. A proposal was made to the Company's Annual General Meeting on June 21, 2024, to renew Mr. Christophe Gurtner's term as a director for a period of three years ending at the conclusion of the ordinary general meeting of shareholders in 2027 to approve the financial statements for the preceding fiscal year. In light of the renewal of Mr. Christophe Gurtner's term as a director, he was appointed Chairman and Chief Executive Officer of the Company during the Board of Directors meeting on June 25, 2024.

It was determined that holding the positions of Chairman and Chief Executive Officer concurrently was appropriate given the Company's current stage of development, which requires, in particular, a high degree of responsiveness in decision-making.

Limitations Imposed by the Board of Directors on the Chief Executive Officer's Powers

Pursuant to its internal rules, the Board of Directors sets limits on the Chief Executive Officer's powers, specifying the transactions for which prior authorization from the Board of Directors is required.

In addition to the powers granted by law to the Board of Directors, decisions regarding the following matters are also subject to prior authorization by the Board, acting by a qualified majority of 85% of its members present or represented:

- (i) the transfer of the Company's registered office outside of France;
- (ii) the conversion of the Company into a European Company where the resulting entity is registered outside France;
- (iii) the cross-border merger of the Company with another entity, provided that the entity resulting from such a transaction has its registered office outside France;
- (iv) the relocation outside of France (in any manner whatsoever) of the Company's principal research and development center; and
- (v) the amendment of the Company's Board of Directors' internal rules regarding items i., ii., iii., and iv. above.

3.2.2. Concurrent Employment and Corporate Office

As of the date of this report, no corporate officer holds an employment contract with any of the Group's companies.

3.2.3. Conflicts of Interest

To the Company's knowledge and subject to the relationships described in Section 6.5 below and as described hereinafter, there is no current or potential conflict of interest as of the date of this report between the duties of each member of the Board of Directors and senior management with respect to the Company in their capacity as corporate officers and the private interests and/or duties of the individuals comprising the Board of Directors and the management bodies.

It is nevertheless noted that:

- Mr. Pierre Lahutte, a director of the Company, has served as Chairman of Fayat Cleantech and Mathieu SAS (Fayat Group) since June 30, 2023. The Fayat Group maintains a commercial relationship with Forsee Power as a client.
- In this regard, Mr. Pierre Lahutte has undertaken, in accordance with his obligations arising in particular from the Board of Directors' internal rules, to withdraw for the portion of the meeting during which the Board of Directors deliberates and votes on a matter that gives rise to or may give rise to a conflict of interest between the Company's corporate interest and his personal interest, whether direct or indirect.
- An agreement regarding the allocation 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 – Sociétés de Projets Industriels, (iv) FCPI Objectif Innovation Patrimoine No. 9, FCPI Idivest Patrimoine No. 6, FCPI Idivest Patrimoine 2016, FPCI Electranova Capital – Idivest Smart City VF, Idivest Innov FRR France, Idivest Expansion 2016, FIP Régions & Industries, FCPI Idivest Patrimoine 2015, and INDINVEST GROWTH SECONDARY S.L.P., and (v) Mr. Christophe Gurtner.

Each director has the duty and obligation to promptly disclose to the Board of Directors any conflict of interest, even if potential or future, with the Company or one of its subsidiaries, in which he or she finds himself or herself or is likely to find himself or herself. He or she must abstain from participating in the discussions and voting on the relevant resolution(s).

The Chairman of the Board of Directors or half of the directors present may also decide that the director must abstain from the discussions and the vote on the relevant resolution(s). In such a case, the director further undertakes to leave the Board of Directors meeting for the duration of the discussions and the vote on the relevant resolution(s).

Generally speaking, with regard to conflicts of interest, the Board of Directors takes preventive measures to raise awareness among directors, in particular by asking them to regularly update their declarations.

With regard to the statutory auditors, apart from the certifications and services provided in accordance with laws and regulations, the Company entrusts services other than the audit of the financial statements to a firm other than the

Company's statutory auditor.

Finally, the Board of Directors ensures each year that directors disclose any conflicts of interest. As of the date of this report, to the Company's knowledge, there are no restrictions accepted by the members of the Board of Directors regarding the sale of their interest in the Company's share capital, with the exception of:

- the rules regarding the prevention of insider trading;
- the holding commitments applicable to the shares granted free of charge to Mr. Christophe Gurtner during the fiscal years 2022, 2024, and 2025, which are subject to (i) a holding period applicable following the vesting period, in accordance with the terms of the law, as well as (ii) a holding commitment covering 20% of the definitively vested bonus shares, which must be held in registered form by Mr. Christophe Gurtner until the termination of his duties as a corporate officer of the Company;
- the lock-up agreements applicable to the shares that would be held by Mr. Christophe Gurtner following the exercise of the stock options under Plans No. 1 and No. 2, as described below.

For regulated agreements, the agreements referred to in Article L.225-38 of the French Commercial Code must be submitted for prior approval by the Board of Directors, and any person directly or indirectly interested in the agreement may not participate in the deliberations or vote on the requested authorization. The Board may seek an independent expert opinion when it deems it appropriate.

3.2.4. Diversity and Equity Policy

In accordance with Article L.22-10-10 2° of the French Commercial Code, equity and respect for gender balance at every hierarchical level of the Company are principles that the Company continues to implement.

Diversity Policy for Members of the Board of Directors

The Board of Directors has implemented a diversity policy aimed at achieving a composition that seeks a good balance and fair distribution of experience, qualifications, cultures, ages, nationalities, and tenure, in line with the Company's needs. The pursuit of this diversity results in a balanced composition within the Board of Directors, taking into account, in particular, the following factors: (i) the desirable balance in the composition of the Board of Directors given the composition and evolution of the Company's shareholder base, (ii) the desirable number of independent members, the proportion of men and women required by applicable regulations, and (iv) the integrity, competence, experience, and independence of each candidate.

It is noted that, as of today, the number of independent directors is four (4), which is in line with the number recommended by the Middledenext Code.

This policy includes a requirement for gender diversity in the composition of the Board of Directors. Indeed, the Board currently comprises 3 women and 5 men.

The balanced representation of women and men is discussed annually by the Board of Directors. The diversity policy also takes into account the varied and complementary skills of the directors. Indeed, some possess strategic skills, while others have financial or more specialized expertise (legal, managerial experience, engineering). Most directors have extensive professional experience in various industries and in senior-level positions, with most currently serving

or having previously served as directors or corporate officers in other French or foreign companies, some of which are publicly traded. This diverse range of profiles results in complementary expertise and experience among the members of the Board of Directors, enabling them to quickly and thoroughly grasp the Company's development challenges and make well-considered, high-quality decisions.

The diversity of experiences and perspectives, as well as the independence of the directors, ensure that the Board of Directors maintains the necessary objectivity and independence from senior management and from any particular shareholder or group of shareholders.

The length of directors' terms and the staggered timing of their expiry dates also contribute to the effective functioning of the Company's corporate bodies. These factors enable directors to exercise sound judgment and foresight, allowing them to act in the Company's best interests and address the challenges facing the Group.

The Board of Directors also has an international character, particularly given the presence of Mr. Joerg Ernst, a German national. Furthermore, several directors have international experience.

Balanced representation of men and women on the Executive Committee

Women make up 11% of the Executive Committee. As part of the implementation of the recent governance framework, the Group aims to promote women's access to leadership positions by advancing the following initiatives:

- seeking gender diversity from the recruitment phase onward,
- raising management awareness about hiring women,
- ensuring women's representation in talent development and promotion processes.

Given the Company's industry, where women are underrepresented in the labor market, the proportion of women remains relatively low. Nevertheless, the Company aims to reach a 28% share of women in management roles by 2026.

Gender diversity results in the top 10% of senior leadership positions

As of December 31, 2025, women accounted for 34.9% of the Group's total workforce and 27% of management positions.

The Group continues to make efforts and ensures a satisfactory gender balance and significant diversity in terms of both career paths and nationalities (35 nationalities).

The Company is continuing to implement its commitment to gender diversity and balanced representation of women and men, with the goal of maintaining this trend by aiming to improve the statistical figures.

3.2.5. Stock options and stock grants

3.2.5.1. Applicable Principles

Pursuant to the provisions of Articles L.225-184 and L.225-197-4 of the French Commercial Code, please find below the required information regarding transactions carried out during the 2025 fiscal year concerning stock subscription or purchase options and free share allocations.

The incentive policy implemented within the Company aims to retain the Company’s senior executives and key managers through the adoption of a plan for the grant of free shares and/or stock options, in order to ensure the Company’s sustainability and growth.

3.2.5.2. Stock Subscription or Purchase Options

No stock options or stock purchase options for the Company were granted to executive officers or employees during the fiscal year ended December 31, 2025.

No stock options or share purchase options for the Company were exercised by an executive officer or an employee during the fiscal year ended December 31, 2025.

3.2.5.3. Free share grants

Shares granted as a bonus during the fiscal year ended December 31, 2025

We remind you that the Combined General Meeting of June 21, 2024, authorized the Board of Directors, pursuant to its thirty-seventh resolution, for a period of 38 months, to proceed, on one or more occasions, with the free allocation of existing or to-be-issued shares (up to a limit of 1,970,845 shares with a par value of €0.10), to the Company’s salaried employees, or certain categories thereof, and/or its corporate officers who meet the conditions of Article L.225-197-1 II of the French Commercial Code.

During the 2025 fiscal year, 550,000 shares (the “AGA”) were granted free of charge to employees and/or executives of the Company and to employees of companies affiliated with the Company within the meaning of Article L. 225-197-2 of the French Commercial Code, who meet the conditions set forth by law, pursuant to the resolutions of the Company’s combined general meeting held on June 21, 2024, as detailed below.

Information on shares granted free of charge during the 2025 fiscal year

Free Allotment Plan	2025 Plan
Date of the Extraordinary General Meeting	June 21, 2024
Date of Allocation Decisions	December 1, 2025, based on the decisions of the Board of Directors on September 10, 2025
Total number of shares granted as a bonus (“AGM ”), of which the number granted to	550,000
Mr. Christophe Gurtner	110,000
Valuation of shares using the method applied in the consolidated financial statements, including the valuation of the BSA allocated to	3,209 euros (1)
Mr. Christophe Gurtner	310 euros
Breakdown of the shares granted among the categories of these beneficiaries	The AGAs were allocated to the corporate officer, members of the “Comex,” members of the “extended Comex,” and “Key talents” of the Group.
Date of acquisition of the shares	December 1, 2027
End date of the holding period	December 1, 2027 (2)
Number of shares subscribed	0
Cumulative number of shares canceled or lapsed	15,000 (3) (4)

1) Corresponds to the amounts recognized in 2025 in accordance with IFRS 2, relating to the 550,000 AGAs granted in December 2025. It is noted, however, that the total valuation of these AGAs takes into account the forfeiture of 5,000 AGAs and the fact that only one of the four performance criteria was met in 2025.

2) It is specified that in accordance with the recommendations of the Nomination and Compensation Committee in place in 2025, at least 20%

of the definitively vested free shares must be held in registered form by Mr. Christophe Gurtner until the termination of his operational duties within one of the companies of the Forsee Power Group.

- 3) It is specified that one beneficiary did not accept, within the time limits required by the plan's regulations, the free allocation of 5,000 shares in his favor. The failure to accept this allocation rendered it void.
- 4) It is noted that the 550,000 shares granted as free shares were subject to performance conditions, only one of which was met. Only 136,250 shares are eligible for definitive vesting by the agent and employees, subject to compliance with the attendance requirement as of the vesting date.

Conditions and criteria for the definitive allocation of free shares under the 2025 Plan:

The definitive vesting of the free shares is subject to:

- A condition that the beneficiary is employed on the last day of the free share vesting period, except as provided for in the plan rules (notably, death or permanent disability),
- Four collective performance conditions set by the Board of Directors, relating to (i) the achievement of a revenue target, (ii) the achievement of an EBITDA target, (iii) the fulfillment of a financing plan, and (iv) the achievement of EcoVadis criteria.

Under this 2025 Plan:

- 110,000 shares were formally granted as free shares during the fiscal year ended December 31, 2025, to the Company's Chairman and Chief Executive Officer;
- 435,000 shares were granted free of charge during the fiscal year ended December 31, 2025, to employees of the Company and companies affiliated with the Company within the meaning of Article L. 225-197-2 of the French Commercial Code;
- Of the 550,000 shares granted free of charge, no common shares were definitively vested during the fiscal year ended December 31, 2025.

Below is the number of shares that were granted by our Company during the fiscal year ended December 31, 2025, to the 10 employees of our Company who are not corporate officers, who received the highest number of shares:

Beneficiaries	Free Share Grant Plan	Total number of shares granted for free	Number of shares subscribed
Employee 1	Plan No. 2025	20,000	0
Employee 2		20,000	0
Employee 3		20,000	0
Employee 4		20,000	0
Employee 5		20,000	0
Employee 6		20,000	0
Employee 7		20,000	0
Employee 8		20,000	0
Employee 9		10,000	0
Employee 10		10,000	0

Shares definitively vested during the fiscal year ended December 31, 2025

Under the various 2024 stock option plans, the Chairman and Chief Executive Officer, exercising the powers granted

to him by the Board of Directors, has determined:

- on November 1, 2025, at the end of the vesting period set for October 31, 2025 (inclusive), the definitive vesting of 9,584 shares and the corresponding increase in the Company's share capital in the amount of 958.40 ,
- on December 1, 2025, at the end of the vesting period set for November 30, 2025 (inclusive), the definitive acquisition of 152,671 shares and the corresponding increase in the Company's share capital in the amount of 15,267.10 euros, and
- on January 1, 2026, at the end of the vesting period set for December 31, 2025 (inclusive), the definitive acquisition of 10,426 shares and the corresponding increase in the Company's share capital in the amount of 1,042.60 euros.

3.3. Agreements entered into between a subsidiary of the Company and a corporate officer or a shareholder holding more than 10% of the Company's voting rights

The agreements falling under Article L. 225-38 of the French Commercial Code are listed below.

3.3.1. Agreements entered into during the fiscal year

- **Sales Agency Agreement entered into with Mitsui & Co., Europe Ltd.**

The Company entered into an agreement titled "Sales Agency Agreement" (the "Agreement") with Mitsui & Co., Europe Ltd. on May 12, 2025. Mitsui & Co., Europe Ltd. is a subsidiary of Mitsui & Co., Ltd.

Mitsui & Co., Ltd. is a shareholder of Forsee Power holding more than 10% of the voting rights, and Mr. Shinichi Ban, who was a member of the Company's Board of Directors at the time the agreement was signed, served as General Manager of the "Battery Solutions" department within the "Sustainability Impact" division of the "Energy Solutions" business unit at Mitsui & Co. Ltd.

Under this agreement, Mitsui & Co., Europe Ltd. is tasked, in particular, with assisting Forsee Power in business development, sales, and marketing activities on behalf of Forsee Power, acting as an exclusive agent within Turkey.

In exchange for the services provided, Mitsui & Co., Europe Ltd. will receive a success fee based on sales invoiced by the Company to any customer headquartered in Turkey.

This agreement does not preclude the Company from collaborating directly with potential customers in Turkey. Mitsui & Co., Europe Ltd's responsibilities apply only to business development and sales and marketing activities. The Company retains the right at all times to promote its products in Turkey, within the Territory, and/or to customers in the Sectors. However, under the Cooperation Agreement, the Company must refrain from dealing with other business partners that could compete with Mitsui & Co. Europe Ltd and must not appoint any third party as an agent or distributor in Turkey.

Remuneration: In consideration of Mitsui & Co. Europe Ltd.'s performance of its contractual obligations, the Company shall pay it:

- A fixed monthly commission of €2,000;

- A sales commission, calculated as follows: 1% of the monthly EXW amount collected from Turkish customers invoiced by the Company (including sales to customers located outside Turkey but whose registered office is in Turkey);
- A distributor commission, calculated as follows: 1% of the monthly EXW invoicing by the Company to Mitsui & Co., Europe Ltd (including sales by Mitsui & Co., Europe Ltd to customers located outside Turkey but where the headquarters is in Turkey).

Contract term:

The Agreement is effective as of January 1, 2025, for a term of one year, renewable by tacit agreement for successive one-year terms.

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

Under this agreement, Mitsui & Co. Europe Ltd. invoiced the Company for €52,404.55 during the fiscal year ended.

3.3.2. Agreements in Effect During the Fiscal Year

The agreement, which remained in effect during the fiscal year and was not renewed during the fiscal year, is detailed below:

- **Business Contribution Agreement entered into with Mitsui & Co., Ltd.**

The Company entered into an agreement titled “Business Contribution Agreement” (the “Cooperation Agreement”) with Mitsui & Co., Ltd., which was amended and superseded by a final amendment dated June 17, 2022 (effective retroactively as of October 1, 2021). This Cooperation Agreement was automatically renewed for a period running from October 1, 2024, to September 30, 2025. However, it is noted that this agreement was terminated by mutual consent of the parties effective April 8, 2025.

Mitsui & Co., Ltd. is a shareholder of Forsee Power holding more than 10% of the voting rights, and Mr. Shinichi Ban, who was a member of the Company’s Board of Directors as of the date of the tacit renewal of the agreement, served as General Manager of the “Battery Solutions” department within the “Sustainability Impact” division of the “Energy Solutions” business unit at Mitsui & Co. Ltd.

Under this agreement, Mitsui & Co., Ltd. is tasked, in particular, with assisting Forsee Power in:

- business development, sales, and marketing activities on behalf of Forsee Power, as an exclusive agent within Japan,
- business development activities in territories other than Japan (the “Territories”) and specific sectors (the “Sectors”) listed in the contract’s appendix or to be listed in the contract’s appendix via an amendment, as a non-exclusive agent in these Territories and Sectors. As of the date of this document, the parties to the contract have agreed that Mitsui shall act as a non-exclusive agent solely in the mining sector (i.e., off-road

vehicles for mining operations).

In consideration for the services performed, Mitsui & Co., Ltd. shall receive a success fee based on sales invoiced by the Company (i) to any customer having its principal place of business in Japan and (ii) to any customer having its principal place of business in the Territories as well as to any customer in the Sectors.

This agreement does not preclude the Company from collaborating directly with potential customers in Japan, the Territories, and/or the 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, in the Territories, and/or to customers in the Sectors, and (ii) to establish direct business relationships with potential customers. However, under the Cooperation Agreement, the Company must refrain from dealing with other business partners that may compete with Mitsui & Co., Ltd. and must not appoint any third party as an agent or distributor in Japan.

It is noted that the Company may deal directly with customers in Japan, subject to the principle that, if the project is implemented or the contractual relationship is established in Japan, Mitsui & Co. Ltd. is entitled to receive the success fee (see below) on all of the Company's sales in Japan.

Compensation: In consideration of Mitsui & Co. Ltd.'s performance of its contractual obligations, the Company shall pay it, at the end of each month during which it has received payment from any customer located in Japan, within the territories and/or sectors, a success fee based on the Company's invoiced sales, calculated as follows:

- **Success Commissions for Customers Located in Japan**

Total sales made over the past 12 months in Japan	Success Commission
Between 0 and 500,000 euros	5%
Between €500,001 and €1,000,000	4%
Between €1,000,001 and €2,000,000	3%
2,000,001 euros and above	2%

- **Success Commissions for Customers Located in the Territories and Sectors**

Total sales made over the past 12 months in the Territories and Sectors	Success Commission
Between 0 and 500,000 euros	5%
Between €500,001 and €1,000,000	4%
Between €1,000,001 and €2,000,000	3%
Between €2,000,001 and €5,000,000	2%
5,000,001 euros and above	1%

Contract Term:

The Cooperation Agreement (as amended on June 17, 2022) has been in effect since October 1, 2021, for a term of one year, renewable by tacit agreement for successive one-year terms. This contract was last renewed by tacit re r a period running from October 1, 2024, to September 30, 2025. This agreement was, however, terminated by mutual agreement

between the parties on April 8, 2025, and thus remained in effect during the fiscal year ended from January 1, 2025, to April 8, 2025.

In the event that the Cooperation Agreement expires or is terminated, the Company will be required to continue paying the success fee to Mitsui & Co. Ltd., the amount of which will then be based on sales invoiced by the Company to any customer located in Japan within the nine months following the date of expiration or termination and will be equal to 50% of the amount of the success fee that would have been payable under the agreement.

Under this agreement, Mitsui & Co., Ltd. billed the Company 48,773 euros during the fiscal year ended.

- **Collaboration Agreement , entered into with Mitsui & Co., Ltd.**

The Company entered into an agreement titled “Collaboration Agreement” with Mitsui & Co., Ltd. on September 27, 2021 (the “Collaboration Agreement”). Mitsui & Co., Ltd. is a shareholder of Forsee Power holding more than 10% of the voting rights.

It is specified that the purpose of this agreement is to establish a framework for the commercial collaboration between Forsee Power and Mitsui & Co., Ltd. . The financial terms in exchange for the services provided 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.

Under the agreement, the Company and Mitsui & Co., Ltd. have agreed on the following:

- Establishment of a Cooperation Committee
 - This committee serves as the primary interface between the Company and Mitsui & Co., Ltd. to jointly pursue cooperation and makes reasonable efforts to promote close and frequent business communication, provided that this complies with applicable laws.
 - This committee consists of 7 members, including 4 members appointed by the Company and 3 members appointed by Mitsui & Co., Ltd.
 - This committee will meet at least four times a year, including within one month of the completion of quarterly financial reporting.
- Business Development
 - Mitsui & Co., Ltd. may second two full-time employees to the Forsee Power Group to develop business with the Group in order to accelerate its growth and to fill certain positions within the Group or its subsidiaries to achieve this objective. These two employees will remain employees of Mitsui & Co. Ltd. and must sign agreements (binding during their secondment and for a period of two years following the end of their secondment) including an undertaking 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. that (i) operate in the same markets as the Group, or (ii) have entered into partnerships with companies that operate in the same markets as the Group.
- Marketing Activities
 - Mitsui & Co. Ltd. provides strategic support to the Forsee Power Group to enable it to achieve its future commercial growth, in particular through the development of new products and services and its

expansion into new markets.

- Mitsui & Co., Ltd.'s role as the Group's representative in Japan will continue from the date the Company's shares are admitted 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 identify 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 above), Mitsui & Co., Ltd. may notify the Company of such opportunity.
- If this New Sector is not of interest to the Company, it shall not be obligated to accept this opportunity. If this 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 return, Mitsui & Co., Ltd. shall be entitled to success fees.
- When an amendment is entered into pursuant to 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 Territory within 12 months of the date on which the amendment was entered into, either party to the Collaboration Agreement may choose to amend the agreement again to remove the relevant New Territory from the agreement by giving the other party three months' notice. When a new contract is entered into pursuant to 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 Territory within 12 months of the date on which the new contract was entered into, either party may choose to terminate that new contract by giving three months' notice to the other party.
- If Mitsui & Co., Ltd. were to identify 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 in any of the service agreements entered into between the Company and Mitsui & Co., Ltd., Mitsui & Co., Ltd. may notify the Company of such opportunity.
- If such New Country is not of interest to the Company, it shall not be obligated to accept such opportunity. If this 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 one of the service agreements 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) under which Mitsui & Co. Ltd. contributes to the marketing of the Company's products to a customer in the New Country and, in ex , in return for which, Mitsui & Co. Ltd. shall be entitled to success fees.
- When an amendment is entered into pursuant to 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 of

the date on which the amendment was entered into, either party to the Collaboration Agreement may choose to further amend the agreement to remove the relevant New Country from the agreement by giving the other party three months' notice.

- When a new agreement is entered into pursuant to option (ii) above, if no agreement is entered into for new sales of the Company's products to a new customer in the relevant New Country within 12 months of the date on which the new agreement was entered into, either party may choose to terminate that new agreement by giving three 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 is free to develop and market its products on its own and/or through a third party, in a New Sector and/or in a New Country, without the authorization of Mitsui & Co. Ltd. and without Mitsui & Co. Ltd. is 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 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 such decision to allow the Company and Mitsui & Co. Ltd. to discuss and negotiate the potential undertaking by Mitsui & Co. Ltd. of such Third-Party Commercialization, on an exclusive basis for a period of at least 60 days from the date of receipt of such notice. Upon the expiration of such 60-day period (or, if earlier, upon a date on which Mitsui & Co. Ltd. confirms that it is not interested in the Third-Party Commercialization), unless the Company and Mitsui & Co. Ltd. have reached an agreement regarding the Third-Party Commercialization by Mitsui & Co. Ltd., the Company shall be free to discuss the Third-Party Commercialization with any party during the following 180 days. Upon the expiration of this 180-day period, any offer regarding the Third-Party Commercialization shall again be subject to Mitsui & Co. Ltd.'s right of first refusal.

The Collaboration Agreement took effect upon the admission of the Company's shares to trading on the regulated market of Euronext in Paris for a term of 5 years from the effective date of the Collaboration Agreement. It will be automatically renewed upon the expiration of the initial term or any extension thereof for additional periods of two years each, unless terminated early.

3.4. Summary table of delegations of authority and powers regarding capital increases

	Date of the meeting	Term of the authorization	Capital increase limit (in par value)	Use
Capital increase through the issuance of common shares and/or any securities, with maintenance of shareholders' preemptive subscription rights (16th resolution)	May 16, 2025	26 months	€7,500,000 (1) €150,000,000 (1) for debt securities	-
Capital increase through the issuance of common shares and/or any securities, with the cancellation of shareholders' preemptive subscription rights and a public offering (excluding the offerings referred to in paragraph 1 of Article L. 411-2 of the Monetary and Financial Code) (17th resolution)	May 16, 2025	26 months	€7,500,000 (1) €150,000,000 (1) for debt securities	Capital increase in the nominal amount of €4,555,503.10, the completion of which was definitively recorded on June 24, 2025
Capital increase through the issuance of common shares and/or any securities, with the waiver of shareholders' preemptive subscription rights as part 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 Monetary and Financial Code (18th resolution)	May 16, 2025	26 months	€7,500,000 (1) €150,000,000 (1) for debt securities	-
Increase in the number of securities to be issued in the event of a capital increase with or without preemptive subscription rights decided pursuant to the aforementioned authorizations (19th resolution)	May 16, 2025	26 months	Extension up to 15% of the initial offering, subject to an overall cap of €7,500,000 (1)	-
Capital increase through the issuance of common shares or securities giving access to common shares to be issued immediately or in the future by the Company, with the elimination of shareholders' preemptive subscription rights in favor of certain categories of beneficiaries (20th resolution)(2)	May 16, 2025	18 months	€3,000,000 (1) €150,000,000 (1) for debt securities	-
Capital increase through the issuance of the Company's common shares or securities giving access, by any means, immediately and/or in the future, to the Company's common shares, to remunerate contributions in kind of equity securities or securities in the event of a public offering involving an exchange component initiated by the Company (21st resolution)	May 16, 2025	26 months	€3,000,000 (1) €150,000,000 (1) for debt securities	-
Capital increase through the issuance of the Company's common shares or securities giving access, by any means, immediately and/or in the future, to the Company's common shares, up to a limit of 20% of the capital, to remunerate contributions in kind of equity securities or securities giving access to the capital of third-party companies outside of a public exchange offer (22nd resolution)	May 16, 2025	26 months	20% of the share capital ¹ €150,000,000 (1) for debt securities	-
Capital increase through the capitalization of premiums, reserves, profits, or other items (23rd resolution)	May 16, 2025	26 months	€3,000,000 (1)	-
Authorization to be granted to the Board of Directors to grant stock options or share purchase options for the Company (36th resolution)	June 21, 2024	38 months	5% of the number of shares comprising the share capital (3)	-
Authorization to be granted to the Board of Directors to proceed with the free allocation of existing or to-be-issued shares (37th resolution)	June 21, 2024	38 months	5% of the number of shares comprising the share capital (3)	1,115,780 shares granted as a bonus

1) These amounts are not cumulative; they are also subject to an overall cap of (i) 7,500,000 euros regarding the total nominal amount of capital increases and (ii) 150,000,000 euros regarding the total maximum nominal amount of debt securities (Resolution No. 25 – Overall limit on authorizations granted by the combined general meeting of May 16, 2025).

2) Categories of beneficiaries having one of the following characteristics, namely:

- (i) natural or legal persons (including companies), trusts, investment funds, or other investment vehicles, regardless of their form, governed by French or foreign law, that habitually invest in growth and/or cleantech companies; and/or
- (ii) companies, institutions, groups, or entities of any form, whether French or foreign, conducting a significant portion of their activities in the field of green and/or renewable energy and capable, where applicable, of entering into 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, capable of guaranteeing the completion of an offering intended for placement with the persons referred to in (i) and/or (ii) above and, in this context, of subscribing to the securities issued.

3) These amounts are not cumulative; they are also subject to an overall cap of 1,970,845 shares that may be issued or acquired upon exercise of options or that may be granted as free shares, as decided by the combined general meeting of June 21, 2024 (Resolution No. 38 – Overall Limit on Authorizations of June 21, 2024)

3.5. Special Report of the Independent Auditors on Regulated Agreements

Shareholders' Meeting held to approve the financial statements for the year ended 31 December 2025

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 SUBMITTED FOR THE APPROVAL OF THE GENERAL MEETING

Pursuant to Article L. 225-40 of the French Commercial Code, we have been notified of the following agreements entered into during the past financial year which were subject to prior authorisation by your Board of Directors.

Agreements authorised and entered into during the past financial year

1.1 "Sales Agency Agreement" with Mitsui & Co. Europe Ltd.

Persons concerned:

Mitsui & Co. Europe Ltd., a shareholder holding more than 10% of the voting rights of Forsee Power, and Mr. Shinichi Ban, member of the Company's Board of Directors at the date of signing of the agreement and General Manager of the "Battery Solutions" department within the "Sustainability Impact" division of the "Energy Solutions" business unit of Mitsui & Co. Europe Ltd.

Nature and Purpose:

Under this agreement, Mitsui & Co. Europe Ltd. is notably engaged to assist Forsee Power in business development, sales and marketing activities on behalf of Forsee Power, acting as exclusive agent in the territory of Turkey.

Terms and Conditions:

This agreement, signed on 12 May 2025, was previously authorised by the Board of Directors on 9 April 2025 with retroactive effect from 1 January 2025, for an initial term of one year, automatically renewable for successive one-year periods.

An amendment (referred to as "Amendment No. 1") to this agreement, entered into on 6 January 2026, extended the initial term of the contract from 12 to 24 months, i.e. from 1 January 2025 to 31 December 2026.

In consideration for the performance by Mitsui & Co. Europe Ltd. of its contractual obligations, the Company pays:

- A fixed monthly fee of EUR 2,000;
- A sales commission, calculated as follows: 1% of the monthly EXW amount collected from Turkish customers (including sales to customers located outside Turkey but whose registered office is in Turkey).

Under this agreement, Mitsui & Co. Europe Ltd. invoiced EUR 52,404 to Forsee Power during the financial year ended 31 December 2025.

Reasons justifying its interest to the Company

The Company's interest in entering into this agreement lies in the business development support expected from Mitsui's office in Turkey to explore and identify all potential prospects and customers for the Company, and to support it through to the conclusion of commercial agreements in the Turkish territory.

2. AGREEMENTS PREVIOUSLY APPROVED BY THE GENERAL MEETINGS

Agreements approved in prior financial years

a) With continuing effect during the past financial year

Pursuant to Article R. 225-30 of the French Commercial Code, we have been informed that the following agreements, previously approved by the General Meetings in prior financial years, had continuing effect during the past financial year:

Business Contribution Agreement entered into with Mitsui & Co. Ltd. (Japan)

Persons concerned:

Mitsui & Co. Ltd. (Japan), a shareholder holding more than 10% of the voting rights of Forsee Power, and Mr. Shinichi Ban, member of the Company's Board of Directors until 2 July 2025, and General Manager of the "Battery Solutions" department within the "Sustainability Impact" division of the "Energy Solutions" business unit of Mitsui & Co. Ltd. (Japan).

Nature and Purpose:

Under this agreement, Mitsui & Co., Ltd. is notably engaged to assist the Company in:

- business development, sales and marketing activities on behalf of Forsee Power, acting as exclusive agent in the territory of Japan;
- business development activities in territories other than Japan (the “Territories”) and the specific sectors (the “Sectors”) referred to in the appendix to the contract, acting as non-exclusive agent.

Terms and Conditions:

The “Business Contribution Agreement” with Mitsui & Co., Ltd., entered into on 21 December 2020, was amended and replaced by an amendment dated 17 June 2022, which took effect retroactively on 1 October 2021 for a term of one year, automatically renewable for successive one-year periods. The Board of Directors meeting of 23 April 2024 authorised its renewal from 1 October 2024 to 30 September 2025. In accordance with the terms of Article 9.2 of the said contract, the Company sent a notice of termination of the contract on 8 January 2025, effective 8 April 2025. This termination was accepted by Mitsui & Co. Ltd. on 31 January 2025. The Board of Directors meeting of 9 April 2025 acknowledged the termination of this agreement with effect from 8 April 2025.

The contract provides for the payment of “success fees” by the Company to Mitsui & Co., Ltd. as compensation for the latter’s services.

The calculation methodology for 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”, is set out in Appendix 3 of the said contract.

An expense of EUR 48,773 was recognised in respect of this agreement in the financial statements as at 31 December 2025.

Reasons justifying its interest to the Company

This agreement enabled the Company to gain market share in the Japanese territory through the expertise and intermediation of Mitsui & Co., Ltd., and allows it to benefit from the network of Mitsui & Co., Ltd. in new territories and sectors yet to be defined.

b) without effect during the past financial year

In addition, we have been informed of the following agreements, previously approved by the General Meetings in prior financial years, which had no effect during the past financial year.

“Collaboration Agreement” entered into with Mitsui & Co., Ltd. (Japan).

Persons concerned:

Mitsui & Co. Ltd., a shareholder holding more than 10% of the voting rights of Forsee Power.

Nature and Purpose:

The purpose of this agreement is to set out a framework for the commercial collaboration established between Forsee Power SA and Mitsui & Co., Ltd. The financial terms in consideration for the services rendered by Mitsui & Co., Ltd. are negotiated on a case-by-case basis for each project, taking into account the financial impact on the Forsee Power Group.

Performance during the financial year:

This agreement, signed on 27 September 2021 for a term of 5 years, continued in effect during the past financial year but had no financial impact on the Company's financial statements as at 31 December 2025.

In connection with the annual review of regulated agreements, the Board of Directors, at its meeting of 9 April 2025, acknowledged that this agreement should be maintained for the current financial year, as it serves to secure and provide a framework for the Company's relationships with Mitsui & Co. Ltd.

Paris-La Défense and Paris, 13 May 2026

The Statutory Auditors

Deloitte & Associés

BDO Paris

Thierry QUERON

Arnaud TONNET

5

CAPITAL AND SHAREHOLDERS

5.1 Company Information

5.1.1 COMPANY NAME

The Company's legal name is "Forsee Power".

5.1.2 HEADQUARTERS

The Company's registered office is located at 1 boulevard Hippolyte Marquès, 94200 Ivry-sur-Seine.

5.1.3 LEGAL FORM

As of the date of this document, the Company is a public limited company with a board of directors governed by French law.

5.1.4 COMPANY IDENTIFICATION

The Company's registration number is specified in paragraph 7.1.8 of this document. The Company's LEI code is as follows: 969500S7F4LVSHHUB87.

5.1.5 LEGAL FRAMEWORK

A public limited company with a board of directors incorporated under French law.

5.1.6 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, i.e., until February 27, 2106, unless extended or dissolved early.

5.1.7 PURPOSE

The Company's corporate purpose, in France and abroad, directly or indirectly, on its own behalf or on behalf of third parties, is:

- acquiring any interests or equity stakes in any commercial, industrial, financial, or real estate companies or businesses, whether French or foreign, in any form whatsoever, including through the subscription to or acquisition of any securities, equity interests, or other corporate rights;
- the design, manufacture, production, assembly, and marketing of batteries, battery chargers, and all related accessories;
- activities related to 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, where applicable, their resale;
- the provision of the financial resources necessary to achieve the corporate purpose, including all loans, whether secured or unsecured;

- the management of its cash flow, as well as, where applicable, that of the companies in which it holds an interest; the financing, through loans, guarantees, sureties, advances, or any other means, of companies and enterprises affiliated with the Company;
- the provision of any services related to the direction, management, coordination, or supervision of companies in which it holds interests or equity stakes, as well as, where applicable, any administrative, legal, accounting, and financial services.

It may act in its own name, either alone or in association or partnership with any other companies or persons, and carry out, directly or indirectly, in France or abroad in any form whatsoever, transactions falling within its purpose and, generally, all financial, commercial, industrial, movable, and real estate transactions that may be directly or indirectly related to the above purpose or to any similar or related purposes likely to promote its expansion or development.

5.1.8 TRADE AND COMPANIES REGISTER

The Company is registered with the Créteil Trade and Companies Register under number 494 605 488.

5.1.9 LOCATION WHERE DOCUMENTS AND INFORMATION REGARDING THE COMPANY MAY BE CONSULTED

Information concerning the Company, including the Articles of Association, balance sheets, income statements, the Board of Directors' report to the General Meetings, and the auditors' report, may be inspected upon request at the Company's registered office.

The Articles of Association, minutes of General Meetings, and other corporate documents of the Company, as well as historical financial information and any valuation or statement prepared by an expert at the Group's request that must be made available to shareholders in accordance with applicable law, may be inspected free of charge at the Company's registered office.

Regulated information disclosed 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>

5.1.10 FISCAL YEAR

The fiscal year begins on January 1 and ends on December 31 of each year.

5.1.11 STATUTORY DISTRIBUTION OF PROFITS

Each share entitles the holder to a proportion of the company's assets, profits, and liquidation proceeds equal to the number and par value of the shares held.

5.1.12 SHAREHOLDERS' VOTING RIGHTS

The voting rights attached to the shares are proportional to the portion of the capital they represent, and each share entitles the holder to one vote.

In accordance with the provisions of Article L.225-123 of the Commercial Code, a double voting right is attached to all shares that are fully paid up and have been registered in the name of the same shareholder for at least two years.

5.1.13 DECLARATION OF INTENT

In connection with the various threshold crossings, no declaration of intent was made in 2025.

5.2 SHARE CAPITAL

5.2.1 SHARE CAPITAL

As of December 31, 2025, the share capital of Forsee Power is set at 11,746,201.30 euros, divided into 117,462,013 shares with a par value of ten euro cents each.

5.2.2 POTENTIAL CAPITAL

As of December 31, 2025, the dilutive instruments are described below:

	Warrants	AGAs	2018 Stock Options	2021 Stock Options	TOTAL
Total number of shares that may be subscribed for upon exercise of stock warrants, stock options, or bonus shares	3,133,815	144,176 ⁽¹⁾	705,000	1,500,000	5,482,991
Potential dilution	2.55%	0.12%	0.57%	1.22%	4.46%

(1) The number of AGAs corresponds to (i) 10,426 AGAs vested on January¹ 2026, which had been granted on December 31, 2024, and (ii) 545,000 AGAs granted on December 2025, of which only 133,750 are likely to vest, as they were subject to the fulfillment of four collective performance conditions, one of which is reasonably expected to be met during the vesting period.

The overall potential dilutive effect of these instruments thus amounts to 4.46% of the share capital as of December 31, 2025.

5.2.3 NON-EQUITY SECURITIES

As of December 31, 2025, the Company has not issued any non-equity securities.

5.2.4 CONDITIONS SET BY THE BOARD OF DIRECTORS REGARDING THE EXERCISE OF STOCK SUBSCRIPTION OR PURCHASE OPTION IN GRANTED TO EXECUTIVES

The terms and conditions of Stock Option Plans No. 1 and No. 2, approved by the Extraordinary General Meetings held on December 20 and 21, 2018, and August 5, 2021, respectively, are described in the “Corporate Governance Report” of this document.

5.2.5 TERMS SET BY THE BOARD OF DIRECTORS REGARDING THE SALE OF SHARES GRANTED FREE OF CHARGE TO EXECUTIVES

The terms of the 2024 and 2025 plans for the free allocation of shares to executives and employees who do not hold executive officer positions, approved by the Extraordinary General Meeting on June 21, 2024, are described in the “Corporate Governance Report” of this document.

5.2.6 SUMMARY OF TRANSACTIONS CARRIED OUT DURING THE FISCAL YEAR BY EXECUTIVES OR PERSONS TREATED AS SUCH INVOLVING THE COMPANY’S SECURITIES OR RELATED FINANCIAL INSTRUMENTS

Transactions in the Company’s securities reported to the AMF during the 2025 fiscal year by executives, persons deemed equivalent to executives, and persons closely related to them, as referred to in Article L. 621-18-2 of the Monetary and Financial Code, are summarized below:

Name	Nature of the transaction	Date of the transaction	Unit price	Volume of securities
AMILU SAS				
<i>Legal entity related to Mr. Pierre Lahutte, Director</i>	Acquisition	01/23/2025	€0.7073	30,000
		06/23/2025	€0.4100	90,000
BPI FRANCE <i>Director</i>	Acquisition	06/24/2025	0.4100€0000	24,390,243

5.2.7 FORSEE POWER’S SHARE BUYBACK PROGRAM

Authorization granted by the General Meeting of May 16, 2025

The General Meeting of May 16, 2025 authorized the Board of Directors to trade the Company’s own shares on the stock exchange. This authorization was granted for a period of 18 months.

The maximum repurchase price per share was set by the 14th resolution, adopted by the Company’s combined general meeting of shareholders on June 21, 2024, at a price of 10 euros per share for a maximum amount of fifty million euros and up to 10% of the total number of shares comprising the share capital.

The objectives of this program include the following:

- to promote trading activity and liquidity of the Company’s securities under a liquidity agreement to be entered into with an independent investment services provider, in accordance with a code of ethics recognized by the French Financial Markets Authority (AMF); and/or
- to enable the fulfillment of obligations related to stock option programs, the allocation of bonus shares,

employee savings plans, or other share allocations to employees of the Company or an associated company, including (i) the implementation of any stock option plan for the purchase of the Company's shares pursuant to the provisions of Articles L. 225-177 et seq. of the French Commercial Code, (ii) the allocation of existing shares to employees in recognition of their contribution to the company's growth and the implementation of any corporate savings plan under the conditions provided by law, in particular Articles L. 3332-1 through L. 3332-8 et seq. of the Labor Code; or (iii) the free allocation of existing shares pursuant to the provisions of Articles L. 225-197-1 et seq. of the Commercial Code; and/or

- to issue shares upon the exercise of rights attached to securities giving access to the capital through redemption, conversion, exchange, presentation of a warrant, or in any other manner, in compliance with applicable regulations; and/or
- the cancellation of all or part of the securities thus repurchased, subject to a specific resolution; and/or
- more generally, carry out any transaction in accordance with applicable regulations.

Summary of the share repurchase program

(In number of treasury shares)	Market-making	Share buyback program	Total
Balance as of December 31, 2024	302,121		302,121
Purchases	1,591,303		1,591,303
Sales/transfers	(1,371,319)		(1,371,319)
Balance as of December 31, 2025	522,105		522,105

Over the course of 2025, 1,591,303 shares were purchased at an average price of €0.57 per share, and 1,371,319 shares were sold at an average price of €0.60 per share.

As of December 31, 2025, the Company directly or indirectly held 522,105 treasury shares, representing a value of €176,000 based on book value.

It should be noted that there are no trading fees associated with the liquidity agreement.

- Agreement providing for employee ownership in the Company's capital

None.

- Employee Share Ownership

As of the date of this document, the Company has adopted several incentive plans as described below:

- (i) **2018 Stock Option Plan No. 1:** By resolutions of the extraordinary general meeting of shareholders held on December 20 and 21, 2018, the Company authorized the Chairman to grant, in

accordance with the provisions of Articles L.225-177 through L.225-185 of the French Commercial Code, 17,137 options entitling the holders to subscribe for 17,137 ordinary shares of the Company; the Chairman exercised this authority and granted 8,550 options out of the 17,137 options under the plan, including 6,300 to certain employees of the Group. As a result of the stock split of the Company's shares approved by the General Meeting of Shareholders on October 15, 2021, and the expiration of 75,000 options following the departure of an employee from the Company, the 2018 Stock Option Plan consists of 705,000 options that, as of the date of this document, entitle the holders to subscribe for 705,000 shares of the Company;

- (ii) **2021 Stock Option Plan No. 2:** by resolutions of the extraordinary general meeting of shareholders dated August 5, 2021, the Company authorized the Chairman to grant, in accordance with the provisions of Articles L.225-177 to L.225-185 of the French Commercial Code, 15,000 options entitling the holder to subscribe for 15,000 ordinary shares of the Company; The Chairman, by decisions dated August 12, 2021, exercised this delegation and granted all 15,000 options under the plan. As a result of the stock split of the Company's shares approved by the General Meeting of Shareholders on October 15, 2021, the 2021 Stock Option Plan entitles holders, as of the date of this document, to subscribe for 1,500,000 shares of the Company;
- (iii) **2025 AGM Plan:** By resolutions of the Extraordinary General Meeting of Shareholders held on June 21, 2024, the Company's shareholders, pursuant to the^{37th} and^{38th} resolutions, authorized the Board of Directors to grant up to 1,970,845 bonus shares of the Company. Exercising this authority, 550,000 common shares were granted under the 2025 Plan, subject to four performance conditions, only one of which is reasonably expected to be met during the vesting period.

5.2.8 Dividends distributed over the last three fiscal years

FORSEE POWER S.A. did not distribute any dividends for the fiscal years ended December 31, 2022, 2023, and 2024.