



**2024 Universal
registration
document**

**INCLUDING THE ANNUAL
FINANCIAL REPORT**

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2024 Universal Registration Document

INCLUDING ANNUAL FINANCIAL REPORT



This Universal Registration Document was filed on 17 April 2025 with the French Financial Markets Authority (Autorité des marchés financiers – AMF) as the competent authority pursuant to EU Regulation No. 2017/1129, without prior approval in accordance with article 9 of said regulation. The Universal Registration Document can be used for the purpose of an offer of securities to the public or the admission of securities to trading on a regulated market if it is accompanied by a securities note and, where applicable, a summary and all the modifications made to the Universal Registration Document. The entire document is approved by the AMF in accordance with Regulation (EU) No. 2017/1129

INCORPORATED BY REFERENCE

In application of article 19 of Regulation (EU) 2017/1129, the following items are incorporated by reference in this Universal Registration Document:

- for the financial year ended 31 December 2024: the management report, the consolidated financial statements and individual financial statements and the corresponding Statutory Auditors' reports are included in the 2024 Universal Registration Document filed with the AMF on 15 April 2022 (file number D.22-0302). This document incorporates XBRL tags;
- for the financial year ended 31 December 2023: the management report, the consolidated financial statements and individual financial statements and the corresponding Statutory Auditors' reports are included in the 2023 Universal Registration Document filed with the AMF on 7 April 2021 (file number D.21-0267). This document does not incorporate XBRL tags;
- the press release on Q1 2024 revenue (available on the EXAIL TECHNOLOGIES website).

Copies of this Universal Registration Document are available free of charge at the Company's registered office at 30 rue de Gramont, 75002 Paris, upon request to the Company, on the website www.exail-technologies.com and on the AMF website at www.amf-france.org.

The information provided on the www.exail-technologies.com website and accessed via the hypertext links on page 167 of this Universal Registration Document, with the exception of any information incorporated by reference, does not constitute part of this Universal Registration Document. Accordingly, this information has neither been reviewed nor approved by the AMF



➤ **Raphaël Gorgé**
Chairman and Chief Executive Officer

“ All the objectives set at the beginning of the year were achieved or exceeded. ”

Dear Sir or Madam, Dear Shareholders, EXAIL TECHNOLOGIES performed well at all levels during the 2024 financial year. All the objectives set at the beginning of the year were achieved or exceeded. Against a backdrop of buoyant market trends, particularly in the defense sector, the Group's teams demonstrated their mastery of execution in a high-growth environment.

The financial year was particularly dynamic on the commercial side, with €451 million of order intake, an increase of almost 40% compared to the previous year. 60% of these orders are related to the defense sector. Revenue increased by 16% in 2024, reaching €373 million, supported by both of the Group's segments. The Group's profitability recovered substantially in 2024 after the period of disruptions caused in particular by a very intense level of responses to calls for tenders. As a result, the Group's current EBITDA margin amounted to 21% in the second half of 2024, an improvement of two points compared to the same half of the previous year.

2024 was also marked by the Company's significant debt reduction. The efforts made over several quarters on the negotiation of customer payment terms and on cash management, and the good performance in terms of delivery milestones, are generating positive

effects: At the end of December 2024, the Company's adjusted net debt excluding the ICG bonds amounted to around €145 million. It was down by around €80 million compared to the debt estimated on the day of the acquisition of IXBLUE in September 2022.

In parallel with this significant volume of activity, EXAIL has continued negotiations on several drone programs. The award of one of them, representing several hundred million euros, was announced in early 2025 and will be transformative for the Group.

The development outlook makes us optimistic about the future. EXAIL TECHNOLOGIES, as a European high-tech mid-sized company, will be able to contribute to the strengthening of a sovereign defense industry in Europe. In the context of strong support for the European defense technological and industrial base, the Group aims to position itself as a European leader and one of the leading players on a global scale in its navigation and maritime drone systems activities. In particular, it will be able to participate in the efforts to increase production capacities in order to deliver its growing order book and meet new demands from European players.

Raphaël GORGÉ
Chairman and Chief Executive Officer

2024 KEY FIGURES

2,000

EMPLOYEES

€373 MILLION

REVENUE

€74 MILLION

CURRENT EBITDA

€708 MILLION

ORDER BOOK

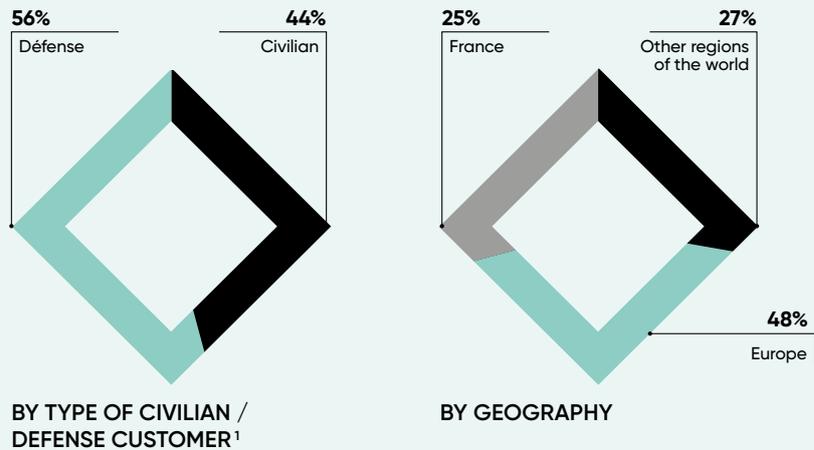
€41 MILLION

INVESTED IN R&D

75%

EXPORT REVENUE

BREAKDOWN OF REVENUE



HIGHLIGHTS IN 2024



April 2024

Record order for navigation systems for more than 1,000 units for land defense application



July 2024

€60 million order for KSTER underwater drones for the Belgian and Dutch navies



September 2024

EXAIL TECHNOLOGIES wins an order for a deep-sea drone capable of operating at a depth of 6,000 meters



November 2024

The French Defense Procurement Agency selects EXAIL and THALÈS to supply 16 underwater drones to the French Navy



December 2024

EXAIL wins an order for a navigation and positioning system for a navy in the Asia-Pacific region

¹ Estimated breakdown based on internal company data.

FROM COMPONENTS TO COMPLEX SYSTEMS



Exail Technologies is a technological industrial group specializing in navigation systems and maritime robotics, with a strong vertical integration of the business lines. The Group is one of the world leaders in complex drone systems, particularly for the maritime sector, and integrates upstream various equipment and components with high technological value used by the group, but also sold to external customers.

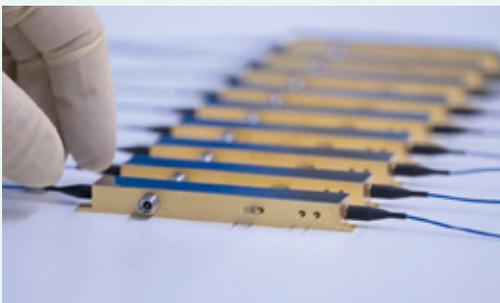
For each of its activities, Exail Technologies ranks among the world's leading players thanks to disruptive products, high-end technical performance and an attractive value proposition.

PHOTONIC COMPONENTS AND HIGH-TECH EQUIPMENT

SPECIALTY FIBERS & OPTICAL COMPONENTS,
QUANTUM INSTRUMENTS



Manufacture of specialty fibers in Lannion



Optical modulators

NAVIGATION, POSITIONING AND IMAGING SYSTEMS

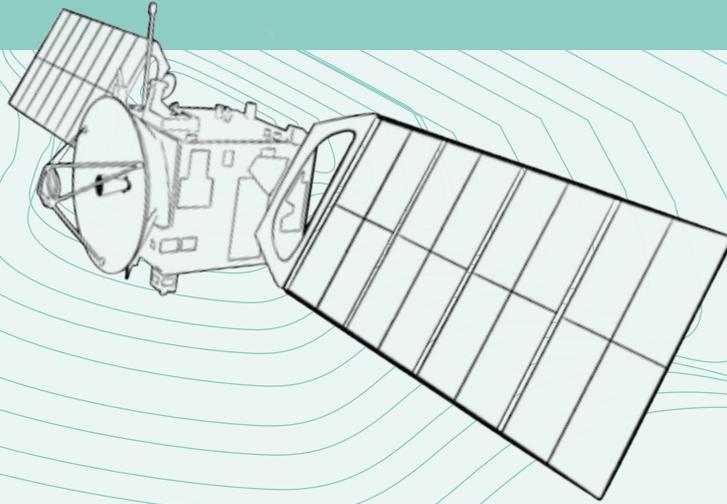
INERTIAL NAVIGATION SYSTEMS, ACOUSTIC POSITIONING
AND COMMUNICATION SYSTEMS, SONARS



Fiber optic inertial navigation unit



SeapiX Front Looking Sonar

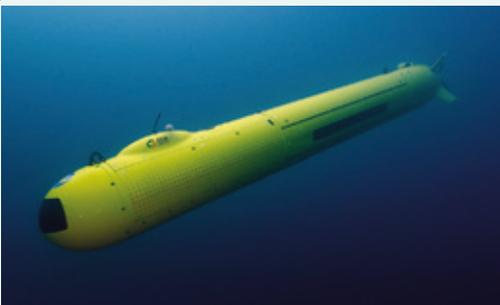


AUTONOMOUS ROBOTICS

DRONES DE SURFACE SOUS-MARINS,
TERRESTRES ET AÉRIENS



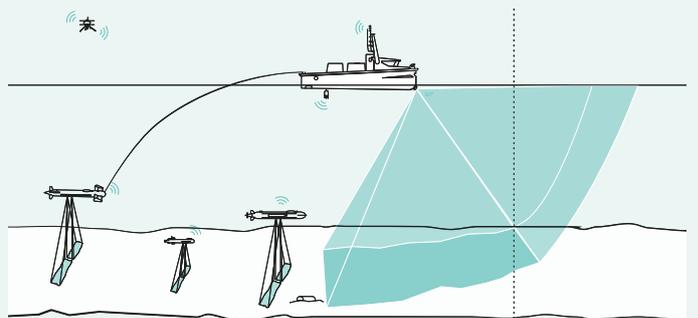
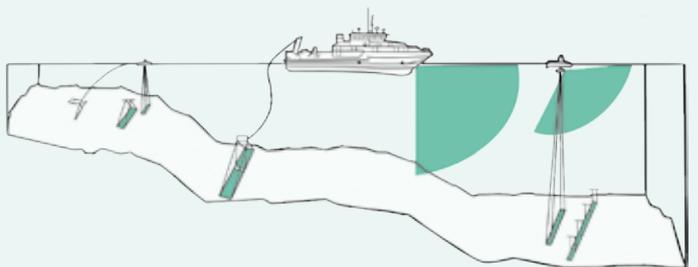
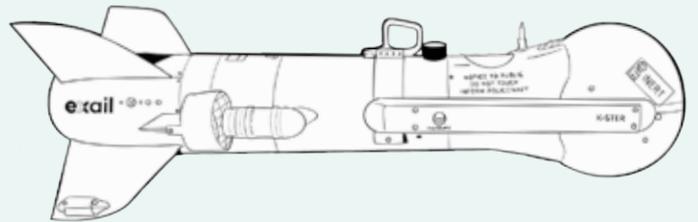
DriX and DriX Ocean surface drones



A18 underwater drone

INTEGRATED SYSTEMS

AUTONOMOUS DRONES
+ COMMAND & CONTROL
+ ONBOARD INSTRUMENTS



STATE-OF-THE-ART TECHNOLOGY AVEC UNE INTÉGRATION

OUR RESOURCES



Capital humain

- Nearly **2,000** qualified employees
- **66%** executives and engineers



Industrial/ societal capital

- **20** technology centers
- A solid network of industrial and university partnerships



Intellectual capital

- **>10%** of revenue invested in R&D



Financial capital

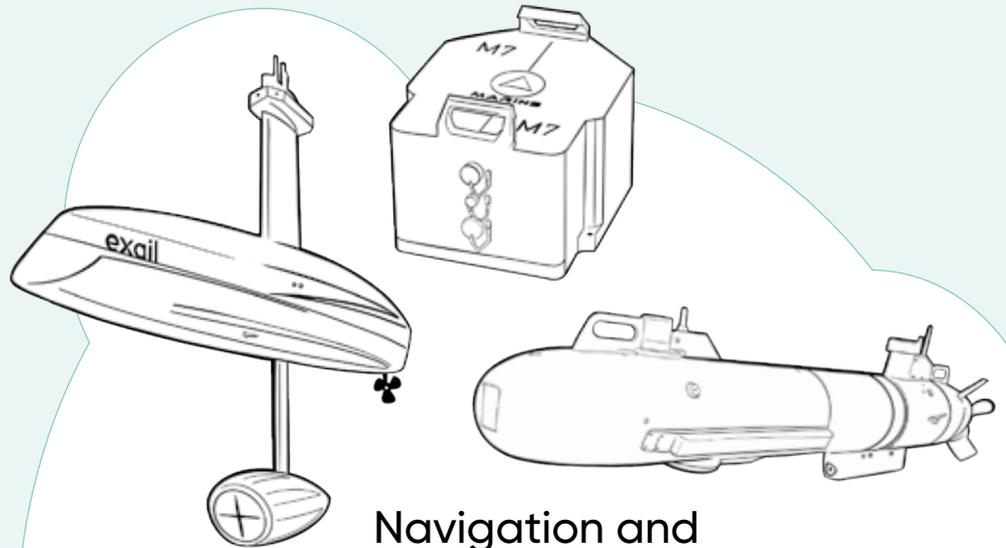
- Stability guaranteed by long-term family shareholders
- A robust financial structure



Environmental capital

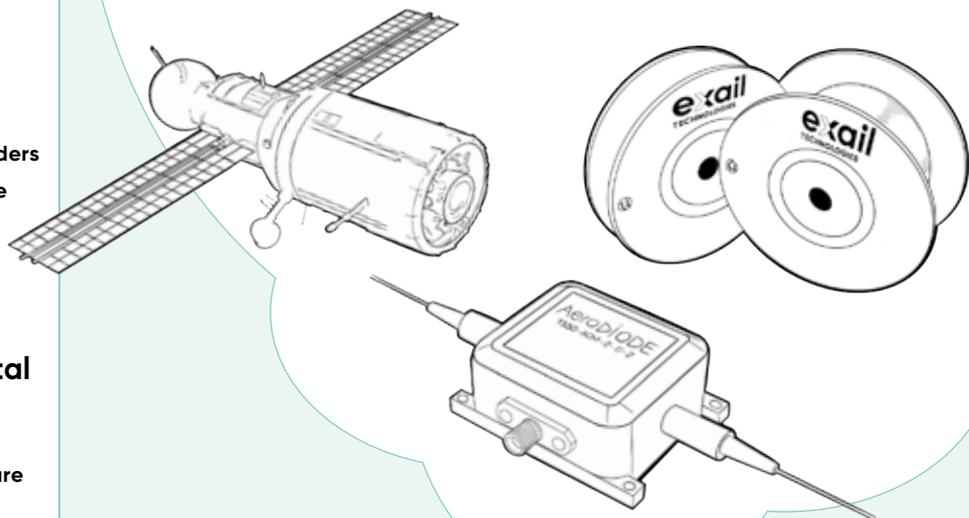
- A climate strategy that is gaining momentum
- A desire to properly measure and reduce the Group's carbon footprint

OUR MODEL: TWO INTEGRATED SEGMENTS



Navigation and maritime robotics

Advanced technologies



WITH VERTICAL INTEGRATION OF THE BUSINESS LINES

OUR MARKETS AND APPLICATIONS



Defense & Security



Space



Aeronautics



Civilian maritime



Industry & Logistics



Research

OUR ENVIRONMENTAL VALUE CREATION



Attracting and shaping talent

- Nearly **200** new jobs created in 2024
- An employee exit rate of **8%**, down by 3 points
- Working to achieve gender parity
- **26%** women in the Group (+3 pts)



Innovation for the protection of people and property

- Protecting people and property
- Helping our clients innovate and guiding them through their digital transformation

Acting as an effective, responsible and ethical group



Building a major player in technological innovation

- **145** patent families filed
- Innovative new product launches across all divisions



Create long-term value

- Order book **> €1 billion** at the end of March

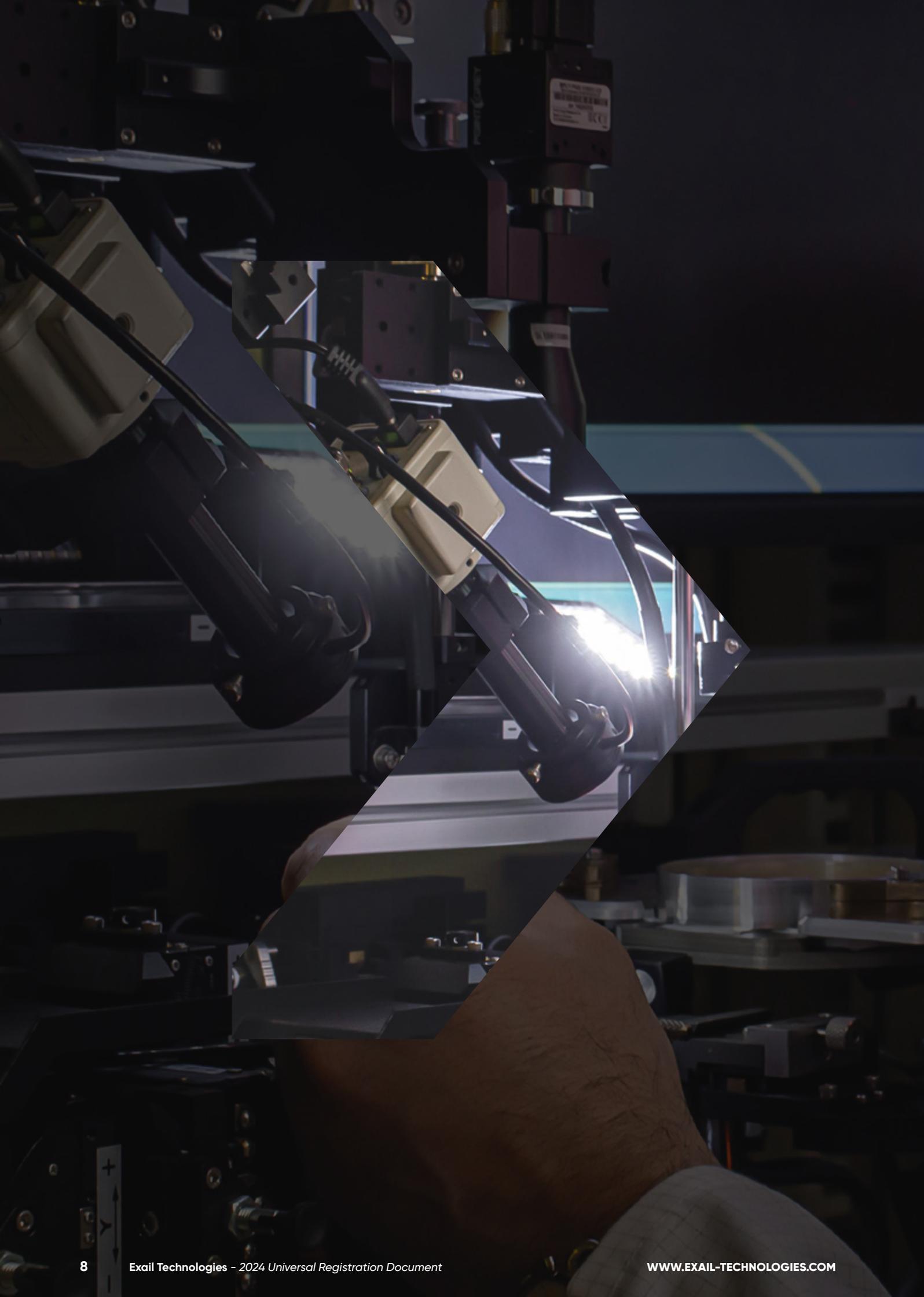


Reduce our impact on the environment and limit our consumption of resources

- A modest environmental footprint

OUR CONTRIBUTION TO THE SDGs







PRESENTATION OF THE GROUP AND ITS ACTIVITIES

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1.1 KEY FIGURES

The key figures have been extracted from the consolidated financial statements. The 2023 figures have been restated as detailed in the notes to the 2024 consolidated financial statements (Note 1.3 "Restatement of the financial information for the prior financial year"). The 2022 figures have been restated as detailed in the notes to the 2023 consolidated financial statements (Note 1.3 "Restatement of the financial information for the prior financial year").

1.1.1 MAIN AGGREGATES FROM THE CONSOLIDATED INCOME STATEMENT

(in thousands of euros)	2024	2023 ⁽¹⁾	2022 ⁽²⁾	2022 at equivalent scope ⁽³⁾
Revenue	373,062	322,820	180,052	278,166
Current EBITDA ⁽⁴⁾	73,820	65,061	38,849	60,545
Income from ordinary activities ⁽⁵⁾	45,515	39,939	22,876	37,048
Operating income	18,075	7,245	1,065	12,174
Financial income and expenses	(26,959)	(28,056)	(4,944)	(19,455)
Tax	4,352	3,105	(6,580)	1,688
NET INCOME FROM CONTINUING OPERATIONS	(4,532)	(17,706)	(10,459)	(5,594)
NET INCOME FROM DISCONTINUED OPERATIONS	-	31,365	934	934
NET INCOME	(4,532)	13,660	(9,525)	(4,660)
PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO THE OWNERS OF THE PARENT	(3,641)	16,829	(8,082)	ND

(1) The 2023 income statement has been modified due to adjustments in financial expenses and tax, see Note 1.3 to the 2024 consolidated financial statements.

(2) The 2022 income statement was restated for the publication of the 2023 financial statement in accordance with IFRS 3, see Note 1.3 to the 2023 consolidated financial statements.

(3) In the 2022 income statement, at an equivalent scope to that of 2023, the IXBLUE group was consolidated over 12 months and restatements for comparability were applied, see Section 1.4.1.

(4) Current EBITDA: operating income before depreciation, amortization and provisions, expenses related to share-based payments, amortization of intangible assets recognized at fair value and other items of operating income. This non-IFRS measure is described in Note 3.1 to the consolidated financial statements.

(5) Income from ordinary activities: operating income before expenses related to share-based payments, amortization of intangible assets recognized at fair value and other items of operating income. This non-IFRS measure is described in Note 3.1 to the consolidated financial statements.

1.1.2 KEY FINANCIAL DATA

(in millions of euros)	2024	2023 ⁽¹⁾	2022
Equity attributable to owners of the parent	119.93	129.50	115.10
Available cash and cash equivalents (A)	50.28	25.54	58.76
Borrowings (B)	(308.20)	(299.59)	(331.07)
Treasury shares (C)	8.11	8.06	6.53
NET CASH POSITION INCLUDING TREASURY SHARES (A) + (B) + (C)	(249.81)	(265.99)	(265.78)

(1) 2023 equity has been modified, see Note 1.3 to the 2024 consolidated financial statements.

1.1.3 WORKFORCE

	2024	2023	2022
EXAIL group	2,003	1,780	1,630
EXAIL TECHNOLOGIES SA	2	1	6
TOTAL WORKFORCE	2,005	1,781	1,636

1.2 PRESENTATION OF THE GROUP AND ITS ACTIVITIES

EXAIL TECHNOLOGIES (formerly GROUPE GORGÉ) is a high-tech industrial group specializing in cutting-edge technologies in robotics, navigation, aerospace and photonics. Thanks to a strong entrepreneurial culture, EXAIL TECHNOLOGIES offers unparalleled performance, reliability and safety to its civilian and military customers operating in harsh environments. From high seas to space, the Group extends the capabilities of its customers with a complete range of robust components, products and systems manufactured in-house. EXAIL TECHNOLOGIES is the parent company of EXAIL, created in 2022 by the merger of GROUPE ECA and IXBLUE. EXAIL TECHNOLOGIES employs slightly more than 2,000 people worldwide (at 31 December 2024), and operates in more than 80 countries.

The Group was founded in 1990 by Jean-Pierre GORGÉ, the father of the current Chairman and Chief Executive Officer, Raphaël GORGÉ. The GORGÉ family currently holds 43.90% of the share capital and 61.35% of the voting rights of EXAIL TECHNOLOGIES, which is listed on Euronext Paris.

1.2.1 HISTORY AND DEVELOPMENT OF EXAIL TECHNOLOGIES

In its more than 30-year history, EXAIL TECHNOLOGIES has always developed and driven the latest technological and industrial innovations.

1990: FINUCHEM is created by Jean-Pierre GORGÉ (it becomes GROUPE GORGÉ in 2009, then EXAIL TECHNOLOGIES in 2022).

1990-2004: ECA and industrial robotics.

1992: Acquisition of ECA.

1998: Listing on the secondary market of the Paris stock exchange.

1994-2003: Development in industrial robotics, particularly for the particularly dynamic automotive sector.

2005-2009: Exit from the automotive sector and deployment in new business sectors.

2004: Raphaël GORGÉ joins the Group and undertakes a strategic redeployment of the Group to reduce its dependence on the automotive sector and to invest in sectors of the future, such as semi-conductors, protection of high-risk sites and engineering.

2004-2006: Widening of ECA's activities (terrestrial robotics, simulation).

2008: Raphaël GORGÉ is appointed Chief Executive Officer.

2010-2018: Diversification of activities and widening of the mobile robotics offering.

2009: The Group diversifies into the protection of high-risk sites with the acquisitions of BAUMERT and CLF-SATREM.

2013: Entry into 3D printing with the creation of PRODWAYS GROUP.

2014: Acquisition of INFOTRON in the field of aerial drones.

The Group proudly received the Prix de l'Audace Créatrice (Audacity and Creativity Prize) presented by the President of the French Republic.

2016: Strengthening of skills in the Drones & Systems division with the acquisitions of ELTA in on-board equipment and MAURIC in naval architecture.

2017: IPO of PRODWAYS GROUP on Euronext Paris.

The French Minister of Defense, visiting ECA for the 14th Annual French Defense Conference, hailed the Group's excellence and innovative ability.

2018: NAVAL GROUP and ECA propose an innovative mine-hunting solution in Belgium and the Netherlands, and ECA sets up in Belgium with the creation of the subsidiary ECA ROBOTICS BELGIUM.

ECA restructures. In the Robotics division, three subsidiaries are merged and one, EN MOTEURS, is sold.

2019-2021: Strengthening in the field of autonomous robotics, simplification of the Group and divestment of certain activities.

2019: Along with NAVAL, ECA is awarded a flagship contract worth nearly €2 billion for the supply of 12 mine-hunting ships to the Belgian and Dutch navies. ECA's share of around €450 million concerns the delivery of some ten drone systems that will equip the ships, or a total of about 100 drones.

2020: In 2020 the Group was impacted by the Covid-19 health crisis. This crisis had an unfavorable effect on the Group's level of activity, in particular on the aeronautical activities of the Drones & Systems division. The Group was nevertheless able to demonstrate the strength of its model and organization; the level of activity after a penalized second quarter, gradually approached pre-crisis levels, quarter after quarter.

During this period, the Group accelerated the simplification of its activities and the refocusing on autonomous robotics:

- sale in 2019 of the CIMLEC GROUP with a capital gain of more than €20 million;
- reorganization of the share capital of its Fire Protection France business (CLF SATREM, SVF and AMOPSI) in 2019 through a leveraged transaction in which the Group remains the reference shareholder, retaining 70% of the share capital;
- absorption of ECA by GROUPE GORGÉ in 2020. This rationalization operation makes it possible to strengthen its autonomous robotics activities;
- divestment of the subsidiary VAN DAM in 2021, simplifying the Engineering & Protection Systems division;
- in 2021, GROUPE GORGÉ distributed most of its PRODWAYS GROUP shares to the shareholders.



In 2021, ECA's strategy and successes were confirmed, with a new order for an underwater demining drone system for €20 million with the Dutch navy and the achievement of an important milestone for the Belgian-Dutch underwater anti-mine action program with the validation of the detailed design review.

In 2021, GROUPE GORGÉ successfully secured its first syndicated corporate loan with an impact of €145 million to optimize its financing. This transaction follows the merger-absorption of ECA by GROUPE GORGÉ and is the result of accelerating the Group's ESG strategy since 2018.

2022: Creation of EXAIL TECHNOLOGIES with its current organization

In September 2022, GROUPE GORGÉ finalized the acquisition of IXBLUE. The merger of GROUPE ECA and IXBLUE created EXAIL, a major player in the French defense industrial and technological base, with nearly 1,600 employees, whose revenues are generated in more than 80 countries. It ranks among the world's leading players in the following fields: autonomous maritime robotic systems, very high-performance inertial navigation solutions, products and equipment for aerospace, photonics and quantum.

In December 2022, GROUPE GORGÉ's Shareholders' Meeting approved the project to sell the activities of the Engineering & Protection Systems division to its main shareholder, the GORGÉ family. Disposals of the three subsidiaries that make up this division (SERES, VIGIANS PROTECTION INCENDIE and BAUMERT).

The Group thus increased its readability and focused on robotics and high-tech critical systems, particularly in the naval and maritime sectors. On this occasion, GROUPE GORGÉ was renamed EXAIL TECHNOLOGIES, to reflect the completion of its transformation.

2023: Growth trajectory for EXAIL TECHNOLOGIES

In March 2023, the Group finalized the operation to simplify its activities with the disposal of the last subsidiaries of the former Engineering & Protection Systems division.

In June 2023, the Company distributed most of its PRODWAYS GROUP shares to its shareholders.

Throughout 2023, EXAIL TECHNOLOGIES benefited from the good momentum of its markets, both in the Defense sector and for Civilian applications. The year 2023 was marked by significant order intake thanks to the efforts made by the new commercial network bringing together the strengths of ex-ECA and ex-IXBLUE.

In December 2023, EXAIL TECHNOLOGIES won a new international call for tenders to supply a drone system to the navy of the United Arab Emirates.

2024-2025: A period of strong commercial dynamism

In 2024, the Group recorded orders of €451 million, its all-time high. Around 60% of these orders are related to the defense sector.

In the first half of 2024, a major call for tenders in Australia saw the Group selected for the final negotiation phase against international competitors of much larger size than its own. Unfortunately, the Australian government terminated the project for budgetary reasons, while EXAIL seemed likely to win the call for tenders. Nevertheless, this file demonstrates the Group's excellent technical and financial positioning.

A historic order was recorded in the first quarter of 2025, for a contract worth several hundred million euros in the field of underwater mine clearance. After the contract for the Belgian and Dutch navies, and the Australian experience, this victory for the Group consolidates its position as a major player in the latest generation of underwater demining.

The complex geostrategic context in early 2025 explains why numerous countries are deciding on ambitious investment programs for their defense. This situation will be favorable to the Group in the medium term.

1.2.2 ACTIVITIES, MARKETS AND COMPETITION

EXAIL TECHNOLOGIES, through its subsidiary EXAIL, is a high-tech industrial group with strong vertical integration of its businesses. The Group specializes in cutting-edge technologies in robotics, navigation, aerospace and photonics. The Group's activities are presented in two complementary segments:

- **Navigation and maritime robotics;**
- **Advanced technologies.**

The sources concerning the competitive positions are internal to the Company.

Navigation and maritime robotics

EXAIL designs and markets high-performance navigation and positioning systems. The Group integrates these systems into its range of autonomous robots, in order to offer its customers the best drones and drone systems, particularly in the maritime sector.

EXAIL is one of the world leaders in inertial navigation units, using Fiber Optic Gyroscopes (FOG) technology. Inertial units make it possible to know the position, orientation and speed of a vehicle very precisely without external assistance (i.e. without the use of GPS). Thanks to the continuous R&D efforts carried out since the 1980s, the Company is now a technological and industrial leader and offers the most efficient and reliable inertial units on the market. Other complementary positioning products are marketed by the Group in this area, such as acoustic positioning systems.

EXAIL's navigation and positioning solutions are highly valued by the defense sector (naval and land) for their performance and reliability. They are also used in the civilian field for maritime (offshore construction, offshore wind farms, etc.), land (civil engineering, railways) or space applications (launchers, satellites). EXAIL's inertial navigation solutions are used internally in the Group's drones and sold to external customers.

In the field of maritime robotics, EXAIL offers a complete range of underwater drones (Autonomous Underwater Vehicles – AUVs), surface drones (Unmanned Surface Vehicles – USVs) or remotely operated drones (Remotely Operated Vehicles – ROVs). EXAIL also offers different types of on-board sensors to equip its drones in different configurations: sonar, acoustic positioning systems, communication systems, etc. These different options allow the Group's drones to carry out several types of specific missions: underwater mapping, bathymetry, search for underwater objects, monitoring of critical infrastructure, port protection, etc.

EXAIL also masters naval architecture, through its subsidiary MAURIC, enabling it to carry out the complete design of its surface drones and to ensure the Group's customers the best possible integration of the robotic systems on their vessels.

Lastly, EXAIL is positioning itself as a systems provider by integrating different autonomous vehicles into drone systems that collaborate with each other, under the supervision of a control center installed on a ship or on land. These comprehensive solutions are intended for defense markets (mainly in the field of mine clearance) and civilian markets (hydrography, offshore wind farms and telecommunications in particular).

NAVIGATION AND MARITIME ROBOTICS MARKETS

The navigation and maritime robotics markets are experiencing strong growth, supported by several trends:

- the increase in defense budgets on a global scale, driven by the desire of States to acquire new means to ensure the security of their armed forces. This effect is being heightened by, on the one hand, "mature armies" which are seeking to limit human losses through the use of drone and robot systems and, on the other, "new armies" which are striving to immediately access the most modern solutions;
- the development of seabed observation and measurement capabilities: major collaborative projects are being set up, with objectives of sovereignty and knowledge of the seabed, such as the "Deep Seabed 2030" project in France or SEABED 2030 globally; today, less than one-fifth of the world's submarine topography is accurately determined;
- the development of renewable marine energies, such as offshore wind farms. In order to achieve carbon neutrality by 2050, the European Union is committed to developing the offshore wind market: the objective is to increase the European production capacity to 300 GW in 2050 (compared to 12 GW currently). The installation of these offshore wind farms requires detailed knowledge of the seabed in order to carry out offshore construction and to assess the risks to biodiversity;
- the need for monitoring and protection of strategic underwater infrastructures, such as gas pipelines or submarine communication cables.

The use of drones and precise navigation systems will increase the capacity of the Group's customers to meet these challenges at a lower financial and environmental cost than current solutions. For example, the financial and environmental cost of a survey boat is equivalent to that of 100 DriX surface drones.

EXAIL is responding to these new challenges by being one of the few players in the world to have a complete and integrated range of drones and offers some of the most efficient navigation systems on the market. These competitive advantages enables it to address different needs in the various maritime robotics markets.

Defense and Security

For more than 80 years, EXAIL's mobile robotics solutions have met the needs of internal security, naval and land forces of many armies. EXAIL's navigation systems equip most of the world's major navies. Different applications are addressed:

- Mine Counter Measures (underwater mine clearance) to protect vessels and personnel in high-risk waters;
- Maritime Domain Awareness (maritime security and control) including, for example, military mapping, surveillance of maritime areas and the identification of threats;
- Navigation and positioning of autonomous or manned underwater and surface vehicles;
- Tactical reconnaissance missions (protection of sensitive infrastructures, interior protection, protection of bases, etc.);
- Positioning of land vehicles.

In the underwater demining segment, EXAIL is positioned in an identified addressable market of around €3 billion over the next 15 years. Overall, of the more than 300 mine-hunting vessels in service in the Group's addressable markets more than 70% are more than 20 years old and are rapidly becoming obsolete. Almost all of the navies concerned are expected to have launched modernization or complete replacement programs to equip themselves with robotic systems by 2030. These programs will include operational maintenance work, consumables and additional services that will generate recurring revenues for many years after the delivery of the equipment.

Civilian maritime

EXAIL TECHNOLOGIES' navigation and robotic offering perfectly meets the different requirements and specificities of the maritime sector's activities both on and under water. Inertial units, Autonomous Underwater Vehicles (AUVs), Remotely Operated Vehicles (ROVs), Unmanned Surface Vehicles (USVs), equipped with sonars, sensors or articulated arms respond to a wide variety of missions such as:

- ocean floor exploration (search for new underwater reserves, hydrographic and oceanographic research, inspection and study of underwater deposits);
- offshore construction, such as the installation and monitoring of offshore wind farms;
- monitoring of sensitive zones (offshore platforms);
- search and rescue operations;
- maritime transport.



Other markets addressed

EXAIL's navigation solutions also address other high added-value and growing applications:

- space, driven by the rise of the "New Space" industry (multiplication of small satellite constellations) for satellite communication and Earth observation;
- civil engineering and studies, for street mapping purposes, increased automation of agricultural machinery, and the dynamism of the tunnel construction and land surveying markets.

COMPETITION

The navigation and maritime robotics markets cover a wide range of technologies and applications. EXAIL has different competitors depending on the type of application. These include:

- in inertial navigation systems, EXAIL addresses high value-added segments and is essentially in competition with NORTHROP GRUMMAN, HONEYWELL, and to a lesser extent SAFRAN;
- in marine and submarine drones, particularly in the field of mine hunting, the Group's main competitors are: ATLAS ELEKTRONIK, ELBIT SYSTEMS, THALES, ULTRA ELECTRONICS, KRAKEN, KONGSBERG and SAAB. None of these competitors offer the full range of drone solutions;
- in marine drones in the civilian sector, the main competitors are smaller, such as OCEAN INFINITY, XOCEAN and FUGRO;
- in sonars and acoustic positioning systems, the main competitors are large groups mainly present in the military field and integrated with vehicles such as NORTHROP GRUMMAN, THALES, ATLAS, KONGSBERG and specialist players such as ELAC, HEDGETECH and SONARDYNE.

R&D skills are critical in adapting the delivery systems, payloads, data analysis and systems to mission requirements. EXAIL's ability to provide this integrated offer in all environments distinguishes the Group from its competitors.

OUR PRODUCTS AND SOLUTIONS ARE THE MOST RECOGNIZED IN THE MARKETPLACE

Many of the solutions developed by the Group are now among the most widely-recognized in the robotics marketplace. Here are a few flagship examples:

- **UMIS™**

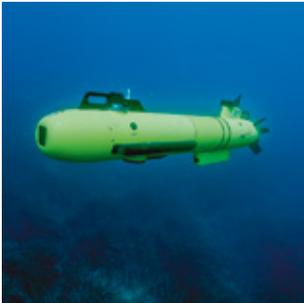
EXAIL has developed UMIS™ an integrated Mine Counter Measures (MCM) system. UMIS™ is a complete system that combines the new generation UMISOFT™ software suite with the actions of Unmanned Surface Vehicles (USV), Autonomous Underwater Vehicles (AUV), Unmanned Airborne Vehicles (UAV) and Remotely Operated Vehicles (ROV). UMISTM has many advantages over traditional maritime MCMs: it is safer since the mother vessel no longer has to enter the minefield, more effective in detecting mines since the AUVs are very stable and navigate at an ideal altitude above the seabed, and faster, enabling robots to carry out tasks such as detection and identification at the same time and to work in collaborative mode.

This system has already been sold to several navies, including the Belgian and Dutch navies in early 2019 to equip 12 mine-hunters.

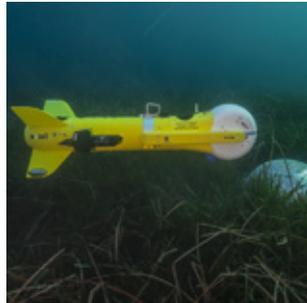


OUR PRODUCTS AND SOLUTIONS ARE THE MOST RECOGNIZED IN THE MARKETPLACE

● Autonomous Underwater Vehicles (AUV) line



A9 underwater drone



K-STER underwater drone



Inspector 125 USV



DriX USV

● Unmanned Surface Vehicle (USV) range

● Sonar line



T18 towed sonar



Seapix forward-looking sonar

● Acoustic positioning systems line



GAPS M7



Canopus & Ramses

● Inertial units line



Marins (for ships and submarines)
& Advans (for land forces)



Compact Phins (for drones)
& Astrix (for space)





Advanced technologies

EXAIL develops and markets cutting-edge components (optics, photonics, quantum), and some of the most advanced technologies (autonomous decision-making, simulators, on-board communication systems, etc.), and either sells them directly to third parties or integrates them into the products of its Navigation and Maritime Robotics segment.

COMPONENTS AND PHOTONICS

EXAIL is a leading player in the field of photonics, which brings together all the sciences and techniques that generate, emit, detect, collect, transmit, modulate, amplify or modify the flow of photons, i.e. light. EXAIL is present in this market with in particular three high value-added solutions:

- special optical fibers: active fibers intended for the manufacture of fiber lasers for various applications (communications, medical, LIDAR, cutting) and passive fibers used as sensors (for gyroscopes, electrical currents, radiation, etc.). These optical fibers are used internally by EXAIL for the design and production of inertial systems using fiber optic gyroscopes and also sold externally to various industrial customers;
- electro-optical modulators: optical devices used to modulate a beam of light, an element controlled by a signal that modifies the optical properties of a material. These solutions are a basic component of inertial systems and are integrated into EXAIL's solutions; they are also sold externally to the space, defense, quantum and laser sectors;
- quantum instruments (gravimeters, atomic clocks, rotating seismometers, etc.).

Market and competition

The photonics market is defined by its scattered nature. Apart from a few well-identified and structured areas (telecommunications, LED lighting, industrial lasers, etc.), these are often highly segmented markets and applications in niches with very high added value (metrology, sensors, LIDARs, quantum components, etc.).

Photonics relies on a wide variety of technologies and materials (glass, fiber optics, semiconductors, special crystals, etc.) to provide one or more solutions that are highly targeted to the problem to be solved. Due to its great diversity, photonics opens up a wide range of applications, which limits its exposure to the reversal of a single and overly mobilizing market experiencing difficulties.

The photonics sector has been growing strongly since the early 2010s. The most important application sectors are telecommunications, space, scientific research, medical, nuclear, defense and quantum. These sectors require more and more high-performance photonic components in the face of

the growing need for precision in measurements and highly secure communications. Thanks to their unique precision, quantum sensors make it possible to detect the smallest underground cavities and offer a wide range of uses in the fields of medicine, geological prospecting, civil engineering and construction, natural resource management (prevention of natural disasters), defense and telecommunications.

In this still emerging and highly fragmented market, EXAIL faces disparate competition from modest-sized players:

- in the field of fibers: nLight, NuFern, OFS, FIBERCORE;
- in the field of modulators: EOSPACE;
- in the field of quantum: various start-ups.

AEROSPACE & LAND

EXAIL offers a range of the most advanced technologies and solutions in electronics and robotics dedicated to the land, aeronautics and space sectors. Its expertise in the aeronautics and space sectors, combined with its robotics and automation know-how, enables it to respond to the requirements of aircraft manufacturers, airline companies, maintenance and repair centers, as well as those of industrialists and scientists in the space sector and the defense industry. EXAIL's offering is based on a range of onboard aeronautical communication solutions (distress beacons and wireless connectivity equipment), assembly stations and tooling, and a range of land robots for the civilian and defense market (UGV ranges and training simulators for land and air driving).

Markets and competition

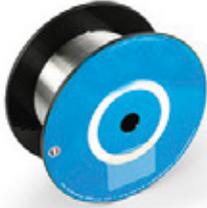
- In aeronautics, EXAIL is present throughout the life cycle of the aircraft: the Group addresses the production, original equipment and aftermarket markets, thus achieving a form of resilience to aeronautical cycles. EXAIL addresses several sub-markets within the aeronautics sector: on-board electronic equipment (distress beacons and in-cabin connectivity equipment), test equipment and equipment for aircraft ground maintenance.
- In space, the division offers ground stations for satellite communications, balloon systems (platform pod and associated ground station) and electronic equipment.
- As regards land solutions, EXAIL has applied its expertise in maritime robotics to develop various drones for defense applications (range of UGVs for reconnaissance and data collection missions).

In the fields of security electronics, EXAIL is a world leader compared to HONEYWELL or OROLIA, while its assembly and electronic testing solutions meet players such as NEXEYA, REEL and LATECIS.

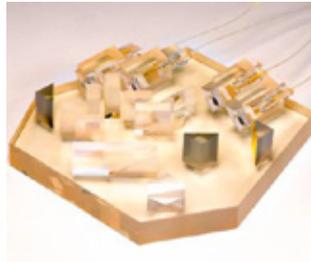
In the land robot market, the UGVs face groups such as NEXTER, IROBOT and TELEROB.

OUR PRODUCTS AND SOLUTIONS ARE THE MOST RECOGNIZED IN THE MARKETPLACE

• Optical components & quantum instruments



Special optical fibers



Optical circuits



Optical modulators



Quantum gravimeter

• Onboard equipment



ELITE distress beacon



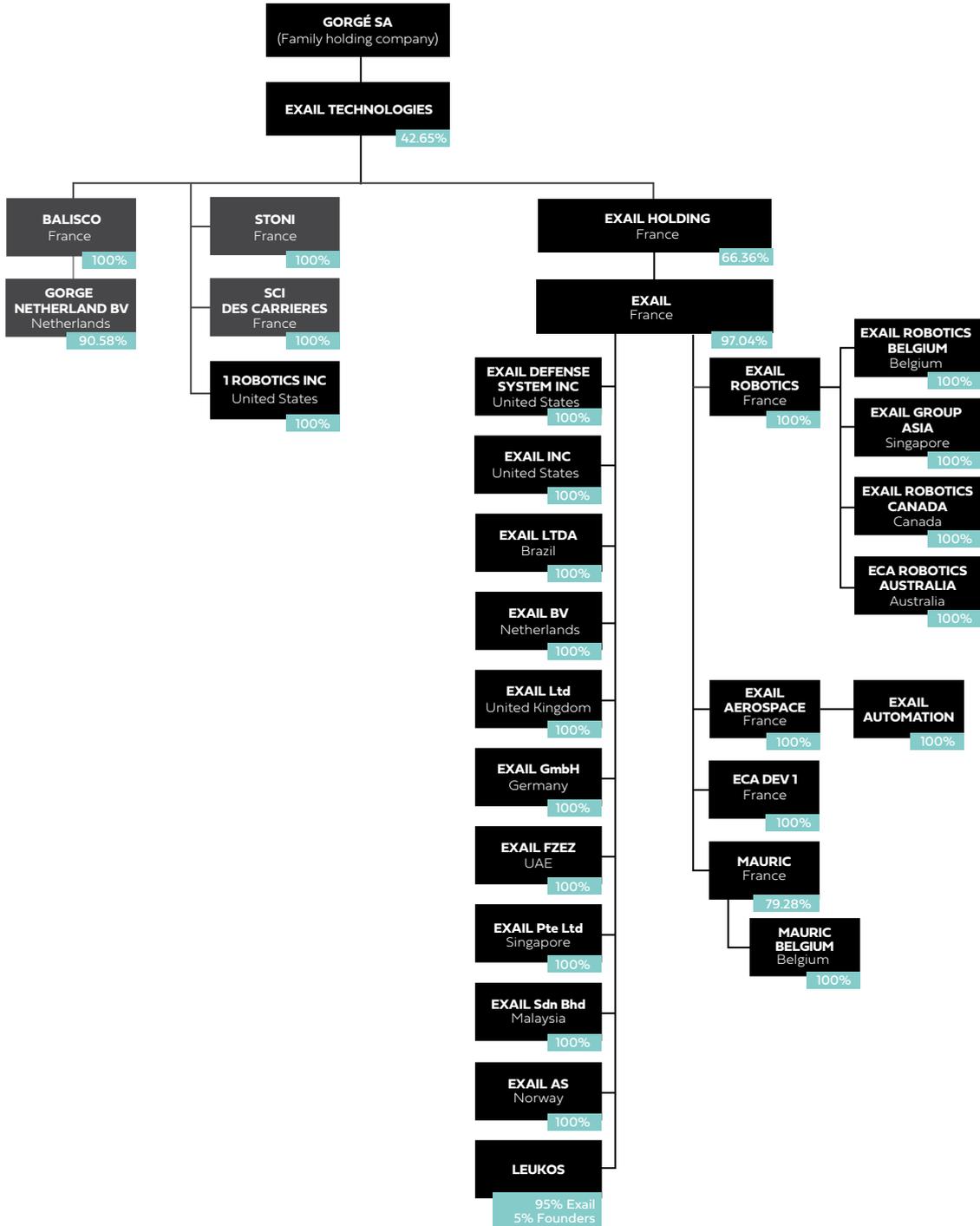
• Land drones



Iguana UGV



1.2.3 PRINCIPAL SUBSIDIARIES AND ORGANIZATIONAL CHART AT 28 MARCH 2025



The rates indicated correspond to the percentage share capital holding. The holdings in terms of share capital and voting rights differ in two cases: GORGÉ SA holds 42.65% of the share capital and 60.03% of the voting rights of EXAIL TECHNOLOGIES (together with the members of the GORGÉ family these percentages increase to 43.90% and 61.35%); EXAIL TECHNOLOGIES holds 87.70% of the voting rights of EXAIL HOLDING.

The major changes (acquisitions and disposals) in the organizational structure over the past three years were as follows:

	Newly consolidated	Deconsolidated
2024	LEUKOS	-
2023	-	VIGIANS PROTECTION INCENDIE, SERES, STEDY
2022	IXBLUE and its subsidiaries	NUCLÉACTION and its subsidiaries (BAUMERT)

The full list of the Group's companies, grouped by division, can be found in Note 14 to the consolidated financial statements. The table showing EXAIL TECHNOLOGIES SA's subsidiaries and equity interests can be found in Note 6 to the Company's individual financial statements. The consolidated financial statements can be found in Section 4.1 of this document, and the individual financial statements of EXAIL TECHNOLOGIES SA in Section 4.2.

1.2.4 HIGHLIGHTS

EXAIL TECHNOLOGIES achieved an exceptional level of performance in 2024 with orders of €451 million. The order book exceeded €700 million at the end of 2024, without including the order of several hundred million euros recorded in early 2025 and which will generate a backlog of €1 billion. The Navigation business continued to grow its revenues since the acquisition of IXBLUE. The Maritime Robotics business recorded significant orders.

During the first half of the 2024 financial year, the Group's profitability decreased slightly, in particular due to the fact that EXAIL TECHNOLOGIES had chosen to respond to all opportunities. In addition to the increase in the costs of responding to calls for tenders, this choice resulted in a particularly heavy workload for the technical teams. This expense created a disruption penalizing profitability.

The second half of the year saw a return to a margin of 21% of current EBITDA, with a net recovery in the profitability of the Navigation & Maritime Robotics division.

The cash generation for the financial year benefited from the growth in current EBITDA (+13%) as well as from the clear improvement in working capital, with a very high level of inflows in the last two months.

The Group's debt reduction thus accelerated in 2024.



1.3 STRATEGY AND OUTLOOK, INVESTMENT AND R&D POLICY

1.3.1 STRATEGY

A leading player in the high-tech autonomous robotics markets, EXAIL TECHNOLOGIES is solidly positioned in each of its product lines. The Group bases its strategy on four major pillars: technological excellence, dual defense/civilian positioning, leadership in our markets and international development, and, lastly, the promotion of its strong corporate culture.

Technological excellence first: driven by a pioneering spirit, the Group creates innovative technologies to offer unrivaled performance, reliability and safety to its customers operating in harsh environments. The Group's vertical integration, from components to products and systems, is also a strong differentiating factor, enabling it to master the key technologies of its offers.

EXAIL TECHNOLOGIES is also pursuing its dual positioning strategy, with a mix of military and civilian customers in well-oriented markets with high barriers to entry; the Group's main markets are maritime, space, aeronautics, defense (maritime and land), and research. The Group is ideally positioned to benefit from the dynamics of the defense market.

In its leading markets, EXAIL TECHNOLOGIES is deploying a leadership strategy with a global reach, which is reflected in all its business lines and in particular:

- drone systems for mine hunting: the Group was one of the first to develop a system of drones operating underwater, on the surface, on land and in the air specialized in detection, classification, identification and remote mine neutralization, keeping crews out of danger zones. The mine warfare contract awarded in 2019 by the Belgian and Dutch navies to the BELGIUM NAVAL & ROBOTICS consortium bringing together EXAIL ROBOTICS and NAVAL GROUP is the culmination of this strategy for EXAIL and a major asset for exports, just like the tripartite mine-hunter program 40 years ago which generated sales of PAP robots to several dozen navies over 20 years. Several major navies will be renewing their mine-hunting fleet in the coming years. The drone systems proposed by EXAIL can also be used by navies that do not wish to renew their entire fleet (such as the Latvian navy), which further widens the Group's potential market. At the same time, EXAIL believes that most navies will also be equipped with transportable drone systems that can be used from the coast or systems with smaller vessels that can be developed by its naval design office MAURIC; the Group announced a new major order of several hundred million euros in early 2025;
- inertial control units: EXAIL has a very strong position in the markets it addresses with its fiber optic inertial navigation solutions, in particular thanks to its vertical integration of

fiber optics. The Group has a market share of around 30% of its market for inertial units for the naval and maritime sectors, and is seeing its market share grow rapidly in the space and land defense sectors;

- acoustic positioning systems: EXAIL is establishing itself as a leader in its acoustic positioning market for the marine exploration and mapping markets, and is actively developing in sonar, particularly for the maritime markets;
- leadership in the onboard RF equipment market, notably with a world leader position in the distress beacon (ELT) market, and the expansion of its range with connectivity products (AWAP) or testing resources.

Lastly, EXAIL TECHNOLOGIES bases its strategy on the promotion of its medium-sized company culture, a key player in the French defense industrial and technological base:

- which disseminates a vision of efficiency, entrepreneurial energy and collective ambition throughout the Group; and
- which is based on a long-term vision, supported by a stable family shareholding structure.

1.3.2 OUTLOOK

€451 MILLION IN ORDER INTAKE IN 2024, UP BY 39%

The Navigation & Marine Robotics segment was the driver of orders for the year, with €364 million in new contracts, up by 49% compared to the previous financial year. This performance was driven by:

- numerous contracts for navigation systems: the Group's historical markets in naval defense and civil maritime applications remain buoyant. The orders for inertial units for the land defense sector almost tripled;
- a significant increase in orders for drone systems in 2024, reaching €205 million. They concerned both sales of new drone systems or individual drones for various customers in different regions of the world, and additional orders from existing customers, such as the €60 million order for K-STER consumable drones for the Belgian and Dutch navies as part of the BENL program.

In 2024, the Advanced Technologies segment recorded €87 million in external orders, an increase of 10%. This growth in orders was generated in particular by sales of advanced optical and quantum components to a very diverse customer base.

The backlog at the end of 2024 stood at €708 million, representing nearly two years of revenue.

A CONTRACT WORTH SEVERAL HUNDRED MILLION EUROS FOR DRONE SYSTEMS

In early 2025, following an international call for tenders launched several years ago, a leading navy decided to entrust EXAIL TECHNOLOGIES with the supply of several autonomous drone systems to combat underwater mines. This major success confirms the Group's strategy and the development choices made more than ten years ago. This program will be transformative for EXAIL in terms of size and positioning to win other future programs in the world.

This contract represents an amount of several hundred million euros for EXAIL TECHNOLOGIES. The systems are expected to be delivered over a period of four years. The entry into force of the contract remains subject to the usual conditions, in particular the receipt of a deposit. The program will then be recognized in order intake. EXAIL TECHNOLOGIES may communicate the identity of the customer and the amount of the contract at a later date, subject to the customer's agreement.

With this program, the navy in question will acquire the latest generation drone systems. They will be composed of different types of drones from the Group's existing range and integrated into EXAIL's Control & Command system. The UMIS systems offered by EXAIL may comprise surface drones, underwater detection drones, several underwater drones for Mine Identification & Destruction System (MIDS) missions, as well as aerial drones.

As soon as the contract comes into force, the Group's backlog will cross the €1 billion threshold. This is a new important step in the history of EXAIL: the Group changed its dimension in 2019 with the gain of the BENL program, then in 2022 with the acquisition of IXBLUE and today with the gain of this new contract of several hundred million euros. In just a few years, the order book has been multiplied by ten.

On the strength of this new program, the Company intends to consolidate its strong position in this market with a success rate exceeding 90% on the calls for tenders issued over the past six years. EXAIL remains the only player with all the drones necessary for underwater demining missions by drones. The choice made by this customer further strengthens the Group's competitive advantage over competing solutions and positions it for other future calls for tenders.

PROMISING TRENDS FOR THE GROUP'S DEFENSE MARKETS

Defense spending is increasing substantially in Europe in a context of rearmament. The defense capital expenditure (equipment purchases and R&D) increased by 42% in 2024 to reach €102 billion⁽¹⁾. This amount could potentially double by 2030 and exceed €200 billion as a result of the Readiness 2030 plan presented by the European Commission and the desire of many countries to strengthen the European defense industry. The white paper on the European defense strategy for 2030, published on 19 March 2025, presents promising themes for the Company:

- drones, including surface and submarine drones, are listed among the seven priority areas;
- European preference;
- support for SMEs and mid-sized companies;
- accelerating R&D and innovation efforts.

EXAIL TECHNOLOGIES, as a European high-tech mid-sized company, will be able to contribute to the strengthening of a sovereign defense industry in Europe. In the context of strong support for the European defense technological and industrial base, the Group aims to position itself as a European leader and one of the leading players on a global scale in its navigation and maritime drone systems activities. In particular, it will be able to participate in the efforts to increase production capacities in order to deliver its growing order book and meet new demands from European players.

POTENTIALLY SIGNIFICANT NEW MARKETS IN THE MEDIUM TERM

With its expertise in autonomous robotics, navigation and its control of critical sensors in marine environments, EXAIL is now positioning itself in emerging applications, first and foremost Maritime Domain Awareness (MDA).

MDA includes monitoring, mapping and protection of sensitive maritime areas. The use of drone fleets provides major operational benefits to collect data and detect potential threats on the surface or underwater. Operated from a control center on land, they are an effective and inexpensive solution to carry out these missions compared to conventional manned vessels.

To respond to these MDA applications, the companies best placed today are those that have mastered drone systems in shallow water (<300 meters), such as anti-mine action, and the integration of critical sensors for data acquisition, such as sonar, navigation and acoustic positioning systems. EXAIL TECHNOLOGIES is one of the few players in Europe and the world to have the spectrum of skills needed to meet these challenges. The Company also participates in several exercises with different navies to test these concepts:

- in France, the French navy took control of the DriX in March 2025 and integrated it into the Drogon Fury 25 exercises in order to explore the use cases for operational use;
- EXAIL also participates in the US navy's Task Force 59 in the Middle East, which aims to establish a permanent fleet of drones to strengthen maritime security;
- EXAIL also took part in the REPMUS (Robotic Experimentation and Prototyping using Maritime Unmanned Systems) exercises organized by NATO for the same purpose.

Surface drones, and in particular the DriX, have major advantages in meeting the challenges of MDA by using drone fleets. Their strengths lie in their ability to remain at sea for long periods of time, as well as in the superior quality of their acoustic measurement due to the shape and design of the drone which is optimized for data collection. They represent an effective solution that can be deployed on a large scale to cover larger areas than conventional means.

⁽¹⁾ Defense investments in EU countries. Source: European Defense Agency.



Another related and promising market is the monitoring of critical underwater infrastructure, such as communication cables and energy facilities. EXAIL is one of the only companies offering a range of drones capable of operating at depths ranging from 300 to 6,000 meters, based on its existing drones developed for the fight against underwater mines. The Group also has expertise in the underwater navigation and communication systems required for these cutting-edge applications. In 2024, EXAIL won a first contract with the French navy for a deep sea drone. It also supplied equipment to numerous players around the world aiming to deploy fleets of underwater drones.

Lastly, in the field of positioning navigation systems, land defense applications represent significant development potential over the coming years. The size of the market is substantial, with a fleet of more than 20,000 land defense vehicles in Europe today alone. This market is expected to grow substantially due to:

- strengthening of European armed forces;
- increased use of inertial systems in types of vehicles not previously equipped;
- increase in the number of on-board sensors, with stabilization and precision requirements.

AMBITIONS STRENGTHENED BY THE GROUP'S SUCCESSES AND MARKET DEVELOPMENT

Three years ago, during the acquisition of IXBLUE, EXAIL TECHNOLOGIES communicated indications on its medium-term development trajectory. Since then, several factors have strengthened the Group's outlook:

- the increase in defense spending, with a share of this expenditure allocated to autonomous solutions;

The expenses changed as follows:

<i>(in thousands of euros)</i>	2024	2023
Capitalized research and development	19,610	21,414
Research and development recognized as an expense	21,163	27,298
Total expenditure on research and development	40,773	48,711
<i>Total research and development as % of revenue</i>	11%	15%
Tax credits for the financial year	21,333	17,014
RESEARCH AND DEVELOPMENT NET OF TAX CREDITS	19,440	31,698

The main projects concerned the following areas:

- next-generation GAPS acoustic positioning and communication systems;
- expert autonomous maritime navigation systems;
- high-performance inertial navigation systems;
- a new generation aero beacon;

- the larger-than-expected size of the underwater mine countermeasures market;
- the growing desire of naval and land forces to rely on positioning solutions independent of GPS, in particular inertial systems.

Among the objectives set, EXAIL TECHNOLOGIES aimed to win a second drone systems contract, representing several hundred million euros, which would enable it to consolidate its dominant position in this market and establish itself as the leader in future calls for tender. This objective was achieved in early 2025. The ramp-up of this new contract, which will be spread over a period of four years from its entry into force, will allow EXAIL TECHNOLOGIES to confirm its desire to achieve a 25% current EBITDA margin.

OBJECTIVES FOR 2025

Building on its commercial success in 2024, an order book of €708 million at the end of the 2024 financial year, and the major commercial success in early 2025, EXAIL TECHNOLOGIES is confident about its ability to maintain sustained growth in the coming years.

For 2025, EXAIL TECHNOLOGIES is targeting double-digit revenue growth and current EBITDA growth exceeding revenue growth.

1.3.3 INVESTMENT AND R&D POLICY

1.3.3.1 R&D policy

The Group invests significantly in research and development to maintain and further develop its competitive edge. The Group's R&D activities are carried out in France.

In 2024, EXAIL TECHNOLOGIES spent €40.8 million on R&D, i.e. 11% of the Group's revenue.

- the development of a new wireless application protocol for inflight entertainment;
- next-generation inertial units;
- synthetic aperture sonar;
- hardware and software to carry out mine countermeasure missions;
- developments of our current products.

The Group files numerous patents allowing it to protect its technical, technological or commercial progress. The Group's research and development costs are detailed in Note 6.2 to the consolidated financial statements.

1.3.3.2 Invention protection policy

The Group protects its inventions and know-how through non-disclosure agreements and patent applications.

With more than 145 patent families filed, EXAIL actively protects its innovations in its key areas of navigation (in particular in Fiber Optic Gyroscopes), robotics, photonics and quantum technology.

The Company's subsidiaries generally initially file a national patent application. Each subsidiary then takes advantage of the priority period granted following this initial patent application to further research patent clearance and assess in-house the potential for extending the protection to other countries.

The value of the investments over three years breaks down as follows:

<i>(in millions of euros)</i>	2024	2023	2022 ⁽¹⁾
Research and development ⁽²⁾	19.6	21.4	13.7
Other intangible assets ⁽³⁾	0.5	0.8	2.2
Land and buildings	0.9	0.7	0.2
Technical installations, equipment	7.9	5.7	6.7
Other property, plant and equipment ⁽⁴⁾	5.8	2.9	3.4
TOTAL	34.7	31.5	26.2

(1) Figures at equivalent scope at 2023, with IXBLUE over 12 months.
(2) Only capitalized R&D, more information on R&D in Note 1.3.3.1.
(3) Excluding the costs for obtaining and performing contracts.
(4) Only advance payments and non-current assets in progress.

There is no other significant investment for which firm commitments have already been made. No planned Group investment is conditional on receipt of anticipated significant funding.

1.3.3.4 Significant property, plant and equipment/property leases

The Group's property, plant and equipment comprise a few real estate assets, as described below, production tools, fittings and installations, and IT equipment. The vehicle fleet is for the most part leased from specialized agencies.

With respect to real estate, the Group mainly leases its sites under standard leasing agreements. The Group owns premises used for its activities in La Garde (near Toulon, France, EXAIL

1.3.3.3 Main investments made in 2024

In 2024, the Group's investments totaled more than €35 million (excluding acquisitions and disposals of subsidiaries).

The intangible investments (mainly in Research & Development) amounted to almost €20 million (capitalized part only). The R&D expenses were mainly driven by the Maritime, Navigation and Photonics activities.

The tangible investments amounted to almost €15 million and mainly included the layout and installation of the Toulon buildings, the finalization of the investment on the Ostend site, and demonstration equipment for the various divisions. Industrial investments are mainly funded out of own resources, and occasionally through leasing. The real estate investments, which are infrequent but significant at the moment (extensions of the occupied space), are financed by equity and traditional debt.

ROBOTICS main site), in Ostend (Belgium, EXAIL ROBOTICS production site), and in Lannion (France, EXAIL ROBOTICS site).

In 2024, the Group renewed several real estate leases and/or extended the scope of some leases. The sites that are currently being leased do not present any risk in terms of their extended availability or that of other similar operating sites.

1.3.4 SUBSEQUENT EVENTS

The major events that occurred between the closing of the financial year and the date of issue of the financial statements (24 March 2025) are described in Note 13.3 / Subsequent events to the consolidated financial statements.

1.4 ANALYSIS OF CONSOLIDATED PERFORMANCE AND SEGMENTS

1.4.1 ANALYSIS OF GROUP RESULTS

The Board of Directors approved the 2024 consolidated financial statements on 24 March 2025, showing:

- revenue of €373,062 thousand;
- income from ordinary activities of €45,515 thousand;
- loss of €4,532 thousand;
- loss for the period attributable to the owners of the parent of €3,641 thousand.

The consolidated financial statements were drawn up in compliance with the financial information presentation and evaluation rules of the International Financial Reporting Standards (IFRS) and interpretations adopted by the European Union and published in the Official Journal dated 13 October 2003. The 2023 financial statements were subject to changes concerning financial expenses, deferred taxes and the breakdown of equity; the changes made are detailed in Note 1.3 to the consolidated financial statements.

In 2022, IXBLUE, acquired on 30 September 2022, was only consolidated for three months. The financial information for 2022 at equivalent scope (with IXBLUE over 12 months) has been prepared given the importance of this acquisition for the Group and in order to facilitate comparisons. The procedures for preparing this information at equivalent scope are detailed in Section 1.4.1 of the Company's 2023 Universal Registration Document.

The figures presented below in Section 1.4.1.1 are from the financial statements for 2024, 2023, 2022 and 2022 at equivalent scope.

The most significant events of the 2022-2024 period having an impact on the financial statements are as follows:

- in September 2022, the acquisition of IXBLUE by EXAIL HOLDING, a subsidiary of EXAIL TECHNOLOGIES. EXAIL TECHNOLOGIES is associated with non-controlling interests in EXAIL HOLDING's capital, including the investment fund ICG; Note 2.2.2 to the consolidated financial statements details the terms of the acquisition;
- the sale of all activities of the former Engineering & Protection Systems division took place between December 2022 (NUCLÉACTION) and March 2023 (SERES, STEDY and VIGIANS PROTECTION INCENDIE); these activities and the results of their deconsolidation only contribute to the 2022 income statement on the line "Net income from discontinued operations";
- the EXAIL HOLDING group experienced strong internal growth over the period, an external growth transaction was carried out at the end of December 2024, it does not contribute to the 2024 income statement.

The Group uses non-GAAP adjusted measures (alternative performance indicators). This information makes it possible to better assess the performance of the Group's long-term activities. Note 3.1 to the consolidated financial statements reconciles the adjusted measures and the financial statements for the period.

1.4.1.1 Main aggregates from the consolidated income statement

(in thousands of euros)	2024	2023 ⁽¹⁾	2022 ⁽²⁾	2022 at equivalent scope ⁽³⁾
Revenue	373,062	322,820	180,052	278,166
Current EBITDA ⁽⁴⁾	73,820	65,061	38,849	60,545
Income from ordinary activities ⁽⁵⁾	45,515	39,939	22,876	37,048
Operating income	18,075	7,245	1,065	12,174
Financial income and expenses	(26,959)	(28,056)	(4,944)	(19,455)
Tax	4,352	3,105	(6,580)	1,688
NET INCOME FROM CONTINUING OPERATIONS	(4,532)	(17,706)	(10,459)	(5,593)
NET INCOME FROM DISCONTINUED OPERATIONS	-	31,365	934	934
NET INCOME	(4,532)	13,660	(9,525)	(4,660)
PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO THE OWNERS OF THE PARENT	(3,641)	16,829	(8,082)	ND

(1) The 2023 income statement has been modified due to adjustments in financial expenses and tax, see Note 1.3 to the 2024 consolidated financial statements.

(2) The 2022 income statement was restated for the publication of the 2023 financial statement in accordance with IFRS 3, see Note 1.3 to the 2023 consolidated financial statements.

(3) In the 2022 income statement, at an equivalent scope to that of 2023, the IXBLUE group is consolidated over 12 months and restatements for comparability have been applied, see Section 1.4.1.

(4) Current EBITDA: operating income before depreciation, amortization and provisions, expenses related to share-based payments, amortization of intangible assets recognized at fair value and other items of operating income. This non-IFRS measure is described in Note 3.1 to the consolidated financial statements.

(5) Income from ordinary activities: operating income before expenses related to share-based payments, amortization of intangible assets recognized at fair value and other items of operating income. This non-IFRS measure is described in Note 3.1 to the consolidated financial statements.

The Group's organization was simplified in 2023 with the refocusing of activities and the disappearance of the Engineering & Protection Systems division. The Group is structured into two segments, Navigation & Maritime Robotics on the one hand and Advanced Technologies on the other. These two segments are presented in Section 1.2.2 of the Universal Registration Document.

In 2024, the Group's revenue grew by 16% over the financial year, with no change in scope.

Performance is analyzed by division in the following tables.

EXAIL TECHNOLOGIES generated €73.8 million in current EBITDA in 2024, compared to €65 million in 2023, with a strong contribution from the Navigation & Maritime Robotics segment. This segment generated a 21.0% current EBITDA margin, with a margin lower than the Group's objectives in the first half of 2024, due in particular to the intense commercial activity that weighed on the profitability of ongoing programs. The performance of the second half was better. The Advanced Technologies segment achieved a current EBITDA margin of 15.6%, down compared to 2023. It includes activities with high profitability, such as optical fibers for laser applications, and growth activities (such as terrestrial drones and certain quantum instruments) which did not contribute to the Group's profitability this year. In 2024, the activity of this division in the aeronautics sector was disappointing, with lower margins due in particular to difficulties in the beacon activity, awaiting certification of its latest generation beacon.

Depreciation, amortization and provisions amounted to €28 million in 2024, up by €3 million compared to last year.

The income from ordinary activities income thus amounted to €45.5 million, compared to €39.9 million in 2023.

The amortization of intangible assets recognized at fair value represented an additional €18.3 million, the same amount as in 2023. The expenses related to share-based payments amounted to €4.7 million (€8.4 million in 2023) and the other items of operating income represented an expense of €4.4 million, compared to €5.9 million in 2023.

As a result, the Group's operating income amounted to €18.1 million, up substantially compared to the €7.2 million recorded in 2023.

The net borrowing cost amounted to €27 million in 2024, stable compared to 2023. A significant portion of the interest recorded - interest on the bonds issued to ICG - is capitalized and therefore has no impact on cash. This amount represented €12 million in 2024 and €11 million in 2023. The payments related to interest on the debt represent a little more than half of the expense recorded in the income statement, stable compared to 2023. These costs are expected to decrease in the coming years, as the Company gradually deleverages and if expectations regarding lower interest rates are confirmed. The other financial income and expenses amounted to +€0.4 million, compared to -€1 million in 2023.

Due to the tax consolidation implemented at the level of EXAIL HOLDING and the existing tax loss carryforwards, the current tax expense is not significant (€1 million in 2024, €2 million in 2023). Due to deferred tax income, a total tax income of €4.3 million was recognized in 2024 (€3.1 million in 2023).

The net income amounted to -€4.5 million versus +€13.7 million in 2023. The 2023 financial year benefited from a capital gain of €31.4 million recognized on the disposal of the activities of the Engineering & Protection Systems division.

2024 FINANCIAL YEAR – SEGMENT INFORMATION

<i>(in thousands of euros)</i>	Navigation & Maritime Robotics segment	Advanced technologies	EXAIL TECHNOLOGIES structure	IFRS 16 and IFRS 2	Disposals	Consolidated
Backlog at start of period						630,268
Backlog at the end of the period						708,392
Revenue	289,004	97,332	1,132	-	(14,407)	373,062
CURRENT EBITDA	60,722	15,195	(1,231)	8,541	(9,408)	73,820
% revenue	21.0%	15.6%	n/a	n/a	n/a	19.8%
Depreciation, amortization and provisions (net of reversals)	(16,336)	(3,747)	(65)	(8,156)	-	(28,304)
INCOME FROM ORDINARY ACTIVITIES	44,386	11,448	(1,297)	385	(9,408)	45,515
% revenue	15.4%	11.8%	n/a	n/a	n/a	12.2%
Restructuring costs	(1,057)	(3,417)	-	-	-	(4,474)
Acquisition/disposal costs	(12)	-	-	-	-	(12)
Other	-	-	31	-	-	31
Total other operating items	(1,069)	(3,417)	31	-	-	(4,456)
Payments in shares	-	-	-	(4,662)	-	(4,662)
Amort. of intangible assets recognized at FV during acquisitions	(16,123)	(2,200)	-	-	-	(18,323)
OPERATING INCOME	27,194	5,831	(1,266)	(4,277)	(9,408)	18,075
% revenue	9.4%	6.0%	n/a	n/a	n/a	4.8%



2023 FINANCIAL YEAR RESTATED – SEGMENT INFORMATION

<i>(in thousands of euros)</i>	Navigation & Maritime Robotics segment	Advanced technologies	EXAIL TECHNOLOGIES structure	IFRS 16 and IFRS 2	Disposals	Consolidated
Backlog at start of period						628,304
Backlog at the end of the period						630,268
Revenue	245,547	84,997	1,356	-	(9,080)	322,820
CURRENT EBITDA	52,944	14,196	(1,551)	7,082	(7,611)	65,061
% revenue	21.6%	16.7%	n/a	n/a	n/a	20.2%
Depreciation, amortization and provisions (net of reversals)	(13,639)	(4,325)	(405)	(6,753)	-	(25,122)
INCOME FROM ORDINARY ACTIVITIES	39,305	9,872	(1,955)	329	(7,611)	39,939
% revenue	16.0%	11.6%	n/a	n/a	n/a	12.4%
Restructuring costs	(184)	(71)	-	-	-	(255)
Acquisition/disposal costs	(587)	(227)	-	-	-	(814)
Fair value measurement of PRODWAYS GROUP shares distributed	-	-	(4,673)	-	-	(4,673)
Other	-	(164)	(17)	-	-	(181)
Total other operating items	(771)	(462)	(4,690)	-	-	(5,923)
Payments in shares	-	-	-	(8,448)	-	(8,448)
Amort. of intangible assets recognized at FV during acquisitions	(16,123)	(2,200)	-	-	-	(18,323)
OPERATING INCOME	22,411	7,210	(6,645)	(8,119)	(7,611)	7,245
% revenue	9.1%	8.5%	n/a	n/a	n/a	2.2%

1.4.2 FINANCIAL POSITION OF THE GROUP (CASH AND CASH EQUIVALENTS, FINANCING AND SHARE CAPITAL)

The consolidated equity amounted to €204.1 million at 31 December 2024, compared to €214.5 million at 31 December 2023.

At 31 December 2024, the consolidated net debt (financial debt of €308.2 million less €50.2 million in cash) amounted to €257.9 million. At 31 December 2023, the net debt amounted to €274.0 million. It should be noted that net debt includes a bond debt of €104.4 million maturing in fine in 2030. This debt amounted to €92.4 million at the end of 2023. The treasury shares held by EXAIL TECHNOLOGIES are not included in these figures. The net debt adjusted for treasury shares amounted to €249.8 million (compared with net debt of €266.0 million at 31 December 2023). Excluding the bonds held by ICG (whose redemption is linked to the exit of ICG), it amounted to €145 million, compared to €174 million the previous financial year.

The cash flow from operating activities (after neutralization of the net borrowing cost and taxes) reached €65.8 million, compared to €58.5 million in 2023. The cash flow from operating activities (cash flow from operating activities and change in working capital) amounted to €91.4 million,

compared to €55.6 million in 2023 and €46.4 million in 2022. The Group may experience significant changes in working capital requirements, which are highly dependent on changes in the payment schedules for large contracts and mainly on the contract with the Belgian and Dutch navies. The change in the working capital requirement, which was unfavorable in 2022, was controlled in 2023 and became favorable by €27 million in 2024.

In 2024, the investments were maintained at a high level of €34.7 million, compared to €31.9 million in 2023. The investments include a maintained high level of R&D (€20 million compared to €22 million at like-for-like scope in 2023) and tangible investments (industrial, IT, fixtures) of €15 million (€9 million in 2023). Total cash flows related to the investment cycle amounted to -€36.4 million in 2024 (including the acquisition of LEUKOS at the end of December 2024), compared to +€3.6 million in 2023 (including the proceeds from the disposal of the activities of the former Engineering & Protection Systems division for €27 million).

In 2024, the main financing flows amounted to €37.7 million in loan repayments, €33 million in new borrowings (financing of working capital requirements and investments) and €15 million in financial expenses.

Detailed information about the Group's financial debt and the related covenants is provided in Note 8 "Financing and financial instruments" to the consolidated financial statements.

1.5 ACTIVITIES AND RESULTS OF EXAIL TECHNOLOGIES SA

1.5.1 ROLE OF EXAIL TECHNOLOGIES SA WITHIN THE GROUP

The organization of the Group is as follows:

EXAIL TECHNOLOGIES SA is a holding company, whose assets are made up of the stakes in its subsidiaries. The Company does not carry out any industrial activities; its purpose is to:

- implement the Group's strategy;
- supervise the management of the subsidiaries (human resources, communication, transactions, etc.);
- liaise with the financial community (banks, analysts, etc.);
- provide technical assistance (management control, legal affairs, etc.);
- develop and maintain common procedures in areas such as reporting, management control and accounting.

Its resources are provided through service agreements based on the invoicing of actual costs, concluded between EXAIL TECHNOLOGIES SA and its subsidiaries as well as with PRODWAYS GROUP.

EXAIL TECHNOLOGIES SA has also entered into service agreements with GORGÉ SA (holding company of the GORGÉ family and majority shareholder of EXAIL TECHNOLOGIES). Under these agreements EXAIL TECHNOLOGIES receives administrative, financial and legal services from GORGÉ SA. Lastly, without this being significant, EXAIL TECHNOLOGIES subleases offices to GORGÉ SA. In total, EXAIL TECHNOLOGIES invoiced €361 thousand to GORGÉ SA in 2024.

GORGÉ SA is a French public limited company (société anonyme – SA) with a capital of €3,309,778.08. Its consolidated equity (2023) amounted to €320 million and its total assets to €1.1 billion, with its main asset being its stake in EXAIL TECHNOLOGIES. Its other main assets are:

- SOPROMECA PARTICIPATIONS SA, a private equity firm managing around €20 million in assets;
- a 23.88% stake in the share capital of PRODWAYS GROUP (listed company, 3D printing sector);
- VIGIANS PROTECTION INCENDIE, in the field of fire protection;
- a group of companies operating in the field of engineering for the energy/chemical sector (SERES and HELIATEC);
- a door design and manufacturing activity for the nuclear industry (NUCLÉACTION/BAUMERT);
- real estate and financial assets.

In 2023, GORGÉ SA also launched a design and construction project for an SMR-type nuclear power plant, the company CALOGENA, whose objective is to deliver power plants to decarbonize urban heating.

1.5.2 ACTIVITIES AND RESULTS

At its meeting of 24 March 2025, the Board of Directors approved the separate financial statements of EXAIL TECHNOLOGIES SA.

The financial statements were prepared using the same principles and rules as for previous years.

The main highlights of the financial statements for the financial year are:

- the acquisition of EXAIL HOLDING shares and treasury shares;
- a slight decrease in the services invoiced by the Company (€0.2 million);
- a decrease in operating costs (€0.7 million), in particular personnel costs, as part of the workforce was transferred to GORGÉ SA in 2023;
- the recognition of a tax income of €0.25 million in respect of the carryback of the tax loss for the financial year.

The income statement shows:

- revenue of €1,132 thousand;
- loss of €153 thousand.

The revenue amounted to €1.13 million, compared to €1.36 million in 2023.

The income from ordinary activities for the financial year amounted to –€1.34 million versus –€1.80 million in 2023.

The income from continuing operations before tax amounted to –€0.71 million versus –€1.66 million in 2023. The net financial income (expense) of EXAIL TECHNOLOGIES in 2024 amounted to +€0.63 (+€0.15 million in 2023).

The exceptional income amounted to €0.31 million versus +€1.73 million in 2023. In 2023, it included the capital gains on the disposals of VIGIANS PROTECTION INCENDIE and SERES as well as the loss related to PRODWAYS GROUP shares distributed in June 2023.

Tax income of €0.25 million was recognized (tax loss carryback for the financial year). In 2023, the tax expense amounted to €0.91 million.



The financial year ended 31 December 2024 generated a net loss of €0.15 million, compared to a net profit of €14.74 million in 2023.

The Company's statement of financial position mainly includes:

- the increase in equity investments (+€0.7 million), due to the acquisition of EXAIL HOLDING shares from employees who have left the Company;
- the increase in treasury shares (45,898 shares for €0.8 million), as buybacks were carried out during the financial year.

The equity amounted to €95.7 million (€95.8 million in 2023).

The available cash amounted to €5.7 million, excluding treasury shares valued at €5.7 million at historical cost.

We are asking the shareholders to approve the non-tax-deductible expenses and charges that we incurred during the past financial year, amounting to a total of €4,298, as well as the corresponding theoretical tax amount of €1,075.

1.5.3 PROPOSED APPROPRIATION OF INCOME

The Company's income for the financial year ended 31 December 2024 showed a loss of €153,165.50. At its meeting of 24 March 2025, the Board of Directors decided to appropriate the income to retained earnings and not to propose a dividend payment at the next Shareholders' Meeting.

In December 2021, EXAIL TECHNOLOGIES completed the exceptional distribution of most of its PRODWAYS GROUP shares. A second PRODWAYS GROUP share distribution operation took place in June 2023.

It is recalled that the dividend distributions made for the last three financial years were as follows:

	Dividend per share (in euros)	Number of shares comprising the share capital ⁽¹⁾	Total dividend ⁽²⁾ (in euros)
2022	None	17,424,747	None
2023 ⁽³⁾	0.28	17,424,747	4,844,079.67
2024	None	17,424,747	None

(1) At the date of the Shareholders' Meeting held to approve the financial statements.

(2) Theoretical amounts including the distribution not paid to treasury shares.

(3) Exceptional distribution in kind of PRODWAYS GROUP shares.

1.5.4 USUAL PAYMENT TERMS

In order to comply with the provisions of article D.441-6 of the French Commercial Code, we point out that at 31 December 2024 the balance of EXAIL TECHNOLOGIES SA's trade payables amounted to €472 thousand (€927 thousand at 31 December 2023). These trade payables are not yet due and in general are payable at 30 days (in 2024 as in 2023).

1.5.5 OTHER FINANCIAL AND ACCOUNTING INFORMATION

Inventory of the transferable securities held in the portfolio at 31 December 2024

Companies	Net asset values (in euros)
I – Equity securities	
1. French companies	
a) Listed equity securities	
PRODWAYS GROUP	129,648
b) Unlisted equity securities	
EXAIL HOLDING	77,382,445
SCI DES CARRIÈRES	55,720
STONI	165,355
BALISCO	0
WANDERCRAFT	500,008
2. Foreign companies	
1ROBOTICS LLC	0
TOTAL I	78,233,176
II – Other long-term investments	
1. French companies	
a) Listed securities	None
b) Unlisted securities	None
2. Foreign companies	
a) Listed securities	None
b) Unlisted securities	None
TOTAL II	-
III – Transferable investment securities	
a) Money market funds (SICAV) and term deposits	4,771,785
b) Listed French shares	None
c) Listed foreign shares	None
d) Treasury shares	7,215,679
TOTAL III	11,987,464
GRAND TOTAL (I + II + III)	90,220,640



FINANCIAL TABLE – ARTICLE R.225-102 OF THE FRENCH COMMERCIAL CODE

Nature of Information	2024	2023	2022	2021	2020
Share capital	€17,424,747	€17,424,747	€17,424,747	€17,424,747	€17,424,747
Number of shares	17,424,747	17,424,747	17,424,747	17,424,747	17,424,747
Par value per share	€1	€1	€1	€1	€1
Revenue excluding taxes	1,132,406	1,355,697	3,693,579	3,161,400	5,602,249
Earnings before taxes depreciation, amortization & provisions	(393,517)	7,213,419	8,158,298	65,321,551	6,083,289
Income tax expense	(250,000)	911,935	1,286,904	(63,101)	(955,597)
Earnings after taxes but before depreciation, amortization & provisions	(143,517)	6,301,484	6,871,394	65,384,652	7,038,886
Earnings after taxes, depreciation, amortization & provisions	(153,166)	14,739,267	7,440,420	47,917,326	14,239,360
Distributed earnings ⁽¹⁾	-	-	-	5,508,606	4,319,124
Earnings per share after taxes but before depreciation, amortization & provisions	(0.01)	0.36	0.39	3.75	0.40
Earnings per share after taxes, depreciation, amortization & provisions	(0.01)	0.85	0.43	2.75	0.82
Net dividend per share ⁽¹⁾	-	-	-	0.32	0.32
Average number of employees	2	3	6	7	15
Total payroll	298,763	752,331	1,535,632	1,353,836	1,797,268
Social security contributions and employee benefits	140,100	308,384	670,041	595,746	774,514

(1) Dividend paid during the financial year, for the previous financial year. This does not include, in 2021 and 2023, the exceptional dividends in PRODWAYS GROUP shares that were paid for a value of €4.11 and €0.28 per share, respectively.



2

RISK FACTORS

2.1	Preparation methodology	34	2.3.5	Risks related to changes in taxation in France and changes in customs tariffs	39
2.2	Strategic risks	36	2.3.6	Risks related to changes in the Group's size	40
2.2.1	Geopolitical risks	36	2.3.7	Risks related to failures in the management of a subsidiary	40
2.2.2	Risks related to technical developments and R&D efforts on our products	36	2.3.8	Inappropriate business practices	41
2.2.3	Risks related to the size and cyclical nature of end markets	37	2.3.9	Risks related to the Company's impact on the environment and society (ESG risks)	41
2.2.4	Risks related to the use of our products	37	2.4	Operating risks	41
2.3	Cross-functional risks	38	2.4.1	Risks related to significant contract deviation	41
2.3.1	Risks related to difficulties in attracting or retaining employees with the required skill levels	38	2.4.2	Risks related to industrialization	42
2.3.2	Risks related to security or IT systems failure	38	2.4.3	Risks related to the safety and security of employees	42
2.3.3	Fraud or external attacks	39	2.4.4	Insufficient quality and performance of the partners or subcontractors used	42
2.3.4	Risks related to the level of cash generation	39	2.5	Other risks	43

Risk management forms an integral part of the Group's overall strategy, which is aiming to constantly construct and improve its systems for this purpose.

It aims to anticipate the threats to which the Group is exposed and to identify future opportunities in order to:

- preserve its employees, its assets and its reputation;
- promote the achievement of its objectives;
- ensure its sustainability.

2.1 PREPARATION METHODOLOGY

The risk mapping of EXAIL TECHNOLOGIES was carried out between December 2022 and February 2023 according to the following method. This was an in-depth review of the mapping, taking into account the acquisition of IXBLUE in 2022 and the disposal of the Engineering & Protection Systems division in 2023. This mapping was reviewed at the end of 2024 to verify the absence of new risks and the relevance of the assessment of the risks already identified with regard to the latest changes in the business.

METHODOLOGY

1. Creation of the risk register:

- identification of the risks likely to affect the ability of the Group and its divisions to achieve their objectives through a survey and interviews with the Group's main stakeholders: Executive Management, Operational and Functional departments; the survey, open, aims to carry out a broad and non-oriented identification of the risks,
- summary and grouping of risks;

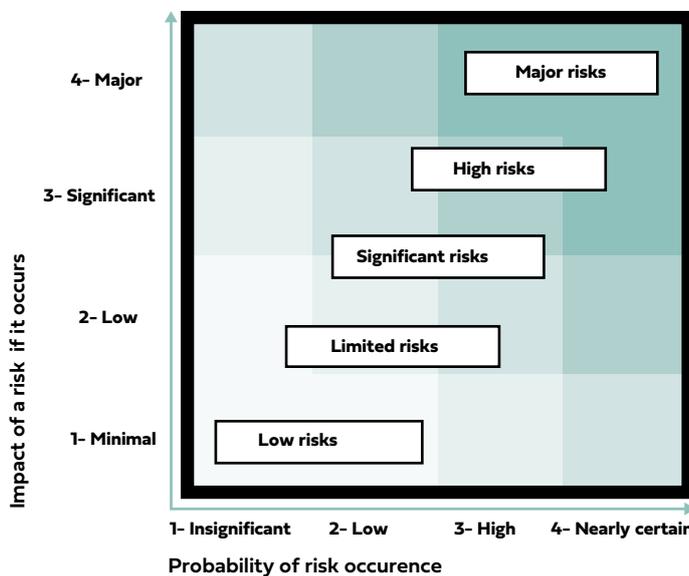
2. Risk assessment: the risks to which the Group is exposed were assessed according to their probability of occurrence and their potential impact if they were to occur, on three scales at several levels:

- the probability of occurrence over a three-year horizon: insignificant, low, high, almost certain,
- the scale of impact (harm to persons, financial and legal harm, harm to reputation): negligible, low, significant and major,
- the level of risk control: high, partial, low and identification of existing remedies and/or remedies to be implemented;

3. Hierarchical ordering of the risks: by cross-referencing the probability and the impact of the risk, the net criticality of the risk is obtained: major risk, high risk, significant risk, limited risk and low risk. Presentation of the risk mapping to the Audit Committee and discussions about it; validation of the risk matrix;

4. Presentation to the Board of Directors and assignment of responsibility for remediation/management of each risk to a member of the Executive Committee of the Group or its subsidiary EXAIL HOLDING.

NET CRITICALITY MATRIX



The risk matrix developed by EXAIL TECHNOLOGIES is as follows:

Evaluation of residual risk	
STRATEGIC RISKS	
Geopolitical risks	Major
Risks related to technical developments and R&D efforts on our products	High
Size and cyclical nature of end markets	High
Risks related to the use of our products	High
CROSS-FUNCTIONAL RISKS	
Human resources	
Risks related to difficulties in attracting or retaining employees with the required skill levels	High
IT	
IT risks	Major
Fraud or external attacks	High
Finance	
Risks related to the level of cash generation	Significant
Risks related to changes in taxation in France and changes in customs tariffs	Significant
Organization & Governance	
Risks related to changes in the Group's size	High
Risks related to failures in the management of a subsidiary	Significant
Legal	
Inappropriate business practices	High
Risks related to failure to comply with the applicable regulations	Significant
Environment	
Risks related to the Company's impact on the environment and society (ESG risks)	Risks detailed in Chapter 6
OPERATING RISKS	
Risks related to shortcomings of major projects	Major
Risks related to industrialization	High
Risks related to the safety and security of employees	High
Dependence/Quality and performance of suppliers or subcontractors	Significant

The following paragraphs set out the main risks identified, broken down into three categories: strategic risks, operating risks and cross-functional risks. In each category, the risk factors are presented in decreasing order of importance determined by the Group at the date of this Universal Registration Document.

The overall understanding of the risks with which the Group is confronted requires full reading of the consolidated financial statements (particularly the parts related to financial risks and litigation) and the Universal Registration Document as a whole, in addition to reading this Chapter.

Current context

GLOBAL CONTEXT

After the Covid pandemic years, the recovery in global activity and lifestyle changes had consequences on the labor market, with tensions in the recruitment and retention of talent, particularly in the Group's business sectors (robotics and high technologies), risk which now appears as Major in the matrix (Risk 2.3.1).

The recovery of global activity, in a context of production difficulties, has also highlighted the risk of dependence on suppliers, a risk that was deemed significant already in the previous risk matrix (Risk 2.4.3).

Lastly, the current geopolitical context is a source of potential risks; a generalization of conflicts or an economic crisis could materially affect the Group's results (see Risk 2.2.1). The recent changes in customs tariffs, particularly in the United States, could also have an impact on the Group's activities (Risk 2.3.5).

This context, combined with the war in Ukraine (which raised the prices of many commodities), led to a sudden increase in inflation since 2022, following the increase in energy prices that had begun in 2020/2021. This high inflation after decades of virtual price stability is a new context for the Company, requiring adaptations, new tools and indicators. This inflation is reflected for the Group in an increase in the prices of components, raw materials and energy, as well as in an increase in wages. To cope with this cost inflation and absorb its impact on the margin, the Group passes on the increase in costs to selling prices as much as possible. Since 2022, the Group has revised the prices of its products more frequently than before and can activate existing price revision clauses in its multi-year programs more often. The effects of this inflation

are addressed in particular in the following risks: Geopolitical (Risk 2.2.1), Suppliers (Risk 2.4.4), Talent attraction and retention (Risk 2.3.1), Management of major projects (Risk 2.4.1).

This context therefore entails significant risks that impact EXAIL TECHNOLOGIES and may thus affect the Group's revenue, results and financial position. Conversely, it also accelerates trends that support the development of the Group's markets, whether in the field of defense (which represents approximately 54% of the Group's revenue) or the energy sector.

CONTEXT SPECIFIC TO THE GROUP

In September 2022, the Group acquired IXBLUE, thus completing the merger of two companies of similar size (ECA and IXBLUE). This merger is first and foremost an opportunity for the Group (growth, synergies and attractiveness). However, it also entails certain risks, particularly with regard to changes in the size of the Group (Risk 2.3.6).

2.2 STRATEGIC RISKS

2.2.1 GEOPOLITICAL RISKS

EXAIL TECHNOLOGIES carries out approximately 54% of its business with government customers, particularly in the defense markets (estimated percentage). In these markets, government spending depends on political and economic factors and is therefore subject to year-on-year fluctuations. For example, the reduction in the budgetary resources of government customers can lead to delays in the recording of orders, in the execution schedule of contracts or in payments.

In addition, EXAIL TECHNOLOGIES carries out a significant portion of its activity in exports (75% of the revenue in 2024); the countries in which the Group sells its products are sometimes dependent on geopolitical decisions at the level of the European Union and/or France, which have consequences on its ability to obtain and/or continue its contracts: (1) closure of certain markets for geopolitical reasons (Russia, China, etc.); (2) failure to obtain or withdraw export licenses for equipment/products sold (export control rules that may change over time, ITAR).

The geopolitical environment also has consequences on the Group's supply chain: scarcity of certain strategic components, shortage of certain raw materials and/or key supplies (semiconductors, etc.), transport/logistics problems (controls, customs restrictions, disruptions of maritime traffic).

The materialization of these risks may lead to weaker than expected growth, a loss of market share to players who are less limited in their exports, financial sanctions, delays on projects, and thus affect the Group's activity and profitability.

In order to mitigate these risks, the Group bases its strategy on a balance of its portfolio of activities between defense (estimated at around 55%, on an upward trend) and civilian

(estimated at 45%, but on a downward trend). The overall strength of the portfolio is based on a diversified base of products and end markets. The wide geographical distribution of the Group's activities, particularly through its international operations, provides additional diversification of the customer base. EXAIL TECHNOLOGIES has more than 1,500 customers; the top 10 customers representing less than 37% of the Group's revenue.

In addition, EXAIL TECHNOLOGIES structures its offers and contracts taking into account the specific risk analysis carried out for each project. In this context, the Group may turn to public or private insurers to cover the risk of contract interruption, credit risks, or the risk of abusive calls for sureties. It may also use financial instruments such as notified or confirmed letters of credit, debt discounting without recourse or export credit.

2.2.2 RISKS RELATED TO TECHNICAL DEVELOPMENTS AND R&D EFFORTS ON OUR PRODUCTS

The markets in which the Group operates are experiencing profound and sometimes rapid changes in trends, technologies, business models, or standards and regulations, which requires the Group to regularly question the relevance of its strategic choices, the focus of its activities, its commercial policy and its research and development, in order to successfully identify and penetrate the most promising new markets that can create value for the Group. In addition, the variety of the markets addressed by the Group requires appropriate reviews and arbitration.

At the same time, the competitive landscape is itself changing. In the field of robotics and defense, EXAIL TECHNOLOGIES faces larger competitors, which have more commercial or technological means than the Group, or are trying to “lock up” market segments with integrated or extremely attractive offers in terms of price, which may compromise our ability to continue our development in these markets. Some markets in which EXAIL TECHNOLOGIES operates are also being addressed by new companies positioning themselves with alternative technologies.

In this context of a changing competitive and technological environment, misinterpretation of customer expectations (volume, operational performance, target cost), or failure to anticipate market developments or competitors’ strategies and positioning may lead the Group to take misguided strategic positions or to accumulate delays when moving into new and promising segments. The Group’s growth and results could be affected as a result.

In particular, the Group’s competitiveness and its development could be impacted in the event of insufficient investment in research and development, mismatch between R&D projects and future market needs, late identification of emerging technologies, non-conformity of the result of the R&D with the performance objectives, erroneous estimate of development costs and time-to-market, as well as a loss of certifications due to increasing normative requirements.

To mitigate these risks, the Group can rely on the diversity of its activities and its presence in various parts of the value chain, which limit the sensitivity of the Group’s growth and results to one or more other of its markets or offers. Likewise, the Group endeavors not to devote all its development efforts to a single technology.

In addition, the Group is continuing its significant R&D efforts to develop the products of tomorrow and thus ensure its future growth: these investments represented, in 2024, €41 million, i.e. 11% of its revenue (see Note 6.2 to the consolidated financial statements, in Section 4.1.6 of this Universal Registration Document).

In addition, the Group maintains a selective approach in each of its activities, and only develops certain projects within project portfolios, attempting to take into account the expectations expressed by customers, available financing, market trends and the expected profitability of ongoing programs; each new major project is thus validated following an overall review of the market, service, investment opportunity and ROI.

At the same time, the Group implements a scientific, technological and competitive watch system and numerous partnerships with academic players and research institutes as well as professional organizations, which enable it to identify emerging trends and possible disruptions.

- The Group is actively involved in two partnerships with research laboratories in the fields of fiber optics and photonics;
- It participates in annual conferences on technological topics bringing together engineers, customers and partners;

- Furthermore, the Group supports a research foundation led by renowned researchers.

Lastly, the Group conducts an annual review of its activities and strategy, overseen by Executive Management and discussed by the Board of Directors. These analyses present a forward-looking vision and explore new themes to support the Group’s growth, in terms of activities and products, and may lead to the acquisition or disposal of activities. Thanks to these analyses and its positioning, EXAIL TECHNOLOGIES has demonstrated its agility and its capacity to update its strategy, but cannot guarantee that its choices will always be the most relevant or successful in evolving markets.

2.2.3 RISKS RELATED TO THE SIZE AND CYCLICAL NATURE OF END MARKETS

EXAIL TECHNOLOGIES operates in relatively cyclical markets (energy, defense, aerospace) whose trends directly impact the Group’s activity levels. The majority of the Group’s markets are currently in good economic conditions (defense, maritime, space, photonics, etc.). However, in these markets, execution timing is essential to gain or maintain leadership. Delays in positioning in these markets could result in lost opportunities for the Group.

Currently experiencing strong growth, the Group is structuring itself to meet demand. A reversal in its end markets, such as energy, or a reduction in institutional budgets (defense or marine institute budgets) could have an impact on the Group’s activity and profitability.

In order to mitigate this risk, the Group bases its strategy on good diversification of its end markets. One of the Group’s largest markets, underwater mine clearance, accounts for 30% of revenues, diversified among several customers in several regions of the world. The diversification of geographical areas across all activities is also significant, with the Group’s revenues being generated in more than 80 countries. In addition, EXAIL TECHNOLOGIES is committed to actively monitoring its markets.

2.2.4 RISKS RELATED TO THE USE OF OUR PRODUCTS

Some solutions sold by the Group contain materials that are potentially hazardous during their use (e.g. Li-ion batteries in emergency beacons or K-STER consumable drones). In addition, the Group is positioned in the market for autonomous systems, some of which can increasingly make decisions (AUVs in particular). An accident occurring while using one of our systems could have an impact on the Group’s reputation or a financial impact.

In order to mitigate this risk, EXAIL TECHNOLOGIES develops solutions of the highest possible quality, and has all the necessary certifications for the products it markets (EASA/FAA certifications for aeronautics, for example). In addition, EXAIL TECHNOLOGIES has an insurance policy that allows it to be covered in the event of a problem.



2.3 CROSS-FUNCTIONAL RISKS

2.3.1 RISKS RELATED TO DIFFICULTIES IN ATTRACTING OR RETAINING EMPLOYEES WITH THE REQUIRED SKILL LEVELS

Against a backdrop of strong growth in some of the Group's activities, a tight job market for certain sought-after skills, sometimes in competition with large and reputable players, the ability to attract and retain employees with strong and constantly evolving technical skills is essential to the achievement of our strategic objectives.

Any difficulty in recruiting or retaining a sufficient number of employees with the required skill level could therefore lead to a shortfall in performance (non-satisfaction of customer expectations, disorganization, additional payroll costs, fall in productivity), which may hamper the Group's growth. Highly qualified professionals are scarce and the market is booming, as competition has intensified around the population of advanced software, systems and electronic engineers necessary for the successful completion of our projects.

Group employees are naturally motivated by the commercial or technical appeal of the projects on which they work. In addition, the Group's subsidiaries have put in place a human resources policy whose purpose is to build employee loyalty and facilitate recruitment (see Section of this Universal Registration Document) that includes:

- reinforcement of the Human Resources teams;
- implementation of employee share ownership plans;
- actions to promote the development of the employer brand and internal communication, particularly through internal networks and newsletters;
- regular employee consultations, with participatory webinars, meetings for all employees at each of its sites and social meetings with the employee representative bodies;
- premises offering a pleasant working environment, with some relocations from sites that no longer meet employees' expectations, and with more relocations planned;
- a permanent, certification-based training policy;
- the implementation of teleworking and the provision of the necessary tools;
- a policy of recognition of individual and collective performance, with, for example, the creation of an "Expert" program;
- support for employees: onboarding process for new employees, systematization of annual interviews and exit interviews, and conduct of an employee satisfaction survey;

- an internal mobility policy;
- the implementation of partnerships with schools, universities and other training institutions;
- access in certain companies to day care for our employees' children.

These assets, combined with the Group's corporate culture and its known successes, should make it possible to make the hires needed to carry out the development plan and help limit the turnover rate, which remains a real challenge for the Group.

2.3.2 RISKS RELATED TO SECURITY OR IT SYSTEMS FAILURE

Despite increased awareness of and attention to cybersecurity, the number, cost and complexity of cyber incidents continues to increase worldwide and the Group regularly faces attempts to steal or breach the security of its sensitive and confidential data. In a context of tightening regulations, EXAIL TECHNOLOGIES, positioned in particular on sensitive markets, must be particularly vigilant on these subjects, which are at the center of the interest of its customers and partners. A computer attack or failure in the infrastructure that supports the information systems, inefficient backup processes or disaster recovery plans, or information systems that are inadequate for the handling of cyberthreats could result in a service disruption of the information systems, interrupt operations for extended periods of time, or allow data to be stolen by third parties.

Any attack on the availability, integrity, confidentiality or traceability of the Group's information systems and data, whether malicious, accidental or technical, could have an immediate negative impact on the activities, reputation and results of the subsidiary concerned, and in the longer term on the Group's competitive positioning in the event of significant loss of technological information.

In addition, the deployment of major software (ERP), the implementation of new infrastructures can cause malfunctions or additional costs at each of the various stages of project management (organization, design defect, user defect, technical defect). Such difficulties, coupled with non-total backups or redundancies, or irrelevant ERPs could lead to total or partial unavailability of the ERPs and consequently impact the Group's activity (potential impacts of temporary blocking of the activity, loss of productivity, erroneous decision-making).

Recognizing the importance of IT-related risks, the Group's subsidiaries are implementing specific governance based on a cross-functional organizational structure.

The Group has focused in particular on implementing charters relating to the use of IT tools, raising awareness of and providing training for cybersecurity risks, setting up procedures for controlling authorizations and access, and performing audits and intrusion tests.

Faced with these risks, the Group is putting in place an infrastructure, tools and methodology aimed at reducing these risks, and, more specifically, it is gradually taking action in the following areas:

- assessment and monitoring of network and computer technology security and system vulnerabilities. Audits have been conducted in some Group subsidiaries;
- strengthening of information security rules, guidelines and procedures to ensure that employees are more aware of and trained in information security issues and that personal information is better protected;
- reviewing the terms and conditions of access and limiting access to personal information.

2.3.3 FRAUD OR EXTERNAL ATTACKS

By frequency and severity, the risk of fraud and cyber criminality has been growing for several years in France. Like more than seven companies out of ten in France, the Group is regularly subject to attempts at fraud, particularly attempts to misappropriate funds or steal strategic data (fraud targeting the Chairman, cyberattacks, etc.).

The Group ensures that its subsidiaries apply effective internal control systems. A Group internal control framework was crafted for this purpose. In matters of fraud, actions to inform and train particularly-exposed employees are regularly carried out. Each attack identified in a subsidiary is systematically reported to the Group's Executive Management, which in turn informs the divisions of the *modus operandi* of the attack and recalls the appropriate prevention rules.

2.3.4 RISKS RELATED TO THE LEVEL OF CASH GENERATION

EXAIL TECHNOLOGIES, parent company of EXAIL HOLDING, which financed the acquisition of IXBLUE with an LBO-type arrangement, has had significant debt leverage since 2022 and banking covenants to comply with, whereas this was not the case previously. The Group's growing business requires investments to finance its growth: financing of investments (including R&D, partly financed by equity and through the use of the research tax credit), financing of necessary inventories to support expected growth, ability to issue bank guarantees to respond to offers, or to enable external growth transactions.

In this context, insufficient cash generation would significantly penalize the Group. This cash generation is directly impacted by changes in working capital requirements. These changes are caused by changes in order intake over short periods (since contracts can be large, order intake is not linear) with an impact on the level of down payments on orders, and they are caused by the contract completion cycle (invoicing and payment milestones of customers or suppliers disconnected from cost completion). Changes in working capital requirements can be favorable to the Group, but can also be unfavorable and consequently generate cash flow pressures.

Cash generation could also be negatively impacted by insufficient margins, a lack of generalization of the teams' attention to "cash" aspects, insufficient tools for cash management, or lower-than-expected growth in revenue that could lead to underload directly harmful to profitability, or exceptional items such as claims or litigation.

Tensions that are too frequent or significant or a Group cash position that is too fragile could have an inhibiting impact on the implementation of new development actions or market share. This excessively low cash position or an unfavorable change in the financial markets could also lead to a loss of investor confidence, the need to sell part of the activities, an increase in the cost of debt, or even in extreme cases lead to a default or a loss of control to the lenders.

To limit this risk, the Group manages its cash position as closely as possible, and pays particular attention to the invoicing and payment terms of customers and suppliers negotiated in the context of the contracts as well as its inventory management. Whenever possible and relevant, the Group also uses specific financing (real estate, factor) and externally subsidized financing, such as the European grant of €10 million obtained in 2024 to develop new functionalities in its next generation of underwater drones for mine countermeasures. In 2024, the efforts made over several quarters to negotiate customer payment terms, cash management and the good performance of delivery milestones resulted in a good level of collection. In addition, the Group maintains long-term relationships of trust with its bankers and with ICG (which sits on the Supervisory Board of EXAIL HOLDING), which guarantees support in case of need. The liquidity risk is described in the notes to the consolidated financial statements (Note 8.4.1 / Liquidity risk).

2.3.5 RISKS RELATED TO CHANGES IN TAXATION IN FRANCE AND CHANGES IN CUSTOMS TARIFFS

EXAIL TECHNOLOGIES invests significantly in research and development to maintain and further develop its competitive edge. In 2024, the Group spent €40.8 million on R&D, i.e. 11% of its revenue. These expenses are incurred in France, where the Company benefits from the research tax credit (Crédit d'impôt recherche - CIR) system, which makes it possible to finance a significant portion of them. In 2024, EXAIL TECHNOLOGIES recognized a loan of €21 million under this scheme. In addition, EXAIL TECHNOLOGIES is subject to corporate income tax in France, where the current rate is 25%.

The context of tax uncertainty and instability in France is a point of attention for the Company. A reduction in the rate of the tax credit or the base of the eligible expenses under the CIR system could have a negative impact on the Company's profitability and its ability to finance its R&D. An increase in the corporate tax rate could also have a negative impact on the Company's cash flow, but to a lesser or more medium-term extent, as the Group has tax loss carryforwards applicable to its future profits.



Changes in customs tariffs, and particularly in the United States, could also have a negative impact on results due to the significant share of the Company's export activities, with EXAIL TECHNOLOGIES generating approximately 75% of its revenue from exports. The potential impact of an increase in customs tariffs is difficult to assess today in a context of uncertainty and instability in the customs policies of the various countries, both in terms of the rate of these tariffs and their implementation.

An increase in customs tariffs in the United States could cause a loss of competitiveness vis-à-vis American competitors. The impact for EXAIL TECHNOLOGIES would be limited by the limited exposure to this market (the Group's leading export markets being Europe and the Asia-Pacific region) and, in certain American markets, by the predominance of European competitors, which would operate under the same conditions as EXAIL TECHNOLOGIES.

2.3.6 RISKS RELATED TO CHANGES IN THE GROUP'S SIZE

EXAIL TECHNOLOGIES has experienced strong growth in its activities and workforce in recent years, due both to the merger between the companies ex-ECA and ex-IXBLUE and to the increase in the volume of activities. The Group must succeed in changing its operations in line with its new size and complexity in order to structure the whole and benefit from synergies while pursuing the positive trajectories of the activities that make it up and keeping the agility specific to a mid-sized company.

The change in the size of the Group brought about by this merger entails a risk of marginalization of certain activities, which could lack critical size and/or performance, or of dispersion of the efforts of Executive Management, leading to heavy investments that are ill-adapted or to a loss of momentum in certain markets. The Group's growth and profitability could be impacted. In addition, failure to establish efficient and integrated governance, lack of a clear and communicated project, poor understanding of the organization and the role of each person, and implementation of new processes that are too complex or restrictive could penalize the new entity's performance. In particular, the Group could be faced with the risks of disorganization of teams or staff turnover (see Risk 2.3.1), loss of opportunities or market share through a deterioration in its image, or poor performance of certain processes or activities.

In order to succeed with this project and mitigate these risks, in 2022 EXAIL TECHNOLOGIES launched, following the acquisition of IXBLUE, a new project for the organization of EXAIL which was communicated to the SECs, which approved it, and was subsequently shared with all employees. An organization combining accountability by division and global control by Executive Management has been decided and implemented. The legal, IT, commercial and operational integration plan continued in 2023 and 2024.

In addition, in order to ensure the participation of all in the success of the joint project, in 2022 an employee shareholding scheme was set up at the level of EXAIL HOLDING: the Group offers all employees a solution to invest in the share capital of EXAIL HOLDING. This operation has been very successful among the employees. This opening up of the share capital aims to associate the employees with the Company's performance over the long term.

Lastly, the integration of EXAIL is monitored quarterly during EXAIL TECHNOLOGIES Board meetings. In addition, an ad hoc Strategy and M&A Committee bringing together EXAIL and EXAIL TECHNOLOGIES has been set up and meets quarterly to review the various activities and, if necessary, arbitrate between the Group's activities.

2.3.7 RISKS RELATED TO FAILURES IN THE MANAGEMENT OF A SUBSIDIARY

The execution of the Group's strategy is highly dependent on the way in which operations are conducted by the subsidiaries. EXAIL TECHNOLOGIES' decentralized model, which is based on a high degree of subsidiary autonomy, is an undeniable aspect of its success. It also creates a risk in the event that a subsidiary is not sufficiently managed at certain critical times and difficulties are identified too late or not resolved. A failure in the management of a subsidiary could lead to insufficient levels of performance for the Group.

This management difficulty may be caused by inefficient integrated governance between EXAIL TECHNOLOGIES and its subsidiaries, making the roles and responsibilities of each entity more complex, insufficient (or fraudulent) management, insufficiently mastered internal control principles that could lead to unreliable forecasts or accounting errors, divergent assessments of the risks and challenges between the subsidiary's and the Group's management, or insufficient exchange of management indicators between the subsidiary and the Group.

The Group is aware of this potential risk and has put structures in place to limit it. Firstly, the Group ensures that the managers of its subsidiaries are perfectly selected and prepared for the responsibilities entrusted to them. Periodic meetings take place between the Group's Executive Management and the managers of subsidiaries. During these reviews, the commercial, technical, human resources and financial aspects of the subsidiaries are discussed. Particular attention is paid to the main contracts or the most significant R&D projects. Lastly, the Group has developed an internal control framework that subsidiaries must apply, including monthly reporting, a two-stage budget preparation process and budget revisions three times a year. This process helps to identify situations that are out of line with the subsidiaries' expected trajectories and lead to the implementation of in-depth identification of the causes and corrective actions. The relationship between EXAIL TECHNOLOGIES and its subsidiary EXAIL HOLDING is also governed by a shareholders' agreement that explicitly specifies the decisions that are subject to prior approval by EXAIL TECHNOLOGIES and its co-shareholders.

2.3.8 INAPPROPRIATE BUSINESS PRACTICES

The Group is active in international markets, handles contracts involving more or less significant unit values and is in contact with a multiplicity of private and public players. Commercial practices differ depending on the geographical area and the absence of operations in all customer or prospect countries often makes the use of intermediaries necessary. Inappropriate practices, even without a deliberate intent to obtain an undue advantage, are severely punished by anti-corruption laws. For these reasons, it is critical that the Group be extremely vigilant about the compliance of its practices with international sanctions, ethical principles and anti-corruption laws in its commercial initiatives and the selection and monitoring of its partners. This vigilance on the part of the Group is important to ensure that neither it nor its employees are exposed to financial penalties and/or criminal sanctions.

The Group deploys measures to combat corruption and influence peddling in accordance with the Sapin II Act. Based on a mapping of the corruption risks to which it may be exposed, the Group drafted and deployed an Anti-Corruption Code of Conduct that strengthens the guiding principles of the fight against corruption. The whistleblowing system open to the Group's employees and stakeholders has been

strengthened with the establishment of a new whistleblower platform, managed by external lawyers, open to internal and external stakeholders. In addition, training for the managers and employees most exposed to the risk reinforces the measures to identify and combat corruption (see Section of this Universal Registration Document). Lastly, at the end of 2022, the list of countries under surveillance by the Group was extended beyond the countries under international sanctions and any exchange with them is subject to a review by the Supervisory Board of EXAIL HOLDING.

2.3.9 RISKS RELATED TO THE COMPANY'S IMPACT ON THE ENVIRONMENT AND SOCIETY (ESG RISKS)

As part of the preparation of its sustainability report, in 2024 EXAIL TECHNOLOGIES conducted an analysis of the environmental, social and governance (ESG) risks and opportunities. The result of this analysis and the description of the risks are presented in Chapter 6 of this Universal Registration Document by means of the Group's double materiality matrix.

2.4 OPERATING RISKS

2.4.1 RISKS RELATED TO SIGNIFICANT CONTRACT DEVIATION

Some of the Group's activities enjoy good visibility thanks to significant multiannual contracts, such as the contract signed in 2019 for the supply of mine-hunting drones for the Belgian and Dutch Navies.

Due to the size and complexity of some of these contracts and their technological and strategic challenges, or to changes in the business model, a poorly assessed offer or a deviation in the management or operational execution of a contract could entail significant financial impacts, such as a decrease in the level of the margin, insufficient cash generation in the event of delays in milestones, payment of late penalties and/or damages, termination of the contract, loss of customers, deterioration of the Group's image undermining its credibility and its ability to win new contracts, or the use of parent-company guarantees.

The causes of an irrelevant offer may be multiple: underestimation of the complexity or costs of the project, incomplete or hasty risk analysis, underestimation of the project implementation schedule, failure to take into account changes in costs over time. Similarly, the causes of a deviation in the execution of a contract can be multiple: lack of skills on the part of project managers, inefficient project organization, team turnover and loss of knowledge or know-how resulting in poor contractual management of the changes requested by

the customer, errors of assessment, poor management, especially financial. They may also be caused by weaknesses in the industrialization process that involves product reliability, non-compliance with procedures, contractual obligations that are not clearly defined or respected, management tools that are not suited to project monitoring or are poorly used, poor qualification of customer needs, poor management of subcontracting, supplier failures, etc.

The Group can therefore never rule out the risk of experiencing difficulties in meeting a performance obligation contractually agreed with a client, or of not meeting its financial targets or technical milestones as planned.

The Group has long-standing experience in the management of this risk, which is at the heart of its activities. In particular, it has a structured procedure for reviewing calls for tenders, with a specific procedure for large offers and including a significant part of development, involving all the sales teams and implementation of this project, with the Executive Management. Particular attention is paid to the cash generation curve. In addition, a body of mandatory contractual rules must be applied by the teams during contract negotiations.

During the execution period of the contracts, the Group has implemented control and verification procedures to detect any defects, delays or difficulties, as well as financial control procedures adapted to its activities and to the size and duration of the contracts.

The business managers in charge of monitoring the technical, contractual and financial aspects of contracts are regularly trained and rely on the technical expertise present in the subsidiaries as well as the financial and legal support services. These experienced teams may rely on proven methodologies developed in similar cases, or even resort to external specialist advice when necessary. The monthly business reviews that take place between the subsidiaries and the Group are moments dedicated to anticipating or detecting divergences and implementing corrective actions. For major contracts, the Group may also call on external consultants to carry out progress and follow-up audits in order to anticipate potential problems and implement preventive solutions or resolve proven difficulties. For example, as part of the program with the Belgian and Dutch navies, the Group has set up an "Operations Audit Committee" specific to this project to ensure its proper management. This committee, which meets three times a year, includes an expert from outside the Company to strengthen monitoring.

Lastly, the performance of these significant contracts complies with the Group's general rules concerning the maintenance of constructive and transparent business relationships with customers and partners, which should make it possible to anticipate and correct deviations.

It should also be noted that the Group is not inherently dependent on a single key contract, although some are important to it.

2.4.2 RISKS RELATED TO INDUSTRIALIZATION

In a context of strong growth in certain Group activities, EXAIL TECHNOLOGIES is facing a growing need for industrialization, which is not without risks. A rapid ramp-up can lead to challenges in the planning and execution of the production process, which could compromise product quality and reliability. In addition, such a ramp-up in production requires human resources and investments, which could lead to risks in terms of tool performance, product availability or production costs. Lastly, the lack of consideration for industrialization during the development phase could also contribute to increased risks or production costs.

Such production difficulties or an increase in product costs could lead to customer dissatisfaction, loss of opportunities or market share due to excessively long delivery times, a deterioration in profitability or an inability to meet the contractual obligations.

To mitigate this risk, the Group has a strategy that relies on a wide range of different products produced at several production sites, thus reducing its dependence on any given product. In addition, EXAIL TECHNOLOGIES is strengthening its teams dedicated to industrialization, with in particular the appointment of a dedicated Industrial Director for several of the Group's activities. The sharing of skills between the various activities is also strongly implemented.

2.4.3 RISKS RELATED TO THE SAFETY AND SECURITY OF EMPLOYEES

The Group operates in industry in general and more specifically in certain areas of activity that may present specific risks to the physical safety of employees (heavy industry, construction sites, handling of hazardous products, travel in high-risk countries, etc.). A serious accident, an accident related to handling, electrical risks or the working environment, exposure to noxious materials, a traffic accident, or the kidnapping of an employee during a business trip to a high-risk country could result in bodily or psychological harm to employees, the payment of significant damages or the payment of a ransom. If the occurrence of these risks remains low, a proven risk could have significant consequences for the Group's cash position or management.

The Group considers the safety and working conditions of its employees to be among its leading priorities. To achieve this, the subsidiaries are taking steps to develop and harmonize their safety culture, strengthen their approach to safety and professionalize their practices (see Section of this Universal Registration Document).

The Group also has a procedure for monitoring and alerts covering at-risk countries for limiting the exposure of employees travelling internationally. This monitoring is supplemented by procedures for employees on the move. Lastly, solutions for responsive repatriation are operational.

2.4.4 INSUFFICIENT QUALITY AND PERFORMANCE OF THE PARTNERS OR SUBCONTRACTORS USED

To conduct its activities, the Group mainly handles the most strategic and confidential parts of its business internally, in particular those relating to product design. EXAIL TECHNOLOGIES is also developing a positioning strategy across the entire value chain, producing key components, equipment and systems. Nevertheless, the Group also relies on a network of partners, suppliers and subcontractors. This generates a risk of experiencing difficulties in meeting an obligation of result contractually agreed with a customer, due not to an internal shortcoming but to a shortcoming by a third party with which the Group has contracted for the performance of the contract in question. The key contracts (including the contract signed in 2019 for the supply of mine-hunting drones for the Belgian and Dutch Navies) rely in part on major subcontractors that are carefully selected and subject to customer approval. This situation may cause dependence on said subcontractors.

The products or services purchased by the Group may be complex and may contain design or production defects. These defects may also be caused by parts bought from suppliers. The Group may receive complaints concerning the quality of its products and these could lead to costs. This product complexity can also lead to dependency on certain key suppliers, as the required skills are not readily available on the market. A default by these major partners or a change in contractual terms may result in delivery delays to the customer or pressure on margins and thus have a significant impact on the Group's performance.

The Group has long-standing experience in managing this risk and implements risk assessment procedures when entering into contracts with customers as well as control procedures

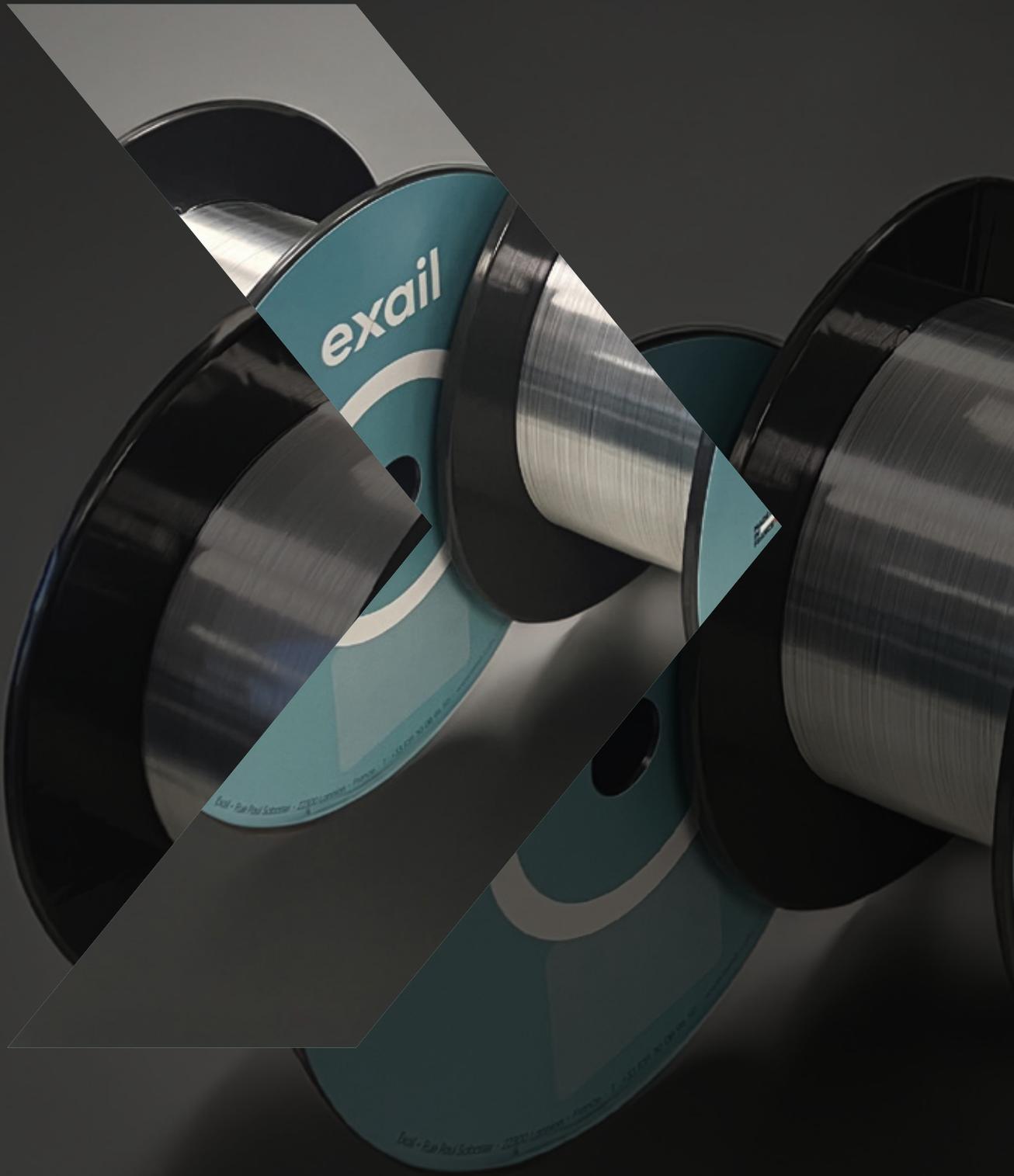
when approving contracts with third parties. The procedure for referencing major suppliers was strengthened in 2022 with the establishment of a systematic multi-service supplier selection committee. The Group regularly conducts audits of its suppliers to select its partners or identify upstream difficulties and strives to have access to several sources for the same service or key component. Control and verification procedures are also put in place by the Group to detect any faults, but may not enable hidden faults to be detected. Ultimately, the Group tries to make sure that its contracts enable, in the case of a complaint from a customer caused by the fault of one of its partners, proportionate claims to be made against this partner.

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2.5 OTHER RISKS

Other risks have been identified, related in particular to future acquisitions, foreign exchange risk and customer credit risk. Nevertheless, the analysis of these risks over a three-year period in the context of the Group, which enjoys well-established procedures and/or a high level of dispersion

of these risks due to the multiplicity of activities and environments in which it operates, did not lead to the conclusion that these risks were significant or major at the Group level. Obviously, these conclusions, which were established at a given date and context, may change.



3

CORPORATE GOVERNANCE

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This "Corporate governance" section includes the report on corporate governance, pursuant to articles L.225-37 and L.22-10-9 of the French Commercial Code, which was approved by the Board of Directors on 24 March 2025.

3.1 INFORMATION ON GOVERNANCE

3.1.1 GOVERNANCE AND COMPOSITION OF THE BOARD OF DIRECTORS AND THE SPECIALIZED COMMITTEES

Mr. Raphaël GORGÉ has been Chairman and Chief Executive Officer of the Company since 2011.

On 24 March 2025, the Board of Directors comprised six Directors, including two Independent Directors and four non-Independent Directors.

The Board endeavors to find Directors with complementary skills that add value to the Board's work, and achieve gender balance.

Every year, the Board reviews the independence of each of the Independent Directors with regard to the independence criteria set out in the Middlednext Governance Code.

Mr. Raphaël GORGÉ (Chairman and Chief Executive Officer) and Mr. Jean-Pierre GORGÉ represent the majority shareholder of EXAIL TECHNOLOGIES, namely GORGÉ SA. Mr. Jean-Pierre GORGÉ is the father of Mr. Raphaël GORGÉ and the founder of the Group.

Despite his rich career and his independence of mind, Mr. Hervé GUILLOU cannot be considered independent with regard to the criteria of the Middlednext Governance Code because he receives remuneration from EXAIL TECHNOLOGIES subsidiaries for services rendered to the EXAIL group.

Mrs. Céline LEROY is General Counsel of GORGÉ SA, the Company's reference shareholder. She is therefore not independent.

Mr. Pierre VERZAT and Mrs. Julie AVRANE - CLEAR DIRECTION SAS (represented by Mrs. Julie AVRANE) remain qualified as Independent Directors within the meaning of the Middlednext Governance Code (i.e., in particular, they have no relationship with the Company, its Group or its Management, likely to compromise the exercise of their freedom of judgment). These Directors are also the permanent representatives of EXAIL TECHNOLOGIES on the Supervisory Board of EXAIL HOLDING and as such receive remuneration from EXAIL HOLDING of €25 thousand per year. This remuneration for a mandate exercised at the request of EXAIL TECHNOLOGIES in a subsidiary is not such as to call into question their status as independent.

The Board has not had a director representing employees since 2024. The term of office was not renewed, as an Employee Director was appointed to the Board of Directors of the parent company GORGÉ SA.

The statutory duration of the terms of office of the Directors is six years for the terms of office started before the Shareholders' Meeting of 8 December 2022 and four years for the new terms of office starting from this meeting of December 2022. They may be terminated at any time in accordance with the law and legal precedent.

Two specialized committees (the Audit Committee and the CSR and Compensation Committee) have been established within the Board. The role and composition of these committees are presented below (see Sections 3.1.8 and 3.1.9).

The Board also meets at least once a year in the form of a Strategy Committee (see Section 3.1.10).

**Composition of the Board of Directors and the specialized committees
(as of 24 March 2025)**

Name	Independent	Audit Committee	CSR and Compensation Committee	Date of first appointment	Expiry of term of office	Relevant experience and expertise contributed
Raphaël GORGÉ Chairman and Chief Executive Officer	No	/	/	SM of 17 June 2004	SM approving the financial statements for the financial year ending 31 December 2027	Strategy, executive management, finance, financial reporting, industry, and technology
Jean-Pierre GORGÉ Director	No	/	/	BM of 11 March 1991	SM approving the financial statements for the financial year ending 31 December 2026	Strategy, executive management, industry, defense
Hervé GUILLOU Director	No	/	Member	SM of 18 June 2021	SM approving the financial statements for the financial year ending 31 December 2026	Defense, strategy, executive management, industry
Julie AVRANE – CLEAR DIRECTION Director	Yes	Member	Chairwoman from 25 March 2024	SM of 8 December 2022	SM approving the financial statements for the financial year ending 31 December 2025	Executive management, strategy, digital, organization and transformation of companies, mergers & acquisitions
Pierre VERZAT Director	Yes	Chairman from 25 March 2024	/	SM of 8 December 2022	SM approving the financial statements for the financial year ending 31 December 2025	Executive management, strategy, industry and engineering
Céline LEROY Director	No	/	/	SM of 18 June 2024	SM approving the financial statements for the financial year ending 31 December 2027	Legal

The Board is composed of three executive members (i.e. Directors with an active role in the management or organization of the EXAIL group) and three non-executive members.

33.3% of the Boards members are independent directors.

50% of the directors sit on the various committees.



Review of the independence criteria for Directors (as of 24 March 2025)

MiddleNext Code criteria	Raphaël GORGÉ (not independent)	Jean-Pierre GORGÉ (not independent)	Hervé GUILLOU (not independent)	Julie AVRANE – CLEAR DIRECTION (independent)	Pierre VERZAT (independent)	Céline LEROY (not independent)
Does the Director have, or has he or she had during the last two years, a significant business relationship with the Company or Group?	yes (indirectly via GORGÉ SA - see Section 3.71)	yes (indirectly via GORGÉ SA - see Section 3.71)	yes (indirectly via 3CAP ADVISOR - see Section 3.71)	no	no	no
Does the Director have family ties or a close relationship with a corporate officer or reference shareholder?	yes	yes	no	no	no	no
Is the Director, or has he or she been in the last five years, an employee or executive of the Company or Group?	yes	yes	yes	no	no	yes
Is the Director a reference shareholder of the Company or does he or she hold a significant percentage of the voting rights?	yes (indirectly via GORGÉ SA)	yes (indirectly via GORGÉ SA)	no	no	no	no
Over the last six years, has the Director been the Group's Statutory Auditor?	no	no	no	no	no	no

3.1.2 PRESENTATION OF THE MEMBERS OF THE BOARD



Raphaël GORGÉ

Main position: Chairman and Chief Executive Officer of EXAIL TECHNOLOGIES

First appointment: SM of 17 June 2004

Term expires: SM approving the financial statements for the financial year ending 31 December 2027

BIOGRAPHY

- Raphaël GORGÉ joined EXAIL TECHNOLOGIES (named FINUCHEM at the time, later GROUPE GORGÉ) in 2004 after a ten-year career in finance and technology. He initiated and implemented the Group's withdrawal from the automotive sector (70% of its revenue in 2004), then steered its development toward new areas of business.
- Raphaël GORGÉ has been the Chief Executive Officer of the Group since 2008. He has an engineering degree from the École Centrale de Marseille and holds an advanced degree in molecular modeling.
- Age: 53
- Nationality: French

OFFICES AND POSITIONS

Other offices and positions held within the Group:

- Chairman of EXAIL HOLDING SAS
- Legal representative of EXAIL TECHNOLOGIES SA as a member of the Supervisory Board of EXAIL HOLDING
- Legal representative of EXAIL TECHNOLOGIES SA as Chairman of BALISCO SAS
- Manager of SCI DES CARRIÈRES
- Chairman of STONI SAS

Other offices and positions held outside the Group:

- Chairman and Chief Executive Officer of GORGÉ SA
- Chairman of the Supervisory Board of SOPROMECC PARTICIPATIONS SA
- Manager of SOCIÉTÉ CIVILE COMPAGNIE INDUSTRIELLE DU VERDELET
- Chairman of the Board of Directors of PRODWAYS GROUP SA*
- Legal representative of GORGÉ SA as Chairman of HELIATEC HOLDING SAS
- Legal representative of GORGÉ SA as Chairman of SERES HOLDING SAS
- Chairman of CALOGENA SA
- Legal representative of GORGÉ SA as Chairman of PÉLICAN 4 SAS
- Legal representative of GORGÉ SA as Chairman of VIGIANS SAS
- Manager of SCI 39 TOUR D'Auvergne
- Legal representative of GORGÉ SA as Chairman of AGEREOM SAS (formerly FINU 13 SAS since 19 June 2024)
- Manager of SCI PMRB COURCELLES

Offices held during the last five years by Raphaël GORGÉ whose terms have expired:

- Chief Executive Officer of PRODWAYS GROUP SA* (from 10 July 2021 to 28 February 2022)
- Deputy Chief Executive Officer of GORGÉ SAS (until December 2022)
- Director and Chairman of the Board of Directors of ECA SA* (until 30 December 2020)
- Director of GROUPE ECA (until 30 June 2023)
- General Manager of GORGÉ EUROPE INVESTMENT BV (company terminated on 25 April 2024)
- Legal representative of VIGIANS SAS as Chairman of VIGIANS PROTECTION INCENDIE SAS (company terminated on 22 August 2024)
- Legal representative of GORGÉ SA as Chairman of WASTORIA SAS (until 4 December 2024)
- Manager of SCI AUSSONNE until November 2024 (being liquidated)
- Manager of SCI COMMINES until November 2024 (being liquidated)



* Listed company.



Jean-Pierre GORGÉ

Main position: Deputy Chief Executive Officer of GORGÉ SA
 Director and founder of EXAIL TECHNOLOGIES

First appointment: BM of 11 March 1991

Term expires: SM approving the financial statements for the financial year ending 31 December 2026

BIOGRAPHY

- Before founding EXAIL TECHNOLOGIES (at the time named FINUCHEM, later GROUPE GORGÉ) in 1988, Jean-Pierre GORGÉ held various positions in public administration, including Deputy Director of the Chemical Industries Department of the French Ministry of Industry as well as SMI delegate and head of the Regional Affairs Department at the Ministry of Industry.
- Jean-Pierre GORGÉ has an armament engineering degree from the École Polytechnique (X62) and a degree from the Institut d'Études Politiques in Paris (1967).
- Age: 82
- Nationality: French

OFFICES AND POSITIONS

Other offices and positions held within the Group:

- None

Other offices and positions held outside the Group:

- Deputy Chief Executive Officer of GORGÉ SA
- Vice-Chairman of the Supervisory Board of SOPROMECH PARTICIPATIONS SA
- Manager of SOCIÉTÉ CIVILE G21
- Manager of SARL TROIDEMI
- Manager of SCI BÉTHUNE 34

Offices held during the past five years in which Jean-Pierre GORGÉ is no longer serving:

- Chairman of GORGÉ SAS until December 2022
- Director of ECA SA* until 30 December 2020
- Legal representative of PÉLICAN VENTURE SAS as Chairman of VIBRANIUM SAS until April 2021 (VIBRANIUM SAS has been absorbed by INTRASEC HOLDING)
- Legal representative of PÉLICAN VENTURE SAS as Chairman of KAIRNIAL GROUP SAS (until December 2021)
- Legal representative of INTRASEC HOLDING SAS as Chairman of INTRASEC SAS (until December 2021)
- Legal representative of VIBRANIUM SAS as Chairman of WAKANDA SAS until April 2021 (VIBRANIUM SAS has been absorbed by INTRASEC HOLDING)
- Legal representative of WAKANDA SAS as Chairman of KAIRNIAL EUROP (until December 2021)
- Legal representative of KAIRNIAL EUROP SAS as Chairman of KAIRNIAL FRANCE SAS (until December 2021)
- Legal representative of PÉLICAN VENTURE SAS as Chairman of PÉLICAN 1 SAS (until October 2021)
- Director of GROUPE ECA SA (until 30 June 2023)
- Legal representative of GORGÉ SAS as Chairman of CALOGENA SAS (formerly PÉLICAN 3) until 21 December 2023



Hervé GUILLOU

Main function: see mandates below.
 Director
 Member of the CSR and Compensation Committee

First appointment: SM of 18 June 2021

Term expires: SM approving the financial statements for the financial year ending 31 December 2026

BIOGRAPHY

- In 1978, Hervé GUILLOU began his career at the Naval Construction Department in Cherbourg, as an engineer specializing in diving safety on Ruby-type nuclear submarines. He was then responsible for the nuclear propulsion project for Le Triomphant-type nuclear submarines at DCN Indret (1981-1989).
- In 1989, he joined the Directorate General for Armaments (DGA), on the staff of Yves SILLARD, then Delegate General for Armaments, as an Advisor and later as Chief of Staff. From 1993 to 1996, he was Director of the Joint Project Office Horizon, an anti-aircraft frigate program, where he set up the tripartite program office in London (United Kingdom, Italy, France).
- From 1996 to 2003, he was Deputy Chief Executive Officer of TECHNICATOME, an engineering and project management company specializing in naval propulsion reactors and nuclear research facilities. At the same time, from 1999 to 2003 he was Chairman of PRINCIPIA (scientific engineering solutions in the naval, offshore and energy sectors) and of TECHNOPLUS INDUSTRIES (high-precision engineering).
- In 2003, he joined the EADS group as CEO of SPACE TRANSPORTATION, the French-German division specializing in Ariane launchers, orbital infrastructures and missiles for the French deterrent force.
- From 2005 to 2011, he was CEO of DEFENSE AND COMMUNICATIONS SYSTEMS, now CASSIDIAN SYSTEMS, a division based in Munich, established in six countries, specializing in telecommunication and security command systems. Co-Chairman of ATLAS ELECTRONIK and member of the Board of PATRIA.
- In 2011, he founded CASSIDIAN CYBERSECURITY, where he became CEO, before being appointed Corporate Executive, Defense & Security within EADS in 2012.
- In July 2014, he was appointed CEO of NAVAL GROUP, a position he held for six years.
- In 2017, he took over as Chairman of GICAN and of the Strategy Committee for the Marine Industry until October 2022.
- In March 2020, he was appointed Vice-Chairman of the French General Council for Armaments until May 2023.
- In January 2021 he was appointed Chairman of the Board of Directors of GROUPE ECA.
- Hervé GUILLOU is a graduate of École Polytechnique (X73), ENSTA Paris and INSTN. He is also a graduate of INSEAD and a certified Director of IFA Sciences Po.
- Age: 70
- Nationality: French



OFFICES AND POSITIONS

Other offices and positions held within the Group:

- Member of the Supervisory Board of MAURIC SA
- Member of the Supervisory Board of EXAIL HOLDING SAS, representing EXAIL TECHNOLOGIES SA
- Permanent representative of EXAIL HOLDING SAS as Chairman of EXAIL SAS

Other offices and positions held outside the Group:

- Member of the Board of Directors of GICAN
- Chairman of 3CAP ADVISOR SAS
- Director of GROUPE SNEF SA
- Director of ORTEC EXPANSION SA
- Chairman of KERGUELEN INVEST SAS

Offices held during the past five years in which Hervé GUILLOU is no longer serving:

- Chairman and Chief Executive Officer of NAVAL GROUP
- Member of the Board of Directors of CHANTIERS DE L'ATLANTIQUE and Chairman of the Audit Committee
- Director (Board of Directors) of NAVIRIS SPA (Italy) (until November 2021)
- Director of COMEX SA (until November 2021)
- Chairman of GICAN
- Chairman of the Marine Industry business line
- Vice-Chairman of the French General Council for Armaments (until May 2023)
- Chairman of the Board of Directors of GROUPE ECA SA (until 30 June 2023)
- Member of the Compensation Committee until March 2024

* Listed company.



Julie AVRANE – CLEAR DIRECTION, represented by Julie AVRANE

Main position: Chairwoman of JULIE AVRANE – CLEAR DIRECTION SAS (personal holding company)

Independent Director

Member of the Audit Committee from March 2024

Chairwoman of the CSR and Compensation Committee from March 2024

First appointment: SM of 8 December 2022

Term expires: SM approving the financial statements for the financial year ended 31 December 2025

BIOGRAPHY

- Julie AVRANE is an Independent Director of VALEO, UNIBAIL-RODAMCO-WESTFIELD and BUREAU VERITAS as well as of the MONNOYEUR family group and CROUZET.
- In addition, she assists managers of start-ups and scale-ups or medium-sized companies on their strategy, organization and investor relations.
- Former Senior Partner of MCKINSEY & COMPANY, which she left in June 2020, Julie AVRANE has 25 years of experience in general management consulting, with expertise in digital, strategy, organization, transformations and mergers and acquisitions.
- She managed the firm’s high-tech industries division in France (advanced electronics, aeronautics and defense, automotive and assembly industries). She also co-led the high-tech skills center at the global level.
- Before joining MCKINSEY’s Paris office in 1999, Julie AVRANE worked for two years as a business analyst in the MCKINSEY office in London from 1995 to 1997 and as a researcher at BULL HONEYWELL in Boston and COGEMA (AREVA) in 1994. Julie AVRANE is a graduate of École Nationale Supérieure des Télécommunications de Paris (1994) and of Collège des Ingénieurs (1995) and holds an MBA from INSEAD (1998).
- Age: 54
- Nationality: French

OFFICES AND POSITIONS

Other offices and positions held within the Group:

- Member of the Supervisory Board of EXAIL HOLDING, representing EXAIL TECHNOLOGIES

Offices held during the past five years in which Julie AVRANE is no longer serving:

- None

Other offices and positions held outside the Group:

- Independent Director of VALEO*
- Member of the Audit and Risk Committee of VALEO*
- Member of the Compensation, Appointments, Governance and CSR Committee of VALEO*
- Head of CSR for the Board of VALEO*
- Independent Director of UNIBAILRODAMCOWESTFIELD*
- Member of the Audit and Risk Committee of UNIBAILRODAMCOWESTFIELD*
- Independent Director of BUREAU VERITAS
- Chairwoman of the Strategy Committee of BUREAU VERITAS
- Member of the Audit and Risk Committee of BUREAU VERITAS
- Independent Director of the MONNOYEUR family group
- Chairwoman of the CSR Committee of the MONNOYEUR family group
- Independent Director of CROUZET

* Listed company.



Pierre VERZAT

Main function: Chairman of AUTHON ADVISORS SAS
 Independent Director
 Member of the Audit Committee
 Chairman of the Audit Committee from March 2024

First appointment: SM of 8 December 2022

Term expires: SM approving the financial statements for the financial year ended 31 December 2025

BIOGRAPHY

- Pierre VERZAT began his career in 1986 at the Naval Construction Department of the French Directorate General for Armaments as a marine engineer specializing in systems and automation.
- In 1992, he became Chief Executive Officer of BEA (DALKIA group), before joining the AREVA group in 1996 as CEO of ELTA, and then SVP of Industry, Transport and Environment of TECHNICATOME.
- He joined the EADS group in 2005 as SVP Engineering and Industry of ASTRIUM SPACE TRANSPORTATION and then Chief Operating Officer of ASTRIUM SPACE SERVICES.
- From 2011 to 2024, he was Chairman of the Management Board of SYSTRA.
- Pierre VERZAT is an engineer from École Polytechnique and ENSTA.
- Age: 63
- Nationality: French

OFFICES AND POSITIONS

Other offices and positions held within the Group:

- Member of the Supervisory Board of EXAIL HOLDING, representing EXAIL TECHNOLOGIES

Other offices and positions held outside the Group:

- Chairman of AUTHON ADVISORS SAS

Offices held during the past five years in which Pierre VERZAT is no longer serving:

- Chairman of the Management Board of SYSTRA SA (2024)
- Director of THE MVA CONSULTANCY GROUP (2023)
- Director of SYSTRA Canada INC. (2023)
- Representative of SYSTRA SA as Chairman and member of the Board of SYSTRA Asia Pacific LTD (2024)
- Chairman of SYNTEC Ingénierie (trade union) (2022)
- Chairman of SYSTRA France SASU (2024)

* Listed company.



Céline LEROY

Main position: General Counsel of GORGÉ SA

First appointment: SM of 18 June 2024

Term expires if elected: SM approving the financial statements for the financial year ending 31 December 2027

BIOGRAPHY

- Céline LEROY was General Counsel of EXAIL TECHNOLOGIES (formerly GROUPE GORGÉ) between 2007 and early 2023. She has been General Counsel of GORGÉ SA since 2023.
- She holds a CAPA (certificate of aptitude for the legal profession) and a DESS in business law and taxation from the University of Paris I.
- She was previously a lawyer at the business law firm FRESHFIELDS BRUCKHAUS DERINGER, where she worked in the Finance department and then in the M&A department, before spending a year on secondment in the legal department of DANONE.
- Age: 51
- Nationality: French

OFFICES AND POSITIONS

Other offices and positions held within the Group:

- None

Other offices and positions held outside the Group:

- Director of PRODWAYS GROUP SA*
- Manager of SCI CABINET ALESIA

Offices held during the last five years by Céline LEROY whose terms have expired:

- Non-voting Board member of GROUPE ECA (until March 2023)
- Employee Director of EXAIL TECHNOLOGIES SA* (until February 2023)
- Director of ECA SA* (until June 2020)

* Listed company.

The business address of the Directors is the head office of the Company.



3.1.3 GENDER BALANCE ON THE BOARD OF DIRECTORS AND THE SPECIALIZED COMMITTEES

The Board of Directors complies with the principle of gender balance in accordance with the law. The Board currently has two women and four men (i.e. 33.3% female directors and 66.6% male directors).

When electing an Employee Director, every candidacy should include, in addition to the candidate's name, the name of his or her potential replacement, and the candidate and replacement must be of different genders.

In view of the size and composition of the Board, the composition of the Board committees is guided more by the skills of its members than by the goal of perfect gender balance on the committees. To date, the Audit Committee and the CSR and Compensation Committee are composed of an equal number of women and men.

The choice of Directors (other than Employee Directors) is guided primarily by the search for skills that complement those already represented on the Board, the person's knowledge of the markets in which the Group is active and of the issues the Group may face.

3.1.4 INFORMATION ON SECURITIES TRANSACTIONS BY CORPORATE OFFICERS

To the best of the Company's knowledge, the corporate officers, Group executives and persons mentioned in article L.621-18-2 of the French Monetary and Financial Code, subject to spontaneous declaration of their securities transactions, carried out the following transactions in 2024:

- Jean-Pierre GORGÉ declared the acquisition of 3,040 shares in June 2024;
- Raphaël GORGÉ declared the acquisition of 10,000 shares in June 2024.

Neither the Company's bylaws nor the internal regulations of the Board of Directors contain a minimum shareholding requirement for the Company's corporate officers.

3.1.5 NON-CONVICTION AND CONFLICTS OF INTEREST

To the best of the Company's knowledge, at the date of preparation of this document, no member of the Board of Directors or any executive corporate officer has been, during the last five years, convicted of fraud, involved in a bankruptcy, receivership, liquidation or placing of companies under judicial administration by virtue of having served as a member of an administrative, management or supervisory body thereof, the target of official public questioning and/or sanctioned by a statutory or regulatory authority (including designated professional bodies), barred by a court of law from serving as a member of an administrative, management or supervisory body of an issuer or from participating in the management or conduct of the affairs of an issuer.

To the best of EXAIL TECHNOLOGIES' knowledge, at the date of preparation of this document, no potential conflict of interest has been identified between the private interests and/or other duties of any of the members of the administrative, management or supervisory bodies and their duties towards the issuer.

To the best of EXAIL TECHNOLOGIES' knowledge, at the date of preparation of this document, there is no arrangement or agreement entered into with the main shareholders or with customers, suppliers or others, under which a corporate officer would have been selected.

To the best of EXAIL TECHNOLOGIES' knowledge, at the date of preparation of this document, the persons who are members of an administrative, management or supervisory body have not accepted any restrictions on the transfer, within a certain period of time, of the securities of the issuer that they hold.

3.1.6 EXECUTIVE MANAGEMENT

3.1.6.1 Choice of form of Executive Management structure

At its 14 September 2011 meeting, the Board of Directors decided that the positions of Chairman of the Board of Directors and of Chief Executive Officer would be held by a single person.

3.1.6.2 Scope of the Chief Executive Officer's powers

No restrictions were placed on the powers of the CEO when he was appointed. The CEO is therefore vested with the broadest powers to act on behalf of the Company in all circumstances, within the limits of the corporate purpose and subject to the powers expressly assigned by law to the Shareholders' Meeting and to the Board of Directors.

3.1.6.3 Term of office

The current executive corporate officers have been appointed for an indefinite period, it being specified that the term of office of the Chairman of the Board of Directors may not in any case exceed his or her term of office as a director.

They may be terminated at any time in accordance with the law and legal precedent.

3.1.7 CONDITIONS FOR THE PREPARATION AND ORGANIZATION OF THE WORK OF THE BOARD OF DIRECTORS DURING THE PAST FINANCIAL YEAR

The rules governing the operation of the Board of Directors can be found in the bylaws and are set out in detail in the Board's Internal Regulations.

3.1.7.1 Frequency of meetings – Attendance rate of Directors

Over the past financial year, the Board of Directors met four times. The attendance rate of the Directors exceeded 92%.

3.1.7.2 of Board meetings

In accordance with the bylaws, notices of meetings are made by any means, even verbally.

During the 2024 financial year, the Directors were convened to the meetings by e-mail.

Pursuant to article L.225-238 of the French Commercial Code, the Statutory Auditors were invited to attend the Board meetings held to review and approve the interim and annual financial statements.

3.1.7.3 information to Directors

The Directors were provided with all the papers, technical dossiers and information required to carry out their duties either when meetings were called or prior to Board meetings.

3.1.7.4 of Board meetings

Meetings of the Board of Directors are held at the head office. The Internal Regulations approved by the Company's Board of Directors, allow the use of video-conferencing or other telecommunications technologies subject to the regulatory requirements for holding the meetings of the Board of Directors.

3.1.7.5 Decisions taken

During the past financial year, the Board of Directors took decisions on current issues that are in the interest of the Company.

3.1.7.6 Minutes of Board meetings

The minutes of the Board of Directors meetings are drawn up following each meeting and sent to all Directors at the latest before the next Board meeting.

3.1.7.7 Assessment of the Board

In accordance with Recommendation 13 of the Middenext Corporate Governance Code, the Directors are invited to express their views on the functioning of the Board of Directors and on the preparation of its work at the Board meetings approving the annual financial statements.

3.1.7.8 Shareholder relations

In accordance with Recommendation 14 of the Middenext Governance Code, once a year the Board reviews the negative votes of the previous Shareholders' Meeting, attempting to analyze the votes of the majority of minority shareholders and whether to change the resolutions that received a large number of negative votes. For example, in

2023, the delegation allowing, where applicable, the establishment of an equity line has been canceled and the delegation authorizing the buyback of the Company's shares has been supplemented to indicate that this authorization would be suspended in the event of a public tender offer for the Company's shares.

3.1.8 AUDIT COMMITTEE

The Audit Committee was set up in 2012. Until 25 March 2024, it comprised Mrs. Catherine BENON (Chairwoman) and Mr. Pierre VERZAT. Given the expiry of Mrs. BENON's term of office as director in June 2024, the composition of this committee was reviewed: as of 25 March 2024, Mr. Pierre VERZAT took over the chairmanship of the committee and Mrs. Julie AVRANE became a member of the same.

In accordance with article L.821-67 of the French Commercial Code and without prejudice to the powers of the Board, the Audit Committee has the following duties:

- follow the financial reporting preparation process and, where required, formulate recommendations to ensure the integrity thereof;
- monitor the efficiency of internal control and risk management systems and, where applicable, internal audit systems with regard to procedures for preparing and processing accounting and financial information, without impacting its independence;
- make a recommendation to the Board on the proposed appointment of the statutory auditors by the Shareholders' Meeting in accordance with regulations; and make a recommendation on the proposed reappointment of the statutory auditor(s) to the Board in accordance with regulations;
- monitor the Statutory Auditors' audit of the financial statements and take into account the findings and conclusions of the French High Council for Auditing Oversight (Haut Conseil du Commissariat aux Comptes) following the checks performed pursuant to the regulations;
- ensure the statutory auditors' compliance with the independence criteria under the terms and in accordance with the procedures set out by the applicable regulations;
- approve the provision of services by the statutory auditors other than the certification of the financial statements pursuant to the applicable regulations;
- regularly report to the Board on the performance of its duties (including on certifying the financial statements, on how said certification contributed to the integrity of financial reporting, and on the role it played in this process);
- promptly inform the Board of any difficulties encountered.

In the course of preparing the interim and annual financial statements, the Audit Committee meets with the Company's statutory auditors to finalize the interim and annual financial statements and to get updates from the statutory auditors on their work. In this respect, it ensures the independence of the statutory auditors.



The Audit Committee was not required to vote during the past financial year on the provision of services by the statutory auditors other than the certification of the financial statements. It took part in discussions with the Company and the statutory auditors during the preparation of the statutory auditors' report to the Audit Committee.

At the end of 2024, the Audit Committee supervised the update of the EXAIL group's risk mapping.

The Board of Directors followed the Audit Committee's recommendations.

The committee reports regularly on its work to the Board of Directors.

3.1.9 CSR AND COMPENSATION COMMITTEE

On 25 March 2024, the Board of Directors decided to create a new committee, the CSR and Compensation Committee, comprising individuals from among its members.

This new committee takes over the duties of the Compensation Committee, which has existed since 2012, and will carry out the new missions in terms of CSR and sustainability reporting provided for by the Corporate Sustainability Reporting Directive (CSRD), which was transposed into French law in December 2023. These sustainability reporting missions are covered by article L.821-17 of the French Commercial Code.

In accordance with the Corporate Sustainability Reporting Directive (CSRD), which was transposed into French law in December 2023, the Group published its first sustainability report in 2025, covering environmental, social and governance information for the 2024 financial year (see section 6 of this Universal Registration Document).

This committee is responsible for making all recommendations to the Board regarding the remuneration and benefits received by the executive corporate officers of EXAIL TECHNOLOGIES. These proposals involve the balance of the various components of overall remuneration (including any remuneration received from affiliates) and their allocation conditions, specifically in terms of performance.

The committee is chaired by Mrs. Julie AVRANE, an Independent Director. Mr. Hervé GUILLOU is the second member of this committee.

This committee regularly reports on CSR strategy and progress to the Board of Directors.

3.1.10 STRATEGY COMMITTEE

Given the size of the Board and the Directors' interest in strategy, the Board has chosen to not create a Strategy Committee separate from the Board of Directors. However, in addition to meetings relating to the review and approval of specific development or external growth projects, the Company's Board of Directors meets every year, generally in June and if possible at a subsidiary, to review the Group's trajectory and discuss its development strategy.

3.2 CORPORATE OFFICER REMUNERATION POLICY

(7th to 9th resolutions of the Shareholders' Meeting of 25 June 2025)

The setting, review and implementation of the remuneration policy for each of the corporate officers are conducted by the Board of Directors on the recommendation of the CSR and Compensation Committee. It is stipulated that the corporate officer concerned does not take part in the discussions or vote on these questions.

The CSR and Compensation Committee meets every year to discuss a number of issues, including the remuneration of the corporate officers for the current year, the calculation of their bonuses for the past year based on the performance achieved, and the bonus criteria for the future.

For its work, the CSR and Compensation Committee may rely on external studies that indicate market practices for comparable companies.

It also takes into account any remuneration received by the corporate officers from companies controlled by EXAIL TECHNOLOGIES, or from the company controlling EXAIL TECHNOLOGIES for the office held.

In addition, pursuant to Recommendation R16 of the Middenext Corporate Governance Code, the CSR and Compensation Committee takes the following principles into account:

- comprehensiveness: the determination of the remuneration of executive officers must be exhaustive: fixed portion,

variable portion (bonus), stock options, free shares, directors' fees, retirement conditions and special benefits must be included in the overall assessment of the remuneration; in the case of variable remuneration, the assessment of performance takes into account quantitative and qualitative criteria;

- balance between remuneration components: each component of the remuneration must be justified and be in the best interests of the Company;
- benchmark: the remuneration must be assessed, as far as possible, in relation to a benchmark business and market and be proportional to the Company's position, taking into account the inflationary effect;
- consistency: the executive corporate officer remuneration must be consistent with that of other executives and employees at the Company;
- clarity: the rules must be simple and transparent, meaning the performance criteria used to determine the variable portion of remuneration or any stock options or free shares allocated must be in line with the Company's performance, correspond to its objectives, be demanding and easily explained, and be as sustainable as possible. They must be described without compromising the confidentiality of certain components;

- moderation: the remuneration must be determined and stock options or free shares allocated in a sensible manner and take into account the Company's best interests, market practices and executive performance;
- transparency: in accordance with the law, the Company publishes all components of the remuneration of the corporate officers in its corporate governance report. In the case of variable remuneration, the weighting of the various criteria is communicated to the shareholders.

Lastly, as part of the decision-making process followed for the determination and review of the remuneration policy, the conditions of remuneration and employment of the Company's employees were taken into account by the CSR and Compensation Committee and the Board of Directors.

Following the work of the CSR and Compensation Committee, and on the latter's proposal, the Board of Directors chooses the criteria for the variable remuneration of the executive corporate officers in line with the Group's strategy as described in Section 1.3 of this Universal Registration Document, taking into account the interests of all stakeholders while respecting the corporate interest and the Company's continued existence.

No components of remuneration, of any type whatsoever, may be set, allocated or paid by the Company and no commitments made by the Company that do not comply with the approved remuneration policy, or, in its absence, with existing remunerations or practices in the Company. However, in the event of exceptional circumstances, the Board of Directors may waive, on the recommendation of the CSR and Compensation Committee, the application of the remuneration policy if this waiver is temporary, in line with the Company's interests and necessary to guarantee the Company's sustainability or viability in accordance with article L.22-10-8 of the French Commercial Code. These justifications are brought to the attention of the shareholders in the next corporate governance report.

If the governance changes, the remuneration policy shall be applied to the Company's new corporate officers, if applicable with suitable adaptations to take the executive officer's duties, the level of difficulty of their responsibilities, experience in the position and seniority in the Group, his/her independence as well as the practices of similar and comparable firms into account.

3.2.1 REMUNERATION POLICY FOR THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER OF EXAIL TECHNOLOGIES

(7th resolution of the Shareholders' Meeting of 25 June 2025)

Currently, the offices of Chairman of the Board of Directors and Chief Executive Officer are held by a single person, Mr. Raphaël GORGÉ.

In the event that these functions are separated in the future, the Board will set the remuneration of the Chairman of the Board of Directors and the Chief Executive Officer, adapting the Group's compensation principles if necessary.

In particular, the Board must take into account the executive's duties, the level of difficulty of his or her responsibilities, experience in the position, length of service in the Group and independence and the practices of other similar and comparable companies.

If the functions are separated, the Chairman would be entitled to fixed remuneration, any variable remuneration based on special or executive assignments, remuneration as a Director (provided that he or she is also an Independent Director) and the standard benefits in kind.

The variable remuneration principles and criteria applicable to the Chairman and Chief Executive Officer and to the Deputy Chief Executive Officer detailed below would be applicable to the Chief Executive Officer if the functions are separated, with any necessary adaptations, to take into account the new executive's missions, the level of difficulty of his or her responsibilities, experience in the position, length of service in the Group and independence and the practices of other similar and comparable companies.

3.2.1.1 Fixed remuneration

The Chairman and Chief Executive Officer receives annual fixed remuneration from EXAIL TECHNOLOGIES in respect of his office.

The overall fixed remuneration of the Chairman and Chief Executive Officer is determined by taking into account the remuneration paid, where applicable, both by EXAIL TECHNOLOGIES and by controlled companies or by controlling companies in respect of the office held in EXAIL TECHNOLOGIES.

This remuneration is also appraised in light of the executive remuneration at firms of similar size or business, the Group's overall performance, and the remuneration of the senior executives of EXAIL TECHNOLOGIES' subsidiaries.

Raphaël GORGÉ, current Chairman and Chief Executive Officer of EXAIL TECHNOLOGIES, does not have an employment contract within the EXAIL group and does not receive remuneration for other offices held within the EXAIL group.

For information, Raphaël GORGÉ is also remunerated for other offices held in other companies (GORGÉ SA and PRODWAYS GROUP SA). This remuneration is not related to the office held by Raphaël GORGÉ in EXAIL TECHNOLOGIES.

The fixed remuneration for 2025 remains unchanged compared to 2024 (€120 thousand).

3.2.1.2 Variable remuneration

The Chairman and Chief Executive Officer receives annual variable remuneration from EXAIL TECHNOLOGIES in respect of his office.

The variable remuneration of the Chairman and Chief Executive Officer is determined taking into account the remuneration paid, where applicable, both by EXAIL TECHNOLOGIES and by controlled companies or by controlling companies in respect of the office held in EXAIL TECHNOLOGIES.

Raphaël GORGÉ, current Chairman and Chief Executive Officer of EXAIL TECHNOLOGIES, does not have an employment contract within the EXAIL group and does not receive remuneration for other offices held within the EXAIL group.

On a proposal made by the CSR and Compensation Committee, the Board of Directors determines the overall amount of the variable remuneration and the applicable performance criteria as stated in Section 3.2 above.

With regard to the amount of the annual or multiannual variable remuneration, the Board of Directors considers that the Chairman and Chief Executive Officer, as a significant indirect shareholder of EXAIL TECHNOLOGIES, is motivated more by his financial interest in the Group than by the variable portion of his remuneration. Nevertheless, the Board of Directors also believes that allocating annual variable remuneration based on performance criteria remains a good practice.

As such, since 2019, the Board of Directors has decided that the total variable remuneration of Raphaël GORGÉ will be limited to a maximum of one third of his total fixed remuneration. For 2024, this variable remuneration is capped at €40 thousand and remains unchanged for 2025.

The variable remuneration is linked to the achievement of performance criteria established by the Board of Directors on the proposal of the CSR and Compensation Committee. The Board selects variable remuneration criteria to align the interests of the executive with the Group's objectives and strategy. The targets for the quantitative criteria are in line with the budget for the financial year approved by the Board of Directors. The expected level of achievement of the financial performance criteria has been pre-established by the Board of Directors, on the proposal of the CSR and Compensation Committee, but is not made public for reasons of confidentiality, as the Company does not disclose its revenue, EBITDA and cash generation forecasts.

To determine the extent to which the performance criteria set for the variable remuneration at the end of the past financial year have been met or not, the Board, on the basis of the recommendations of the CSR and Compensation Committee, reviews the Group's financial and CSR performance during the past financial year.

For 2024, triggering thresholds and calculation grids have been defined for the objectives concerning the level of revenue (10% of the variable remuneration - the calculation grid justifies 100%), the level of current EBITDA (40% of the variable remuneration - the calculation grid justifies 100%), the cash generation (30% of the variable remuneration - the calculation grid justifies 100%) and CSR criteria (20% of the variable remuneration - the calculation grid justifies 80%). These CSR criteria consist of continuing to reduce the carbon footprint of Scopes 1 and 2 with quantified targets (objective achieved), the reliability of the calculations of the Scope 3 carbon emissions (objective partially achieved), formalization of an environmental policy (objective partially achieved), and compliance with the CSRD (objective achieved).

The variable remuneration totaled 96% of the maximum, i.e. €38,400, for the 2024 financial year.

The criteria used for 2025 are as follows: the revenue level (10% of the variable remuneration), the level of current EBITDA (40%), cash generation (30%) and qualitative and quantitative CSR criteria (20%). For each quantitative indicator, a minimum threshold has been defined, according to the 2025 budget, to trigger the award of variable remuneration as well as a calculation grid to determine the percentage of remuneration earned according to the level reached as regards the criterion in question. The CSR criteria for 2025 are as follows: continue to reduce the carbon footprint of Scopes 1 and 2, make the Scope 3 data more reliable (by specifying in particular the materials purchased and the monitoring of upstream and downstream freight), implement the deployment of the Group's CSR policy and achieve the associated KPIs for 2025 (gender equality score, employee departure rate, safety at work, prevention and detection of corruption, management and deployment of ethical and sustainable purchases, integration an eco-design approach).

No multiannual variable remuneration is set, but it could be in the future. As for the annual variable remuneration, the Board of Directors considers that the Chairman and Chief Executive Officer, as a significant indirect shareholder of EXAIL TECHNOLOGIES, is motivated more by his financial interest in the Group than by any multiannual variable remuneration.

3.2.1.3 Exceptional remuneration

Under unusual circumstances or in the event of exceptional success, the Board of Directors may decide to allocate exceptional remuneration to the Chairman and Chief Executive Officer. The reasons for this decision would be explained. This exceptional remuneration would be capped at twice the executive's annual fixed remuneration (compared to once before - this multiple having been revised to take into account the reduction in the fixed remuneration of the Chairman and Chief Executive Officer from 2023).

No exceptional remuneration was allocated in respect of 2024.

If new executive corporate officers are appointed, the Board of Directors may decide to grant exceptional remuneration related to the assumption, cessation or change of duties depending on market practices and the executive corporate officer's experience.

3.2.1.4 Stock options and free shares

The Board of Directors may also grant stock options or free shares to executive corporate officers under the conditions provided by law. Until now, it had the necessary authorizations voted by the Shareholders' Meeting but decided not to request the renewal of these delegations in 2024.

In the event of new authorizations voted by the Shareholders' Meeting in the future, any grant would be subject to the achievement of performance criteria set by the Board of Directors and the setting of a percentage of shares to be retained by the executive.

To date, no stock options or free shares have been granted to the Chairman and Chief Executive Officer.

3.2.1.5 Other commitments and benefits of any kind

The Chairman and Chief Executive Officer benefits from the following commitments:

Commitments made by the Company or by a controlled or controlling company	Main features	Criteria for allocation	Conditions of termination
Retirement benefits	N/A	N/A	N/A
Non-compete compensation	N/A	N/A	N/A
Defined-benefit pension commitments	N/A	N/A	N/A
Defined-contribution pension commitments	The Chairman and Chief Executive Officer has the same supplementary pension contract as all Company executives. The contributions paid by the Company amount to 2.5% of the gross remuneration.	N/A	N/A
Other commitments corresponding to remuneration components, indemnities or benefits that are or may be due as a result of termination or change of functions, or subsequent thereto	N/A	N/A	N/A

The Chairman and Chief Executive Officer is also the beneficiary of mandatory collective retirement, mutual insurance and provident insurance plans in accordance with the Company's policy in this regard (for management grade).

The Chairman and Chief Executive Officer is entitled to standard benefits in kind (company car, executive unemployment insurance, etc.).

The Chairman and Chief Executive Officer may not receive remuneration as a Director, in accordance with the Company's remuneration policy for Directors: the Board of Directors has decided that only Independent Directors not otherwise remunerated by a significant shareholder may receive remuneration as a member of the Board.

In the event that new executive corporate officers are appointed, the Board of Directors may also decide to grant other benefits in kind, complementary pension schemes or exceptional remuneration (including compensation or benefits due or likely to be due on account of their assumption, cessation or change of duties or after the performance thereof) in accordance with market practices, the personal situation of the executive and his or her experience.

3.2.2 REMUNERATION POLICY FOR THE DEPUTY CHIEF EXECUTIVE OFFICERS OF EXAIL TECHNOLOGIES

(8th resolution of the Shareholders' Meeting of 25 June 2025)

Were the Company to appoint Deputy Chief Executive Officers, the remuneration policy for said officers, to be set by the Board on the recommendations of the Compensation Committee, would be as follows:

3.2.2.1 Fixed remuneration

The Deputy Chief Executive Officer receives annual fixed remuneration from EXAIL TECHNOLOGIES in respect of his or her office.

The fixed remuneration of the Deputy CEO is assessed in light of the level of difficulty of his or her responsibilities, experience in the position, length of service in the Group, remuneration paid by EXAIL TECHNOLOGIES and/or controlling or controlled companies in respect of the office held in EXAIL TECHNOLOGIES, the remuneration of senior executives of companies comparable in terms of size or business, the Group's overall performance and the remuneration of the Chairman and Chief Executive Officer of EXAIL TECHNOLOGIES and the main executives of EXAIL TECHNOLOGIES' subsidiaries.

3.2.2.2 Variable remuneration

The Deputy Chief Executive Officer receives annual variable remuneration from EXAIL TECHNOLOGIES in respect of his or her office.

The variable remuneration of the Deputy CEO is determined taking into account the remuneration received, where applicable, from both EXAIL TECHNOLOGIES and the controlling and controlled companies, the level of difficulty of his or her responsibilities, his or her experience in the position, seniority in the Group and equity interests in the Group, as well as the practices of other similar and comparable companies.

On a proposal by the Compensation Committee, the Board of Directors determines the overall amount of variable remuneration and the applicable performance criteria as stated in Section 3.2 above.





The variable remuneration is linked to the achievement of performance criteria established by the Board of Directors on the proposal of the CSR and Compensation Committee. The Board selects variable remuneration criteria to align the interests of the executive with the Group's objectives and strategy. The targets for the quantitative criteria are defined according to the budget for the financial year approved by the Board of Directors. The expected level of achievement of the quantitative criteria has been pre-established by the Board of Directors, on the proposal of the CSR and Compensation Committee, but is not made public for reasons of confidentiality.

To determine the extent to which the performance criteria set for the variable remuneration at the end of the past financial year have been met or not, the Board, on the basis of the recommendations of the CSR and Compensation Committee, examines the Group's performance during the past financial year.

The annual variable remuneration is capped at a maximum of 50% of the annual fixed remuneration.

If it is appropriate and in the interest of the Company, the Deputy CEO could receive multiannual variable remuneration.

3.2.2.3 Exceptional remuneration

Under unusual circumstances or in the event of exceptional success, the Board of Directors may decide to allocate exceptional remuneration to the Deputy Chief Executive Officer. The reasons for this decision would be explained. This exceptional remuneration would be capped at the amount of the executive's total fixed remuneration.

If new executive corporate officers are appointed, the Board of Directors may decide to grant exceptional remuneration related to the assumption, cessation or change of duties depending on market practices and the executive corporate officer's experience.

3.2.2.4 Stock options and free shares

The Board of Directors may also grant stock options or free shares to the Deputy Chief Executive Officer, under the conditions provided by law. Until now, it had the necessary authorizations voted by the Shareholders' Meeting but decided not to request the renewal of these delegations in 2024.

In the event of new authorizations voted by the Shareholders' Meeting in the future, any grant would be subject to the achievement of performance criteria set by the Board of Directors and the setting of a percentage of shares to be retained by the executive.

To date, no stock options or free shares have been granted to the Deputy CEO.

3.2.2.5 Other commitments and benefits of any kind

The Deputy Chief Executive Officer is the beneficiary of mandatory collective retirement, mutual insurance and provident insurance plans in accordance with the Company's policy in this regard (for management grade).

The Deputy CEO may benefit from traditional benefits in kind (company car, for example) and executive unemployment insurance (such as GSC).

If the Deputy Chief Executive Officer is a Director, he or she may not receive remuneration as a Director, in accordance with the Company's remuneration policy for members of the Board, according to which only Independent Directors may receive remuneration as members of the Board.

In the event that new Deputy CEOs are appointed, the Board of Directors may also decide to grant other benefits in kind, complementary pension schemes or exceptional remuneration (including remuneration or benefits due or likely to be due on account of their assumption, cessation or change of duties or after the performance thereof) in accordance with market practices, the personal situation of the executive and his or her experience.

3.2.3 SAY ON PAY ON THE VARIABLE AND EXCEPTIONAL COMPONENTS OF THE REMUNERATION OF THE EXECUTIVE CORPORATE OFFICERS

It is recalled that the payment of variable and any exceptional remuneration in respect of the past financial year is subject to the Ordinary Shareholders' Meeting approving the elements composing the remuneration and benefits of any kind paid during the past financial year, or allocated in respect of the year, to each executive corporate officer (*ex post* vote).

3.2.4 REMUNERATION POLICY FOR THE BOARD MEMBERS

(9th resolution of the Shareholders' Meeting of 25 June 2025)

The Shareholders' Meeting of 15 June 2023 set the maximum overall remuneration of the members of the Board at the annual sum of €90 thousand, which is valid for the current financial year and until the Shareholders' Meeting decides otherwise. The distribution of all or part of this sum among the Directors is discussed by the Board of Directors and is allocated among the Directors according to the policy described below.

Only Independent Directors from outside the Group receive remuneration. However, non-Independent Directors participating in a committee may receive remuneration in respect of this participation in order to take into account the more substantial work provided.

The criteria for the distribution of the annual fixed sum allocated by the Shareholders' Meeting to the members of the Board are set by the Board, on the proposal of the CSR and Compensation Committee, taking into account the chairmanship and participation in the various committees of the Company (CSR and Compensation Committee, Audit Committee, any other *ad hoc* committees) and in the Supervisory Board of EXAIL HOLDING SAS as well as the attendance rate of the directors.

3.3 INFORMATION REFERRED TO IN I OF ARTICLE L.22-10-9 OF THE FRENCH COMMERCIAL CODE FOR EACH CORPORATE OFFICER OF THE COMPANY

(5th resolution of the Shareholders' Meeting of 25 June 2025)

The tables below present the remuneration and benefits paid to each corporate officer by the Company in the past financial year. There is no remuneration paid by companies controlled by EXAIL TECHNOLOGIES or the company controlling EXAIL TECHNOLOGIES in respect of the office held in EXAIL TECHNOLOGIES.

Mr. Raphaël GORGÉ (Chairman and Chief Executive Officer) is paid as indicated in Sections 3.2 and 3.4.

Mr. Hervé GUILLOU (Director) receives remuneration paid by EXAIL HOLDING in respect of his office as representative of EXAIL HOLDING as Chairman of EXAIL SAS. He also provides services to the EXAIL group through a personal holding company.

It is also stipulated that the total remuneration of each corporate officer complies with the remuneration policy approved by the last Shareholders' Meeting.

TABLE 1 – SUMMARY TABLE OF THE REMUNERATION AND OPTIONS AND SHARES GRANTED TO EACH EXECUTIVE CORPORATE OFFICER

Raphaël GORGÉ, Chairman and Chief Executive Officer	2024	2023
Remuneration granted for the financial year (details in Table 2)	€167,823	€164,183
Value of the multiannual variable remuneration granted during the financial year	None	None
Value of the options granted during the financial year	None	None
Value of free shares granted	None	None
TOTAL	€167,823	€164,183

These remuneration components have contributed to the long-term performance of the Company by creating a link between the executive's variable remuneration and the Group's objectives and strategy.

TABLE 2 – SUMMARY TABLE OF THE REMUNERATION OF EACH EXECUTIVE CORPORATE OFFICER

Raphaël GORGÉ, Chairman and Chief Executive Officer	Amounts for 2024		Amounts for 2023	
	Awarded ⁽¹⁾	Paid ⁽²⁾	Awarded ⁽¹⁾	Paid ⁽²⁾
● Fixed remuneration	€120,000	€120,000	€120,000	€120,000
● Annual variable remuneration ⁽³⁾	€38,400	€34,760	€34,760	€37,400
● Multiannual variable remuneration	None	None	None	None
● Exceptional remuneration ⁽⁴⁾	None	None	None	€200,000
● Remuneration in respect of the office of Director	None	None	None	None
● Benefits in kind	€9,423	€9,423	€9,423	€9,423
TOTAL	€167,823	€164,183	€164,183	€366,823

⁽¹⁾ Remuneration payable to the corporate officer during the financial year, the amount of which cannot be changed regardless of the payment date.

⁽²⁾ Remuneration paid to the corporate officer during the financial year.

⁽³⁾ The Board of Directors decided to allocate variable remuneration to Mr. Raphaël GORGÉ of up to €40 thousand gross for 2024, based on criteria established in 2024 by the Board of Directors on the proposal of the CSR and Compensation Committee. These criteria concerned the achievement of objectives concerning the level of revenue, current EBITDA, cash generation and the achievement of CSR objectives.

⁽⁴⁾ Exceptional remuneration awarded by the Board of Directors to the corporate officer, on the proposal of the CSR and Compensation Committee.

For 2024, the proportion of the variable remuneration amounts to 32% of the total fixed remuneration.

TABLE 3 – TABLE OF THE REMUNERATION AWARDED FOR DIRECTORSHIPS AND OTHER REMUNERATION RECEIVED BY NON-EXECUTIVE CORPORATE OFFICERS

Members of the Board of Directors	Allocated for 2024	Paid in 2024	Allocated for 2023	Paid in 2023
Jean-Pierre GORGÉ				
Remuneration in respect of the term of office as a member of the Board	-	-	-	-
Other remuneration	-	-	-	-
Julie AVRANE – CLEAR DIRECTION (represented by Mrs. Julie AVRANE)				
Remuneration in respect of the term of office as a member of the Board	€12,500	€5,000	€5,000	-
Other remuneration ⁽¹⁾	€30,000	€30,000	€30,000	-
Pierre VERZAT				
Remuneration in respect of the term of office as a member of the Board	€12,500	€10,000	€10,000	-
Other remuneration ⁽¹⁾	€25,000	€25,000	€25,000	-
Sylvie LUCOT (Director until June 2023)				
Remuneration in respect of the term of office as a member of the Board	-	€15,000	€15,000	€25,000
Other remuneration	-	-	-	-
GALI SASU (represented by Martine GRIFFON-FOUCO) (Director until June 2024)				
Remuneration in respect of the term of office as a member of the Board	€15,000	€20,000	€20,000	€20,000
Other remuneration	-	-	-	-
Catherine BENON (Director until June 2024)				
Remuneration in respect of the term of office as a member of the Board	€10,000	€20,000	€20,000	€15,000
Other remuneration	-	-	-	-
Hervé GUILLOU				
Remuneration in respect of the term of office as a member of the Board	€5,000	-	-	-
Other remuneration ⁽²⁾	€216,000	€216,000	€216,000	€206,000
Céline LEROY (Employee Director until February 2023 and Director since June 2024)				
Remuneration in respect of the term of office as a member of the Board	-	-	-	-
Other remuneration	-	-	€20,000	€20,000
Hugo SOUSSAN (Employee Director until June 2024)				
Remuneration in respect of the term of office as a member of the Board	-	-	-	-
Other remuneration ⁽³⁾	€88,732	€88,732	€87,056	€87,056

(1) Remuneration received in respect of the office as a member of the Supervisory Board of EXAIL HOLDING SAS, representing EXAIL TECHNOLOGIES.

(2) Remuneration paid by EXAIL HOLDING under an agreement concerning services provided by 3CAP ADVISOR, the personal holding company of Mr. Hervé GUILLOU, for €206 thousand and remuneration of Hervé GUILLOU as representative of EXAIL HOLDING as Chairman of EXAIL SAS.

(3) Gross remuneration. Hugo SOUSSAN was appointed as Employee Director in March 2023. He was paid as an employee of EXAIL TECHNOLOGIES throughout 2023 and 2024. The term of office expired in June 2024.

TABLE 4 – SHARE SUBSCRIPTION OR PURCHASE OPTIONS GRANTED DURING THE FINANCIAL YEAR TO EACH EXECUTIVE CORPORATE OFFICER BY THE ISSUER AND BY ANY GROUP COMPANY

None

TABLE 5 – SHARE SUBSCRIPTION OR PURCHASE OPTIONS EXERCISED DURING THE FINANCIAL YEAR BY EACH EXECUTIVE CORPORATE OFFICER

None

TABLE 6 – FREE SHARES GRANTED TO EACH CORPORATE OFFICER

None

TABLE 7 – FREE SHARES MADE AVAILABLE TO EACH CORPORATE OFFICER

None

TABLE 8 – HISTORY OF SHARE SUBSCRIPTION OR PURCHASE OPTIONS

None

TABLE 9 – SHARE SUBSCRIPTION OR PURCHASE OPTIONS GRANTED TO THE TOP TEN NON-CORPORATE OFFICER EMPLOYEES AND OPTIONS EXERCISED BY THEM

None

TABLE 10 – HISTORY OF FREE SHARE AWARDS

Date of Shareholders' Meeting	18/12/2006	08/06/2010	08/06/2014
Date of Board of Directors' meeting	22/02/2008	06/06/2011	12/05/2014
Total number of free shares granted ⁽¹⁾	62,000	49,000	30,000
including corporate officers	31,000	-	-
<i>Raphaël GORGÉ</i>	31,000	-	-
Acquisition date of the shares	22/04/2010	06/06/2013	12/05/2016 and 31/12/2016
Date of end of the lock-up period	22/04/2012	06/06/2015	12/05/2018 and 31/12/2018
Number of shares acquired	20,668	42,000	15,000
including corporate officers	10,334	-	-
<i>Raphaël GORGÉ</i>	10,334	-	-
Number of cancelled shares	41,332	7,000	15,000
Free shares with ongoing acquisition period	-	-	-

(1) Distribution subject to performance conditions associated with the profits of the Group and/or of the subsidiaries.

TABLE 11 – INFORMATION RELATING TO THE EMPLOYMENT CONTRACT, SUPPLEMENTARY PENSION PLANS AND INDEMNITIES FOR EACH EXECUTIVE CORPORATE OFFICER

Executive corporate officers	Raphaël GORGÉ, Chairman and Chief Executive Officer
Employment contract	no
Supplementary pension scheme	yes ⁽¹⁾
Remuneration or benefits due or likely to be due on account of the end or change of office	no
Remuneration relating to a non-compete clause	no

(1) Supplementary defined-contribution pension contract equal to 2.5% of the gross salary paid by EXAIL TECHNOLOGIES.



TABLE 12 – EQUITY RATIOS

	Chairman and Chief Executive Officer	Deputy CEO
2024 financial year ⁽⁷⁾		
Revenue growth rate	16%	16%
Current EBITDA growth rate	6%	6%
Average employee remuneration ⁽¹⁾ excluding corporate officers ⁽²⁾	52,421	52,421
Average remuneration growth rate	125%	125%
Median employee remuneration ⁽¹⁾ excluding corporate officers ⁽²⁾	25,498	25,498
Remuneration of the executive corporate officer ⁽³⁾	167,823	-
Rate of increase in the remuneration of the executive corporate officer	2%	-
Ratio with average employee remuneration ⁽⁴⁾	3.20	-
Change in ratio with average remuneration	-55%	-
Ratio with median employee remuneration ⁽⁵⁾	6.58	-
Change in ratio with median remuneration	107%	-
Ratio with the annual minimum wage ⁽⁶⁾	7.76	-
2023 financial year ⁽⁷⁾		
Revenue growth rate	79%	79%
Current EBITDA growth rate	67%	67%
Average employee remuneration ⁽¹⁾ excluding corporate officers ⁽²⁾	23,329	23,329
Average remuneration growth rate	-84%	-84%
Median employee remuneration ⁽¹⁾ excluding corporate officers ⁽²⁾	51,600	51,600
Remuneration of the executive corporate officer ⁽³⁾	129,423	241,248
Rate of increase in the remuneration of the executive corporate officer	-66%	-28%
Ratio with average employee remuneration ⁽⁴⁾	5.55	10.34
Change in ratio with average remuneration	112%	345%
Ratio with median employee remuneration ⁽⁵⁾	2.51	4.68
Change in ratio with median remuneration	-37%	32%
Ratio with the annual minimum wage ⁽⁶⁾	6.17	11.51
2022 financial year		
Revenue growth rate	55%	55%
Current EBITDA growth rate	54%	54%
Average employee remuneration ⁽¹⁾ excluding corporate officers ⁽²⁾	144,191	144,191
Average remuneration growth rate	7%	7%
Median employee remuneration ⁽¹⁾ excluding corporate officers ⁽²⁾	94,943	94,943
Remuneration of the executive corporate officer ⁽³⁾	478,240	335,203
Rate of increase in the remuneration of the executive corporate officer	31%	23%
Ratio with average employee remuneration ⁽⁴⁾	3.32	2.32
Change in ratio with average remuneration	-12%	-17%
Ratio with median employee remuneration ⁽⁵⁾	5.04	3.53
Change in ratio with median remuneration	-14%	-19%
Ratio with the annual minimum wage ⁽⁶⁾	24.86	17.42

	Chairman and Chief Executive Officer	Deputy CEO
2021 financial year		
Revenue growth rate	-23%	-23%
Current EBITDA growth rate	9%	9%
Average employee remuneration ⁽¹⁾ excluding corporate officers ⁽²⁾	97,563	97,563
Average remuneration growth rate	7%	7%
Median employee remuneration ⁽¹⁾ excluding corporate officers ⁽²⁾	62,356	62,356
Remuneration of the executive corporate officer ⁽³⁾	365,834	275,526
Rate of increase in the remuneration of the executive corporate officer	30%	-3%
Ratio with average employee remuneration ⁽⁴⁾	3.75	2.79
Change in ratio with average remuneration	21%	-10%
Ratio with median employee remuneration ⁽⁵⁾	5.87	4.37
Change in ratio with median remuneration	36%	1%
Ratio with the annual minimum wage ⁽⁶⁾	19.18	14.29
2020 financial year ⁽⁸⁾		
Revenue growth rate	-45%	-45%
Current EBITDA growth rate	-27%	-27%
Average employee remuneration ⁽¹⁾ excluding corporate officers ⁽²⁾	90,870	90,870
Average remuneration growth rate	-10%	-10%
Median employee remuneration ⁽¹⁾ excluding corporate officers ⁽²⁾	65,038	65,038
Remuneration of the executive corporate officer ⁽³⁾	280,660	281,452
Rate of increase in the remuneration of the executive corporate officer	-8%	41%
Ratio with average employee remuneration ⁽⁴⁾	3.09	3.10
Change in ratio with average remuneration	2%	56%
Ratio with median employee remuneration ⁽⁵⁾	4.32	4.33
Change in ratio with median remuneration	0%	53%
Ratio with the annual minimum wage ⁽⁶⁾	15.19	15.24

(1) Average remuneration on a full-time equivalent basis of the Company's employees.

(2) The average remuneration excludes that of the Chairman and Chief Executive Officer, the Deputy Chief Executive Officer and the Directors.

(3) Includes all remuneration and benefits paid (fixed remuneration, benefits in kind) or allocated (variable or exceptional remuneration) by the Company.

(4) Ratio between the amount of remuneration for the executive corporate officer and the average remuneration of Company employees.

(5) Ratio between the amount of remuneration for the executive corporate officer and the median remuneration of Company employees.

(6) Ratio between the amount of the executive's remuneration and the annual minimum wage for the period.

(7) For the 2023 financial year, the remuneration of the Deputy Chief Executive Officer, who left the Company on 30 September 2023, has been annualized in the table.

In addition, the evolution of the Company's performance over the last five financial years can be assessed in light of the separate financial statements of EXAIL TECHNOLOGIES SA (see Section 4.2 of this Universal Registration Document) or the Group's consolidated financial statements (see Section 4.1 of this Universal Registration Document).



3.4 REMUNERATION OF CORPORATE OFFICERS FOR THE 2024 FINANCIAL YEAR

FIXED, VARIABLE AND EXCEPTIONAL COMPONENTS OF THE TOTAL REMUNERATION AND BENEFITS OF ALL KINDS PAID DURING OR ALLOCATED IN RESPECT OF THE PAST FINANCIAL YEAR TO RAPHAËL GORGÉ, CHAIRMAN AND CHIEF EXECUTIVE OFFICER

(6th resolution of the Shareholders' Meeting of 25 June 2025)

The remuneration components and benefits of all kinds paid or allocated to Mr. Raphaël GORGÉ as Chairman and Chief Executive Officer of the Company for the 2024 financial year are summarized in the table below.

The Shareholders' Meeting of 25 June 2025 (6th resolution) will be asked to approve the fixed, variable or exceptional components of the total remuneration and benefits of all kinds paid or allocated to Mr. Raphaël GORGÉ for the 2024 financial year in his capacity as Chairman and Chief Executive Officer of EXAIL TECHNOLOGIES.

Remuneration components paid or allocated for the period	Amounts or book value submitted for approval	Presentation
Fixed remuneration paid by EXAIL TECHNOLOGIES.	€120,000	Fixed remuneration paid by EXAIL TECHNOLOGIES in 2024.
Annual variable remuneration paid by EXAIL TECHNOLOGIES	€38,400 (amount to be paid after approval by the Shareholders' Meeting)	The variable remuneration in respect of 2024 to be paid in 2025 was subject to the achievement of performance criteria established by the Board of Directors on the proposal of the CSR and Compensation Committee. These performance criteria are described in Section 3.2.1.2.
Multiannual variable remuneration in cash	None	Raphaël GORGÉ receives no multiannual variable remuneration in cash from EXAIL TECHNOLOGIES nor from controlled or controlling companies in respect of his office at EXAIL TECHNOLOGIES. His interest in the Company is in itself a long-term motivation.
Stock options allocated	None	The Board did not grant any stock options in 2024.
Free shares allocated	None	The Board did not grant any free shares in 2024.
Exceptional remuneration	None	No exceptional remuneration has been decided in respect of 2024.
Remuneration in respect of the office of Director	None	EXAIL TECHNOLOGIES does not pay any remuneration to the non-Independent Directors (except in the case of participation in committees).
Remuneration, allowances or benefits for taking office	None	Not applicable.
Components of remuneration paid on account of the cessation or change of duties, retirement commitments and non-compete commitments	None	No remuneration is due on account of the cessation or change of duties, retirement commitments and non-compete commitments.
Remuneration components and benefits in kind under agreements entered into with the Company by virtue of office, or any entity controlled by the Company, or any entity that controls it, or any entity controlled by the entity that controls it	None	No such agreements exist. The service agreement between EXAIL TECHNOLOGIES and GORGÉ SA is unconnected to Raphaël GORGÉ's office.
Other components of remuneration granted in respect of the term of office	Supplementary defined-contribution pension	Raphaël GORGÉ has a supplementary pension contract for 2.5% of his gross salary at EXAIL TECHNOLOGIES.
Benefits of all kinds	€9,423 (book value)	Raphaël GORGÉ received a benefit in kind in respect of his mandate at EXAIL TECHNOLOGIES.

3.5 REFERENCE BY THE COMPANY TO A CORPORATE GOVERNANCE CODE AND ITS APPLICATION BY THE COMPANY

In 2010, the Company decided to adhere to the Middelnext Corporate Governance Code for small- and midcap companies. Middelnext updated its Code in 2016 and then in September 2021. This Code can be consulted on the Middelnext website (www.middelnext.com).

The Board of Directors took note of the "Points of vigilance" of the Middelnext Code and considered the issues raised in said points. Most of the recommendations of the Middelnext Code are complied with, as indicated in the table below.

Code recommendation	Compliant	Non-compliant
Recommendation 1 (ethics of Board members)	x ⁽¹⁾	
Recommendation 2 (conflicts of interest)	x	
Recommendation 3 (composition of the Board – presence of independent members)	x	
Recommendation 4 (information for Board members)	x	
Recommendation 5 (training of Board members)	x ⁽²⁾	
Recommendation 6 (organization of Board and committee meetings)	x ⁽⁴⁾	
Recommendation 7 (establishment of committees)	x	
Recommendation 8 (establishment of a specialized committee on CSR)	x	
Recommendation 9 (implementation of internal regulations for the Board)	x	
Recommendation 10 (choice of each Director)	x	
Recommendation 11 (term of office of Board members)	x	
Recommendation 12 (Director remuneration)	x	
Recommendation 13 (implementation of an assessment of the Board's work)	x	
Recommendation 14 (shareholder relations)	x	
Recommendation 15 (diversity and equity policy within the Company)	x	
Recommendation 16 (setting and transparency of executive corporate officer compensation)	x	
Recommendation 17 (preparation for the succession of officers)		x ⁽³⁾
Recommendation 18 (combination of employment contract and corporate office)	x	
Recommendation 19 (severance pay)	x	
Recommendation 20 (supplementary pension schemes)	x	
Recommendation 21 (stock options and allocation of free shares)	x	
Recommendation 22 (review of vigilance points)	x	

(1) Recommendation 1 (ethics of Board members): not all Board members attend every Shareholders' Meeting. In principle, they attend the meeting at the time of their appointment or renewal.

(2) The Middelnext Code recommends the implementation of a three-year training plan. Until now, Directors who felt the need to attend training selected the required training and the costs of the training were covered by the Company. At the Board meeting of 21 March 2022, the Directors were invited to express their training requests, taking into account their experience, the remaining duration of their term of office and the training also carried out or requested as part of their other terms of office and activities. CSR training spread over 2022, 2023 and 2024 has been set up. Given the new four-year terms of directorships, at present the Board considers that on-request training, according to the needs of the Directors, is the appropriate approach.

(3) Recommendation 17 (preparation of executive succession): there is no formal succession plan. The Board of Directors will have to reflect on this subject.

(4) At their discretion, the independent members of the Board of Directors hold discussions without the presence of the executive, including within the framework of the various committees.

3.6 SPECIFIC PROCEDURES, IF ANY, RELATING TO SHAREHOLDER PARTICIPATION IN SHAREHOLDERS' MEETINGS

The bylaws do not contain any provision waiving the ordinary legal provisions governing the arrangements for shareholder participation in Shareholders' Meetings.

3.7 REGULATED COMMITMENTS AND AGREEMENTS REFERRED TO IN ARTICLES L.225-38 AND L.225-37-4-2 OF THE FRENCH COMMERCIAL CODE

3.7.1 PRESENTATION OF THE AGREEMENTS

Regulated agreements

Agreements with PRODWAYS GROUP

We remind you that amendments to the service agreements between EXAIL TECHNOLOGIES and PRODWAYS GROUP were signed in early 2023. These amendments were already approved at the last Shareholders' Meeting of 15 June 2023.

The service agreements, which are open-ended, continue, unchanged to date.

For more information on these current agreements, please refer to Section 3.7.1 of the 2022 Universal Registration Document.

In conclusion, no new agreement needs to be submitted to the next Shareholders' Meeting for approval.

Related-party agreements

An agreement of the kind referred to in article L.225-37-4-2 of the French Commercial Code is in force. This is an agreement for consulting services and services in terms of development, strategy and commercial relations in the Group's main business sectors, provided by 3CAP ADVISOR, the personal holding company of Mr. Hervé GUILLOU, to EXAIL HOLDING, a subsidiary of EXAIL TECHNOLOGIES. Due to the very existence of these services, Mr. Hervé GUILLOU cannot be considered as an Independent Director.

Current agreements

The Group treats intra-group service agreements, real estate leases and sublets between Group companies, Directors' employment contracts (apart from significant promotions or exceptional wage increases), cash management agreements, and tax consolidation agreements as standard agreements entered into under normal conditions, specifically as regards the terms and remuneration applied.

Regarding the service provision agreements entered into between EXAIL TECHNOLOGIES and GORGÉ SA, they are treated as ordinary agreements entered into under normal conditions because they were entered into within a group. Their terms are reviewed each year by the Board. They are detailed in Section 1.5.1 of this Universal Registration Document.

In 2022, a new service provision agreement was signed with EXAIL HOLDING under the terms of which EXAIL TECHNOLOGIES provides services to its subsidiary.

The Company has set up a procedure to regularly assess whether the agreements on current transactions signed under normal market terms and conditions meet these conditions. This assessment procedure provides for a review of the conditions for ongoing current agreements no later than during the Board of Directors' meeting that approves the annual financial statements. The persons directly or indirectly involved in one of these agreements do not take part in this assessment. This procedure was implemented at the Board meeting held to approve the financial statements for the past financial year. The Board considered that the current agreements continued in 2022 remain concluded under arm's length conditions and continue in accordance with their terms.

3.7.2 STATUTORY AUDITORS' REPORT ON REGULATED AGREEMENTS

Shareholders' Meeting called to approve the financial statements for the financial year ended 31 December 2024

To the Shareholders' Meeting of the Company

EXAIL TECHNOLOGIES
30 RUE DE GRAMONT
75002 PARIS

In our capacity as your Company's statutory auditors, we hereby report to you on the regulated agreements.

It is our responsibility to inform you, on the basis of the information provided to us, of the characteristics, the main terms and conditions as well as the reasons justifying the interest for the Company of the agreements of which we have been informed or that we have discovered at the time of our mission, without having to comment on their usefulness and merits or to determine the existence of other agreements. It is your responsibility, in accordance with the terms of article R.225-31 of the French Commercial Code, to assess the value of entering into these agreements with a view to their approval.

Where applicable, it is our responsibility to provide you with the information required by article R.225-31 of the French Commercial Code in relation to the implementation, during the past financial year, of the agreements already approved by the Shareholders' Meeting.

We have 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 assignment. These procedures consisted in verifying that the information given to us is consistent with the underlying documents.

AGREEMENTS SUBMITTED FOR APPROVAL TO THE SHAREHOLDERS' MEETING

AGREEMENTS AUTHORIZED AND ENTERED INTO DURING THE PAST FINANCIAL YEAR

We hereby inform you that we have not been informed of any agreements authorized and entered into during the past financial year, to be submitted for the approval of the Shareholders' Meeting in application of the provisions of article L.225-38 of the French Commercial Code.

AGREEMENTS ALREADY APPROVED BY THE SHAREHOLDERS' MEETING

AGREEMENTS APPROVED IN PREVIOUS FINANCIAL YEARS, THE EXECUTION OF WHICH CONTINUED DURING THE PAST FINANCIAL YEAR

Pursuant to article L.225-30 of the French Commercial Code, we have been informed that the execution of the following agreements, which were already approved by the General Meeting in previous years, continued during the past financial year.

Co-contractors: PRODWAYS GROUP

Persons concerned

- Mr. Raphaël GORGÉ, Chairman and Chief Executive Officer of your company and Chairman of the Board of Directors of PRODWAYS GROUP;
- Mrs. Catherine BENON, Director of your company (until 18 June 2024) and of PRODWAYS GROUP;
- Mrs. Céline LEROY, Director of your company and of PRODWAYS GROUP

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Agreement 1: Financial communication services agreement

EXAIL TECHNOLOGIES provides PRODWAYS GROUP with financial communication assistance, in particular the following services:

- Preparation of the Group's financial communication to its stakeholders (investors, shareholders, market), in conjunction with the Executive Management and Chairman of PRODWAYS GROUP
- Preparation of draft financial releases and press releases
- Presentation of results (presentation, webcast)
- Management of the PRODWAYS GROUP website, publication of press releases and regulated information
- Monitoring of the financial analyses
- Relations with the financial analysts following the Group
- Organization and facilitation of roadshows, participation in conferences, organization of site visits for investors
- Monitoring of competitors' financial communication
- Monitoring of the stock market liquidity and animation contract regarding PRODWAYS GROUP's shares
- Preparation of non-financial communication (ESG) intended for the financial community
- Relations with non-financial rating agencies (responses to questionnaires, discussions)

The consideration for the services provided by EXAIL TECHNOLOGIES to PRODWAYS GROUP is a fixed remuneration of €119 thousand excl. tax per year.

This agreement is concluded for an indefinite period with effect from 1 February 2022. Either party may terminate it at any time by giving six (6) months' notice to the other party by registered letter with return receipt requested. In addition, given its essentially *intuitu personae* nature and the confidentiality of the operations it covers, this agreement will be terminated automatically and immediately, without compensation on either side or prior notice, in the event of receivership, liquidation, amicable settlement or cessation of payments by one of the parties.

Agreement 2: Corporate services agreement

EXAIL TECHNOLOGIES provides PRODWAYS GROUP with corporate assistance, in particular the following services:

- Assistance to the legal secretariat (preparation, convening and holding of PRODWAYS GROUP Board of Directors' and Shareholders' Meetings, drafting of minutes, updating of the bylaws and incorporation certificate, formalities, liaison with CACEIS and the Statutory Auditors)
- *Ad hoc* corporate support, hotline (assumption of 12 hours per year)
- *Ad hoc* assistance to the Administrative and Financial Department
- Preliminary M&A (prospecting, drafting of NDAs, first discussion with potential targets and list of questions)
- Liaison with insurers and brokers in collaboration with the CFO
- Re-invoicing of a share of the Group's insurance policies still covering PRODWAYS GROUP and its subsidiaries
- Re-invoicing of a share of the Middlednext subscription
- Provision of meeting rooms at EXAIL TECHNOLOGIES' head office

The consideration for the services provided by EXAIL TECHNOLOGIES to PRODWAYS GROUP is a fixed remuneration of €106 thousand excl. tax per year.

This agreement is concluded for an indefinite period with effect from 1 February 2023. Either party may terminate it at any time by giving six (6) months' notice to the other party by registered letter with return receipt requested. In addition, given its essentially *intuitu personae* nature and the confidentiality of the operations it covers, this agreement will be terminated automatically and immediately, without compensation on either side or prior notice, in the event of receivership, liquidation, amicable settlement or cessation of payments by one of the parties.

Agreement 3: Financial, reporting and consolidation services agreement

EXAIL TECHNOLOGIES provides PRODWAYS GROUP with accounting and financial assistance, in particular the following services:

- Relations with the statutory auditors as part of the audit of the consolidated financial statements
- Drafting and filing with the AMF of the Universal Registration Document (excluding the finance, risks and activities section)
- Provision of SAP BFC and maintenance
- Training of PRODWAYS GROUP employees in the use of SAP BFC
- Assistance in the preparation and presentation of budgets and reports

For the 2024 financial year, the consideration for the services provided by EXAIL TECHNOLOGIES to PRODWAYS GROUP is a fixed remuneration of €99 thousand excl. tax per year.

This agreement is concluded for an indefinite period with effect from 1 February 2023. Either party may terminate it at any time by giving six (6) months' notice to the other party by registered letter with return receipt requested. In addition, given its essentially *intuitu personae* nature and the confidentiality of the operations it covers, this agreement will be terminated automatically and immediately, without compensation on either side or prior notice, in the event of receivership, liquidation, amicable settlement or cessation of payments by one of the parties.

Agreement 4: M&A assistance services agreement

EXAIL TECHNOLOGIES provides PRODWAYS GROUP with assistance in the area of M&A operations, in particular the following services:

- Assistance in the selection of advisors (lawyers, financial advisors, etc.)
- Consulting management; monitoring of consulting services (audits, preparation of disposal documents, etc.)
- Target analysis
- Review or preparation of financial and M&A documents
- Negotiation with counterparties
- Advice on acquisition financing

The consideration for the services provided by EXAIL TECHNOLOGIES to PRODWAYS GROUP is a remuneration on a time-spent basis per M&A project at a rate of €250 to €550 excl. tax per hour depending on the seniority of the staff involved and the expertise requested.

For the 2024 financial year, the consideration for the services provided by EXAIL TECHNOLOGIES to PRODWAYS GROUP is a remuneration of €20,600 excl. tax per year.

This agreement is concluded for an indefinite period with effect from 1 February 2022. Either party may terminate it at any time by giving one (1) month's notice to the other party by registered letter with acknowledgement of receipt. In addition, given its essentially *intuitu personae* nature and the confidentiality of the operations it covers, this agreement will be terminated automatically and immediately, without compensation on either side or prior notice, in the event of receivership, liquidation, amicable settlement or cessation of payments by one of the parties.

Done in Paris and Neuilly-sur-Seine on 17 April 2025

The Statutory Auditors

PricewaterhouseCoopers Audit

Christophe Drieu
Partner

RSM Paris

Stéphane Marie
Partner

3.8 INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES

Our Company has developed internal control procedures with a view to achieving, to the extent possible, strict financial management and risks control, and preparing the information provided to shareholders on the financial position and financial statements.

The main risks facing the Group are described in Chapter 2 of the Universal Registration Document ("Risk factors").

The internal control system is built around the following organization and methodologies:

3.8.1 GENERAL ORGANIZATION OF THE INTERNAL CONTROL

The Chairman and Chief Executive Officer, assisted by the Chief Financial Officer, has established the Company's internal control system with a view to ensuring:

- the safeguarding and integrity of assets;
- the reliability of information flows.

This internal control system primarily encompasses:

- oversight of the Group's business by the introduction of a procedure for monthly reporting;
- a procedure for organizing the closing of accounts and the preparation of consolidated financial statements every half-year;
- a special reporting procedure for the quarterly preparation of consolidated revenue figures.

3.8.2 GROUP ORGANIZATION

EXAIL TECHNOLOGIES SA does not carry out any industrial activities; its purpose is to:

- define and implement the Group's strategy;
- supervise the management of its subsidiaries (human resources, communication, purchases, etc.);
- liaise with financial stakeholders such as banks and investors;
- develop and maintain common procedures in areas such as reporting, management control and accounting;
- coordinate the Group's CSR policy.

Since the acquisition of IXBLUE (renamed EXAIL) in 2022, the Group has only one main subsidiary (EXAIL HOLDING) and comprises the following segments: 1) Navigation and maritime robotics and 2) Advanced technologies.

EXAIL HOLDING is autonomous as regards its operational functioning and has a complete operational organization (Executive Management, Finance Department, Management Control, etc.).

The management of EXAIL HOLDING reports directly to the Group's Executive Management.

3.8.3 IMPLEMENTATION OF INTERNAL CONTROL

3.8.3.1 Monthly reporting

A monthly report is prepared every month by EXAIL HOLDING. The subsidiary produces a summary document including the income statement compared to the budget, cash flow statement, net debt position, information concerning the working capital requirement (WCR), investments and significant events.

This document is supplemented by comments necessary for its understanding before being sent to EXAIL TECHNOLOGIES.

Meetings are held every month between the Group's management and EXAIL HOLDING's management to comment on the reports transmitted, discuss any corrective measures taken or to be taken, and to update the forecast data.

During the financial year, this monthly report is accompanied by a projected end-of-year income statement, which is updated several times during the year.

3.8.3.2 Closing of the financial statements

All the Group's subsidiaries close their annual and interim financial statements on 31 December and 30 June respectively.

The interim and annual financial statements as well as the consolidation reporting are audited or partially reviewed by the statutory auditors.

Preparation meetings between Group management and management at subsidiaries are held at each accounting close in order to agree the relevant options for said accounting closes.

The data required for preparing the consolidated financial statements are entered in a decentralized input system. The software used is SAP BFC, with an automatic module that immediately reconciles reported intra-group transactions. An internal manual details the principles and policies applied by the Group for the purposes of preparing the consolidation reporting.

The Group's consolidated financial statements are prepared internally in accordance with the applicable principles and are audited by the statutory auditors.

Following these accounting closes, all legal disclosure requirements are satisfied.

The SAP BFC software package is used for the consolidation of the financial statements as well as all budgets, reports and forecasts.

3.8.3.3 Quarterly activity reports

The Group publishes its quarterly consolidated revenue. These numbers are prepared in the same way as for the preparation of the consolidated financial statements. The press releases disclosing quarterly revenue numbers are prepared on the basis of the monthly reports as well as discussions with management at the subsidiaries.

3.8.3.4 Assessment of the internal control

The risk mapping was completely revised in 2023, after the disposal of the Engineering & Protection Systems division and the acquisition of IXBLUE. An update was carried out at the end of 2024.

The risk mapping is a component of the Group's internal control framework and contributes to the sustainability and robustness of this framework. The internal control framework takes into account the specific features of the Group, and provides a reasonable level of assurance on the control of the main risks. The risk mapping is sent to the two statutory auditors.

The methodology used to prepare the risk mapping is detailed in Chapter 2. The risk mapping is intended to be updated periodically for each division and at Group level.

The strengthening and dissemination of internal control measures remains one of the main focuses for improving risk management.

The Group internal control framework common to all EXAIL TECHNOLOGIES subsidiaries was developed to facilitate the dissemination and monitoring of good internal control practices. Critical processes were identified (accounting closure, cash, purchases, sales, inventories, HR/payroll, project management, legal and tax, R&D, control environment and general computer controls). An internal control framework was built for each process and then adapted and validated in cross-functional workshops. The sum of the frameworks for each process constitutes the Group's internal control framework. For each process and sub-process, this framework

defines the risks to which the Group is exposed, the objectives of the controls to be carried out, the control activities and their frequency, the responsible persons, and the required proof of achievement.

The dissemination of the internal control framework within the Group was accompanied by self-assessment questionnaires that focused on the controls deemed to be priorities. An assessment of the framework will have to be redone following the Group's reorganization.

The use of the internal control framework within the Group is the responsibility of the entire management chain, starting with the activity managers (division Directors or CEOs of subsidiaries) who are supported by the Administrative and Financial Managers or Directors.

3.8.4 PREPARATION AND CONTROL OF ACCOUNTING AND FINANCIAL INFORMATION FOR SHAREHOLDERS

The Chairman and Chief Executive Officer, assisted by his Special Projects Officer and the Chief Financial Officer, establishes the financial communications policy.

Presentations of highlights, outlook and interim and annual financial statements are posted on the Group's website when the results are published. The Company also takes part in investor meetings.

3.8.5 LEGAL AND REGULATORY COMPLIANCE

In order to ensure that their businesses are in compliance with the applicable regulations, the Group's companies have recourse to its legal resources and to external advisers (lawyers, labor law experts and intellectual property experts).





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FINANCIAL AND ACCOUNTING INFORMATION

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4.1 2024 CONSOLIDATED FINANCIAL STATEMENTS

The Group's consolidated financial statements are prepared in accordance with IFRS published by the International Accounting Standards Board (IASB) as approved by the European Union. The accounting policies are detailed in Note 4.1.6 to the consolidated financial statements.

4.1.1 CONSOLIDATED INCOME STATEMENT

<i>(in thousands of euros)</i>	Notes	2024	2023 ⁽¹⁾
Revenue	4.1	373,062	322,820
Capitalized production		24,507	24,057
Inventories and work in progress		6,121	4,101
Other income from operations	4.2	23,836	20,247
Purchases and external charges		(197,163)	(165,952)
Personnel expenses	5.2	(152,453)	(136,847)
Payments in shares	3.1-5.4	(4,661)	(8,448)
Tax and duties		(3,853)	(3,772)
Depreciation, amortization, and provisions (net of reversals)	4.3	(28,304)	(25,122)
Amortization of intangible assets recognized at fair value	3.1-4.3	(18,323)	(18,323)
Other operating income and expenses		(236)	408
Other items of operating income	3.1	(4,456)	(5,923)
OPERATING INCOME		18,075	7,245
Interest on gross debt		(27,825)	(27,201)
Interest on cash and cash equivalents		446	274
Cost of net debt (A)	8.3	(27,379)	(26,928)
Other financial income (B)		1,503	310
Other financial expense (C)		(1,082)	(1,438)
Financial income and expenses (D = A + B + C)	8.3	(26,959)	(28,056)
Income tax	9.1.1	4,352	3,105
Net income from continuing operations		(4,532)	(17,706)
Net income from discontinued operations	12	-	31,365
CONSOLIDATED NET INCOME		(4,532)	13,660
Income attributable to parent company shareholders		(3,641)	16,829
Income attributable to non-controlling interests		(891)	(3,170)
Average number of shares	10.2	16,997,650	17,038,299
Earnings per share (in euros)	10.2	(0.214)	0.99
Diluted earnings per share (in euros)	10.2	(0.214)	0.99
Net earnings per share from continuing operations, in euros	10.2	(0.214)	(0.853)
Diluted net earnings per share from continuing operations, in euros	10.2	(0.214)	(0.853)

(1) The 2023 income statement has been modified as explained in Note 1.3.

4.1.2 STATEMENT OF COMPREHENSIVE INCOME

(in thousands of euros)	2024	2023 ⁽¹⁾
NET INCOME	(4,532)	13,660
Currency translation	60	(6)
Tax relating to currency translation	-	-
Actuarial gains and losses on defined benefit plans	393	(354)
Tax relating to actuarial gains and losses on defined benefit plans	(98)	89
Financial assets measured at fair value ⁽²⁾	(2,074)	(2,705)
Taxes on financial assets measured at fair value	771	727
Group share of gains and losses recognized directly in equity of affiliated companies	-	-
Total other comprehensive income	(949)	(2,250)
of which can be reclassified subsequently to profit and loss	60	(6)
of which cannot be subsequently reclassified to profit and loss	(1,009)	(2,244)
COMPREHENSIVE INCOME	(5,481)	11,410
Comprehensive income attributable to parent company shareholders	(4,040)	15,418
Comprehensive income attributable to non-controlling interests	(1,441)	(4,008)

(1) The 2023 income statement has been restated as explained in Note 1.3.

(2) Impact of interest rate hedges, see Note 8.1.3.

4.1.3 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

(in thousands of euros)	Notes	31/12/2024	31/12/2023 ⁽¹⁾
Non-current assets		518,906	514,303
Goodwill	6.1	145,755	145,085
Other intangible assets	6.2	271,005	275,739
Property, plant and equipment	6.3	50,753	44,693
Rights of use	4.7.1	38,125	36,914
Other financial assets	8.1.4	11,391	9,739
Deferred tax assets	9.2	134	90
Other non-current assets	4.6	1,744	2,043
Current assets		312,714	294,521
Net inventories	4.4	78,820	72,913
Net trade receivables	4.5	64,285	63,295
Contract assets	4.5	63,151	75,134
Other current assets	4.6	30,914	25,429
Tax receivables payable	9.1.1	22,471	26,440
Other current financial assets	8.1.3	2,796	5,772
Cash and cash equivalents	8.1.2	50,277	25,538
Assets held for sale	12	-	-
TOTAL ASSETS		831,620	808,824

(1) The consolidated statement of financial position at 31 December 2023 has been modified as explained in Note 1.3.



EQUITY AND LIABILITIES

<i>(in thousands of euros)</i>	Notes	31/12/2024	31/12/2023 ⁽³⁾
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		119,925	129,495
Share capital ⁽¹⁾	10.1	17,425	17,425
Share capital premiums ⁽¹⁾		12,171	12,171
Retained earnings and consolidated net income ⁽²⁾		90,330	99,900
INTEREST ATTRIBUTABLE TO NON-CONTROLLING INTERESTS		84,138	85,058
Non-current liabilities		377,182	369,515
Long-term provisions	5.3	6,402	6,433
Long-term liabilities – portion due in more than one year	8.1.1	269,173	263,573
Lease liabilities – portion due in more than one year	4.7.2	32,422	32,110
Deferred tax liabilities	9.2	39,250	46,190
Commitments to purchase shares of non-controlling interests	8.2	26,276	17,978
Other non-current liabilities	4.6	3,659	3,232
Current liabilities		250,375	224,755
Short-term provisions	11	7,720	7,277
Long-term liabilities – portion due in less than one year	8.1.1	39,024	36,015
Lease liabilities – portion due in less than one year	4.7.2	8,075	7,212
Other current financial liabilities	8.1.3	2,927	4,248
Operating payables	4.6	49,292	58,476
Contract liabilities	4.5	61,418	39,706
Other current liabilities	4.6	81,711	71,165
Tax liabilities payable	9.1.1	208	655
Liabilities held for sale	12		
TOTAL LIABILITIES		831,620	808,824

(1) Of the consolidating parent company.

(2) Including profit (loss) for the period.

(3) The consolidated statement of financial position at 31 December 2023 has been modified as explained in Note 1.3.

4.1.4 CONSOLIDATED STATEMENT OF CASH FLOWS

<i>(in thousands of euros)</i>	Notes	31/12/2024	31/12/2023 ⁽¹⁾
Net income from continuing operations		(4,532)	(17,706)
Accruals		48,039	48,876
Capital gains and losses on disposals		(700)	3,461
Group share of income of equity-accounted companies		-	-
Cash flow from operating activities (before neutralization of the cost of net financial debt and taxes)	7.1	42,807	34,632
Expense for net debt	8.2	27,379	26,928
Tax expense	9.1	(4,352)	(3,105)
Cash flow from operations (after neutralization of the cost of net financial debt and taxes)		65,835	58,454
Tax paid		(1,840)	(3,963)
Change in working capital requirements	7.2	27,406	1,158
Net cash flow from operating activities (A)		91,401	55,649
Investing activities			
Payments/acquisition of intangible assets		(20,091)	(22,451)
Payments/acquisition of property, plant and equipment		(14,612)	(9,360)
Proceeds/disposal of property, plant and equipment and intangible assets		776	4,600
Financial investments net of disposals		(406)	3,523
Net cash inflow/outflow on the acquisition/disposal of subsidiaries	7.3	(2,071)	27,310
Net cash flow from investing activities (B)		(36,404)	3,622
Financing activities			
Capital increase or contributions	7.4	1,425	2,093
Dividends paid	7.4	(366)	(128)
Other equity transactions	7.5	(2,355)	(27,437)
Proceeds from borrowings	8.1.1	33,003	664
Repayment of borrowings	8.1.1	(37,738)	(44,578)
Repayment of lease liabilities	4.7.2	(8,219)	(7,207)
Cost of net debt		(14,553)	(14,861)
Other financing flows		(1,589)	(986)
Net cash flow from financing activities (C)		(30,391)	(92,441)
Cash flow generated by activities performed (D = A + B + C)		24,605	(33,170)
Cash flow generated by discontinued operations	12	-	(7,521)
Effects of exchange rate changes		93	(48)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	8.1.2	25,538	58,756
Change in cash and cash equivalents		24,605	(33,170)
Flows with discontinued operations		-	-
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	8.1.2	50,236	25,538

(1) The 2023 column has been modified as explained in Note 1.3.

4.1.5 CHANGE IN CONSOLIDATED EQUITY

(in thousands of euros)	Group share or owners of the parent company				Equity – attributable to parent company shareholders	Equity – attributable to non-controlling interests	Total equity
	Capital	Share capital premiums	Treasury shares	Retained earnings and other reserves			
2022 CLOSING EQUITY	17,425	12,171	(4,720)	90,220	115,096	102,698	217,794
Share capital transactions	-	-	-	-	-	-	-
Free share allocation plan and stock option plan	-	-	-	(1,389)	(1,389)	(777)	(2,166)
Treasury share transactions	-	-	(1,670)	-	(1,670)	-	(1,670)
Commitments to non-controlling interests ⁽¹⁾	-	-	-	(12,054)	(12,054)	(827)	(12,881)
Dividends	-	-	-	(4,727)	(4,727)	(128)	(4,855)
Net income for the period ⁽²⁾	-	-	9	16,821	16,830	(3,170)	13,660
Gains and losses recognized directly in equity	-	-	-	(1,412)	(1,412)	(838)	(2,250)
Comprehensive income	-	-	9	15,410	15,418	(4,008)	11,410
Changes in interest rates ⁽³⁾	-	-	-	21,534	21,534	(14,612)	6,922
Adjustment of Group share / minority interests ⁽⁴⁾	-	-	-	(2,713)	(2,713)	2,713	-
2023 CLOSING EQUITY	17,425	12,171	(6,381)	106,281	129,495	85,058	214,554
Share capital transactions	-	-	-	-	-	-	-
Free share allocation plan and stock option plan	-	-	-	(894)	(894)	(532)	(1,426)
Treasury share transactions	-	-	(825)	(3,401)	(4,225)	(1,882)	(6,107)
Commitments to non-controlling interests ⁽¹⁾	-	-	-	(5,621)	(5,621)	(2,677)	(8,298)
Dividends	-	-	-	-	-	(365)	(365)
Net income for the period	-	-	(10)	(3,631)	(3,641)	(891)	(4,532)
Gains and losses recognized directly in equity	-	-	-	(399)	(399)	(550)	(949)
Comprehensive income	-	-	(10)	(4,030)	(4,040)	(1,441)	(5,481)
Changes in interest rates and scope ⁽³⁾	-	-	-	5,210	5,209	5,977	11,186
2024 CLOSING EQUITY	17,425	12,171	(7,215)	97,545	119,925	84,138	204,063

(1) Relates to the change in value of the put options granted to non-controlling interests (see Note 8.2).

(2) See the explanations in Note 1.3 concerning the change in 2023 results.

(3) In 2023, mainly concerns the change in non-controlling interests in EXAIL SAS, resulting from the merger of GROUPE ECA with EXAIL SAS, the definitive acquisition of EXAIL SAS shares by non-controlling interests (see Note 5.4), the acquisition by EXAIL HOLDING of EXAIL SAS shares from employees and the change in minority interests in EXAIL HOLDING, due to the acquisition by EXAIL TECHNOLOGIES of shares from employees; in 2024, change in minority interests in EXAIL SAS (definitive acquisitions of EXAIL SAS shares by employees, see Note 5.4, acquisition of EXAIL SAS shares from employees) and in EXAIL HOLDING (acquisition of EXAIL HOLDING shares from employees) as well as the first consolidation of LEUKOS.

(4) See the explanations in Note 1.3.2 concerning a reclassification within equity.

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Note 1 Accounting principles

The consolidated financial statements of EXAIL TECHNOLOGIES for the financial year ended 31 December 2024 include:

- the financial statements of EXAIL TECHNOLOGIES;
- the financial statements of its subsidiaries;
- the proportion of the net assets and the net income of the companies accounted for using the equity method (joint ventures and partnership businesses).

The consolidated financial statements of EXAIL TECHNOLOGIES for the 2024 financial year were approved by the Board of Directors on 24 March 2025. They will be subject to approval by the next ordinary shareholder's meeting.

Note 1.1 Accounting basis applied

The accounting standards used to prepare the consolidated financial statements comply with the regulations and interpretations of the International Financial Reporting Standards (IFRS) as adopted by the European Union as of 31 December 2024. These accounting standards are consistent with those used to prepare the annual consolidated financial statements for the financial year ended 31 December 2023, with the exception of the new standards, revised standards and interpretations whose application became mandatory as of 1 January 2024.

STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE EUROPEAN UNION AND WHOSE APPLICATION IS MANDATORY AS OF 1 JANUARY 2024

The application over the period of the following new standards and interpretations did not have a significant impact on the consolidated financial statements at 31 December 2024:

- Amendments to IAS 1 – Presentation of the financial statements: classification of current and non-current liabilities – Deferral of the effective date; Non-current liabilities with covenants;
- Amendments to IFRS 16 – Leases: lease liability in a sale and sale-leaseback;
- Amendments to IAS 7 – Statement of cash flows and IFRS 7 – Financial instruments: disclosures of supplier financing arrangements.

STANDARDS, INTERPRETATIONS AND AMENDMENTS NOT ADOPTED BY THE EUROPEAN UNION AS OF 31 DECEMBER 2024 OR WHOSE APPLICATION IS NOT MANDATORY AS OF 1 JANUARY 2024

- IFRS 18 – Financial statements: Presentation and disclosures; Amendments to IFRS 9 – Financial instruments and IFRS 7 – Financial instruments: Information to be provided on the classification and measurement of financial instruments;
- Amendments to IFRS 9 – Financial instruments and IFRS 7 – Financial instruments: Disclosures for renewable electricity contracts;
- Amendments to IAS 21 – The effects of changes in foreign exchange rates: no exchangeability;
- Volume 11 of the annual improvements to the IFRS.

The process carried out by the Group to determine the potential impacts of standards not applicable as of 31 December 2024 on the Group's consolidated financial statements is ongoing. At this stage of the analysis, the Group does not expect any material impact on its consolidated financial statements.

Note 1.2 Basis of preparation

The financial statements are presented in euros and are rounded to the nearest thousand.

The financial statements are prepared on a historical cost basis, with the exception of derivative instruments and non-consolidated securities, which have been measured at their fair value. Financial liabilities are measured at amortized cost. The carrying amount of hedged assets and liabilities and the related hedging instruments corresponds to their fair value.

The preparation of the financial statements requires that the Executive Management of the Group or the subsidiaries make estimates and assumptions that affect the reported amounts of assets and liabilities on the consolidated statement of financial position, the reported amounts of income and expense items on the income statement and the commitments relating to the period under review. The actual results could be different if the reality differs from the assumptions and estimates used.

The above-mentioned assumptions mainly concern:

- the calculation of the recoverable amounts of assets;
- the calculation of research and development expense (see Notes 6.2 and 6.4);
- the calculation of provisions for risks and charges (see Note 11);
- the calculation of income upon completion of work in progress;
- the calculation of pension and other post-employment benefit obligations (assumptions set out in Note 5.3);
- the valuation of deferred taxes (see Note 9.2).

As the Group's consolidated companies operate in different sectors, the valuation and impairment methods used for certain items may vary according to the sector.

CONSIDERATION OF RISKS RELATED TO CLIMATE CHANGE

The current exposure of the Group's activities to the consequences of climate change is limited. Therefore, at this stage, the impacts of climate change on the financial statements are not material. As part of its CSR policy, the Group is committed to actions aimed at limiting the environmental footprint of its activities. These actions generate operational costs. In addition, the operating income may be impacted in the future through changes in the price of raw materials, production costs, transport costs or costs related to the end of life of products.

Note 1.3 Restatement of the financial information for the prior financial year

Changes in three areas were made to the 2023 financial statements:

- the deferred tax assets in respect of tax loss carryforwards justified by the existence of deferred tax liabilities were undervalued. The correction improves the result for the 2023 financial year by €2.8 million (€1.9 million Group share and €0.9 million non-controlling interests). The deferred tax assets are also charged against tax liabilities when the tax situation of the companies concerned so allows, which justifies a balance sheet reclassification of €2.6 million;

- discount costs relating to the sale of research tax credit receivables were wrongly recognized in prepaid financial expenses. The adjustment to shareholders' equity at the beginning of 2024 amounted, net of tax, to -€1.5 million;
- an anomaly was detected in the division of shareholders' equity, justifying a reclassification of €2.7 million.

The changes represent an increase in equity of €1.4 million (of which -€1.8 million in Group share). They are identified in the following table.

<i>(in thousands of euros)</i>	31/12/2023 published	Adjustment of deferred tax assets and reclassification	Adjustment of prepaid financial expenses	31/12/2023 restated
NON-CURRENT ASSETS	516,950	(2,646)	-	514,303
Goodwill	145,085	-	-	145,085
Other intangible assets	275,739	-	-	275,739
Property, plant and equipment	44,693	-	-	44,693
Rights of use	36,914	-	-	36,914
Other financial assets	9,739	-	-	9,739
Deferred tax assets	2,736	(2,646)	-	90
Other non-current assets	2,043	-	-	2,043
CURRENT ASSETS	296,295	-	(1,774)	294,521
Net inventories	72,913	-	-	72,913
Net trade receivables	63,295	-	-	63,295
Contract assets	75,134	-	-	75,134
Other current assets	27,204	-	(1,774)	25,430
Tax receivables payable	26,440	-	-	26,440
Other current financial assets	5,772	-	-	5,772
Cash and cash equivalents	25,538	-	-	25,538
ASSETS HELD FOR SALE	-	-	-	-
TOTAL ASSETS	813,245	(2,646)	(1,774)	808,824



<i>(in thousands of euros)</i>	31/12/2023 published	Reclassification of the commitments to non-controlling interests	Adjustment of deferred tax assets and reclassification	Adjustment of prepaid financial expenses	31/12/2023 restated
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	131,266	(2,713)	1,888	(945)	129,495
INTEREST ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	81,904	2,713	948	(507)	85,058
NON-CURRENT LIABILITIES	375,320	-	(5,482)	(322)	369,515
Long-term provisions	6,433	-	-	-	6,433
Long-term liabilities – portion due in more than one year	263,573	-	-	-	263,573
Lease liabilities – portion due in more than one year	32,110	-	-	-	32,110
Deferred tax liabilities	51,995	-	(5,482)	(322)	46,191
Commitments to purchase shares of non-controlling interests	17,978	-	-	-	17,978
Other non-current liabilities	3,232	-	-	-	3,232
CURRENT LIABILITIES	224,755	-	-	-	224,755
Short-term provisions	7,277	-	-	-	7,277
Long-term liabilities – portion due in less than one year	36,015	-	-	-	36,015
Lease liabilities – portion due in less than one year	7,212	-	-	-	7,212
Other current financial liabilities	4,248	-	-	-	4,248
Operating payables	58,476	-	-	-	58,476
Contract liabilities	39,706	-	-	-	39,706
Other current liabilities	71,165	-	-	-	71,165
Tax liabilities payable	655	-	-	-	655
LIABILITIES HELD FOR SALE	-	-	-	-	-
TOTAL LIABILITIES	813,245	-	(2,646)	(1,774)	808,824

Throughout the notes, the information relating to 2024 is compared with the restated information for 2023 as explained above.

Note 2 Scope of consolidation

Note 2.1 Accounting principles related to the consolidation scope

2.1.1 CONSOLIDATION METHOD

The companies that are either directly or indirectly controlled by the Group are fully consolidated. Companies over which the Group exercises significant influence are accounted for using the equity method. Significant influence is assumed to exist when the Group holds more than 20% of the voting rights.

Acquisitions or disposals of companies during the year are recognized in the consolidated financial statements from the date on which the Group took direct or indirect control or gained significant influence (or until the date on which control or significant influence was lost).

All significant transactions between consolidated subsidiaries are eliminated, as is income that is internal to the Group (capital gains, profits on stocks and dividends).

Consolidation is carried out with reference to the financial statements or positions as of 31 December.

2.1.2 TRANSLATION OF THE FINANCIAL STATEMENTS OF FOREIGN COMPANIES

The currency in which the consolidated financial statements are prepared is the euro.

The financial statements of subsidiaries that have a different functional currency are translated into euros using:

- the official exchange rate on the reporting date, in the case of assets and liabilities;
- the average exchange rate for the year, in the case of income statement and cash flow statement items.

The average exchange rates for the year may be calculated using monthly exchange rates prorated in relation to revenue. For companies included in the scope of consolidation during the financial year, the average rate used is that of the period during which the companies are consolidated.

Translation differences arising from the application of these exchange rates are recognized under the item "Cumulative translation reserves" in consolidated equity.

2.1.3 TRANSACTIONS IN FOREIGN CURRENCIES

Transactions in foreign currencies are recognized using the exchange rate applicable on the date the transactions are recognized or the hedging rate. At closing, payables or receivables denominated in foreign currencies are converted into euros at the closing exchange rate or at the hedging rate. Currency exchange rate differences on foreign currency transactions are recognized in net finance income (expense).

2.1.4 BUSINESS COMBINATIONS

As part of the application of the revised IFRS 3 – Business combinations, business combinations are accounted for using the purchase method:

- the cost of an acquisition is evaluated at the fair value of the consideration transferred, including any price adjustment, at the date of taking control. Any subsequent variation in the fair value of a price adjustment is recognized in the income statement or in other comprehensive income, in accordance with the standards applicable;
- the difference between the consideration transferred and the fair value of the identifiable assets acquired and liabilities assumed at the takeover date represents the goodwill, recognized in the assets in the statement of the financial position.

The adjustments to the fair value of identifiable assets acquired and liabilities taken over recognized on a provisional basis (as a result of expert assessment work in progress or additional analyses) are recognized as retrospective adjustments to the goodwill if they occur within a period of one year from the date of acquisition and if they result from facts or circumstances existing at the date of acquisition. Beyond this deadline, the effects are recognized directly in the income statement, as are any changes in estimates or error corrections.

For each takeover of control which involves the taking of an equity stake of less than 100%, the interest fraction which is not required (equity stakes which do not give control) is valued:

- either at fair value, in which case goodwill is recognized for the proportion relating to equity stakes which do not give control (complete goodwill method); or
- at its proportion of the net identifiable assets of the acquired entity, in which case only goodwill in respect of the proportion acquired is recognized (partial goodwill method).

The costs directly attributable to the acquisition are recognized in expenses over the period during which they are incurred.

Note 2.2 Scope of the Group

2.2.1 CHANGE IN SCOPE IN 2024

FIRST CONSOLIDATION OF LEUKOS

At the end of December 2024, the Group acquired 95% of the share capital of LEUKOS. This company operates in the field of photonics and will be part of the Advanced Technologies segment. Given the acquisition date, only assets and liabilities are included in the 2024 consolidated financial statements, with no contribution to the income statement.

<i>(in thousands of euros)</i>	Provisional statement of financial position of LEUKOS at 31/12/2024	Restatements at fair value under IFRS	Provisional statement of financial position on entry into the scope
Goodwill	4	-	4
Intangible assets	1,296	-	1,296
Property, plant and equipment	676	-	676
Rights of use	-	372	372
Financial assets	27	-	27
Net inventories	1,593	-	1,593
Trade receivables	514	-	514
Other current receivables	501	-	501
Tax receivables payable	200	-	200
Cash and cash equivalents	204	-	204
Provisions	-	(43)	(43)
Financial debt	(646)	-	(646)
Lease liabilities	-	(372)	(372)
Suppliers	(556)	-	(556)
Other current liabilities	(1,230)	-	(1,230)
Deferred tax assets	-	11	11
Deferred tax liabilities	-	-	-
TOTAL	2,584	(32)	2,551

The fair value measurements of LEUKOS' assets, liabilities and contingent liabilities have not been finalized; they may be adjusted during the 12 months following the acquisition date. The acquisition cost includes a price adjustment related to circumstances existing at the acquisition date; the amount of this adjustment and its payment having been finalized after the reporting date. It also includes an earn-out valued at the most probable estimated amount.

LEUKOS did not contribute to the 2024 consolidated income statement. If the company had been consolidated for the full financial year, its contribution would have been as follows:

<i>(in thousands of euros)</i>	Theoretical contribution 2024
REVENUE	3,354
CURRENT EBITDA	787
Depreciation, amortization and provisions (net of reversals)	(483)
INCOME FROM ORDINARY ACTIVITIES	304
Other items of operating income	-
OPERATING INCOME	304

OTHER INFORMATION RELATING TO THE SCOPE

Changes in the percentage of the Group's interest in its subsidiaries EXAIL HOLDING and EXAIL SAS occurred in 2024, without any consequences in terms of the consolidation method. These changes were caused by the capital increase of EXAIL HOLDING reserved for employees, the buybacks of EXAIL HOLDING shares carried out by EXAIL TECHNOLOGIES in the event of employee departures, the exercise of stock options and the vesting of free shares by EXAIL SAS employees, and buybacks of EXAIL SAS shares carried out by EXAIL HOLDING, in particular in the case of departures of employees.

At 31 December 2024, EXAIL HOLDING held 97.03% of EXAIL SAS (98.16% at the end of December 2023). The free share allocation and stock option plans are detailed in Note 5.4. A total of 5,250,485 EXAIL SAS shares could still be acquired by employees by 2028. The employees benefit from EXAIL SAS share repurchase commitments given by the Group under certain conditions (see Note 8.2).

EXAIL TECHNOLOGIES holds 66.35% of the share capital of EXAIL HOLDING (see Note 2.2.2). The free share allocation and ADP R preferred share plans are detailed in Note 5.4.

The full list of consolidated companies is included in Note 14.

2.2.2 STRUCTURING OF THE GROUP SINCE THE ACQUISITION OF IXBLUE SAS IN 2022

On 30 September 2022, EXAIL HOLDING, a subsidiary of EXAIL TECHNOLOGIES, acquired IXBLUE (renamed EXAIL) and its subsidiaries, after receiving the contribution by EXAIL TECHNOLOGIES of the group formed by GROUPE ECA and its subsidiaries. The latter then merged with EXAIL SAS (June 2023).

To complete the acquisition of EXAIL SAS, EXAIL TECHNOLOGIES used:

- a syndicated loan of €185 million accompanied by a confirmed revolving loan tranche of €50 million maturing in January 2029 (see Note 8.1.1);
- a capital increase of €24 million subscribed by IXCORE, former shareholder of IXBLUE; the corresponding shares were finally bought back in July 2023 by EXAIL TECHNOLOGIES;
- a contribution of €231 million from the Intermediate Capital Group (ICG) investment fund.

The contribution of the ICG fund was carried out in two tranches:

- a tranche of €81.3 million in bonds maturing in fine in January 2030, with capitalized interest (see Note 8.1.1);
- a tranche of €149.7 million of equity, in the form of preferred shares (ADP T). The ADP T preferred shares:
 - only have a reduced voting right (each ADP T gives the right to 0.25 voting rights),
 - give a financial right different from that of an ordinary share, equal only to their nominal value plus a cumulative capitalized dividend right of 14% for the first six years, then 16% for the seventh year and 18% from the eighth year,

- and lastly, benefit from a right equal to 18.7%, if this amount is positive, of the value of the company less the value of the ADP T shares, the equity contributed by the other shareholders and the value of the bonds.

The ADP T preferred shares have a four-year lock-up period; after this period the parties aim to ensure the liquidity of the bonds and ADP T shares at the same time.

Since the acquisition, the four main executives of the EXAIL HOLDING group (November 2022), then 34 Group managers (August 2023), and lastly 13 other managers (November 2024) have subscribed as part of a management package to three capital increases of the company for €2 million, €2.09 million and €0.6 million, respectively. Free ADP R preferred shares were allocated to them (see Note 5.4). The ADP R preferred shares were definitively vested in November 2023 (first batch of the management package) and then in September 2024 (second batch). The last ADP R preferred shares will be acquired in November 2025.

In 2024, a capital increase was carried out on EXAIL HOLDING reserved for Group employees, as well as the implementation of a free share allocation. In 2024, EXAIL SAS employees acquired free shares of the Company and were able to exercise stock options (all within the framework of free share allocation and stock option plans pre-existing the acquisition of IXBLUE by EXAIL HOLDING). Lastly, EXAIL TECHNOLOGIES and EXAIL HOLDING bought back EXAIL HOLDING and EXAIL SAS shares from non-controlling interests, particularly in the event of their departure from the Group. The free share allocation and stock option plans are detailed in Note 5.4. The employees benefit from EXAIL SAS share repurchase commitments given by the Group under certain conditions (see Note 8.2).

The relations between the shareholders of EXAIL HOLDING are governed by a shareholders' agreement. This agreement describes the commitments, in particular as regards information, to non-controlling shareholders and lists the rules relating to shareholder liquidity, which correspond to a standard framework in terms of pre-emption, joint exit rights and joint exit obligations. It defines the decisions that must be submitted to the Supervisory Board of EXAIL HOLDING. So-called "strategic" decisions (these are transactions outside the scope of day-to-day management, including in particular: new debt that would lead to net debt exceeding four times EBITDA, external growth, dividend distribution, investment budget overruns) must be approved by the said Board with the favorable vote of the representatives of ICG. In cases of proven "underperformance" (EBITDA less capitalized R&D less than 12.5% of the partners' benchmark business plan) and not remedied beyond a certain period, ICG could benefit from enhanced governance powers (such as approval of the annual budget or commitment of investments beyond certain thresholds) until the restoration of the agreed ratios. In no case would this call into question the majority of the voting rights at the Shareholders' Meeting of EXAIL HOLDING held by EXAIL TECHNOLOGIES SA.

At 31 December 2024, the breakdown of EXAIL HOLDING's share capital (undiluted) was as follows:

	Ordinary shares & ADP A	ADP T preferred shares	ADP R preferred shares	Capital	% of share capital	Voting rights	% of voting rights
EXAIL TECHNOLOGIES	114,707,691	-	184,501	114,892,192	66.35%	114,892,192	87.21%
ICG (VANADIUM INVEST)	-	55,239,852	-	55,239,852	31.90%	13,809,963	10.48%
Executive officers of EXAIL HOLDING	553,503	-	553,503	1,107,006	0.64%	1,107,006	0.84%
Management and employees	1,203,132	-	728,037	1,931,169	1.12%	1,931,169	1.47%
TOTAL	116,464,326	55,239,852	1,466,041	173,170,219	100%	131,740,330	100%

Note 2.3 Off-statement of financial position commitments related to the consolidation scope

In July 2019, the Group sold CIMLEC INDUSTRIE and its subsidiaries (COMMERCY ROBOTIQUE, TENWHIL, CIMLEC INDUSTRIAL and COMMERCY ROBOTICA) to the SPIE BUILDING SOLUTIONS group (formerly SPIE INDUSTRIE ET TERTIAIRE). Within the context of this disposal, the Group granted an asset and liability guarantee capped at €3.7 million for general guarantees and at €1 million for specific guarantees, with durations ranging from 18 months to three years (or the duration of the applicable social and fiscal statutes of limitation) depending on the subject. In 2020, SPIE BUILDING SOLUTIONS sent several claims to EXAIL TECHNOLOGIES in respect of the guarantee of assets and liabilities, which were rejected by EXAIL TECHNOLOGIES. SPIE BUILDING SOLUTIONS filed a claim against EXAIL TECHNOLOGIES in 2021. This claim was rejected by the court of first instance in 2023 and by the appeals court in 2024 (see Note 13.2).

In July 2020, the Group sold its subsidiary VAN DAM to FPB HOLDING BV, a company wholly owned by RYDER TOPCO BV. FPB HOLDING BV also owns INTERDAM, a competitor of VAN DAM. On this occasion, GORGÉ NETHERLANDS BV became a non-controlling shareholder of RYDER TOPCO BV. An asset and liability guarantee was granted for a maximum amount of €6.2 million and a maximum term of two to five years depending on the subject. In the event that the guarantee is called into play, GORGÉ NETHERLANDS may decide to deduct the guarantees from the claims that the Group holds against VAN DAM or RYDER TOPCO BV, as the case may be. As guarantee calls have been agreed or are likely for measurable amounts, impairment losses on receivables were recognized for an amount of €1.4 million in 2021-2023, within the other items of operating income.

In December 2024, the Group acquired 95% of the share capital of LEUKOS. Within the context of this acquisition, the

Group benefited from an asset and liability guarantee capped at €0.3 million for general guarantees and at €0.4 million for specific guarantees, with a duration of 24 months (or the duration of the applicable social and fiscal statutes of limitation) depending on the subject (see Note 2.2.1).

Within the companies LEUKOS, MAURIC and GORGÉ NETHERLANDS, the Group is associated with non-controlling interests who are managers of these companies. Shareholders' agreements provide for the possible liquidity of their holdings (see Note 8.2).

Several of EXAIL SAS' employees are also present in the company's share capital (at 31 December 2024 they held 2.34% of the share capital), having benefited from free share allocation plans or stock options. These shareholders are likely to receive new shares (see Note 5.4) and also benefit from commitments to buy back their shares given by the Group under certain conditions (see Note 8.2), with the Group benefiting from call options under certain conditions.

In addition to the executives and managers who acquired a stake in EXAIL HOLDING in 2022 and 2023, a large number of employees of its Group became shareholders of EXAIL HOLDING in 2024 as part of capital increases reserved for employees. Executives and employees held 1.76% of the share capital as of 31 December 2024. These shareholders may receive new shares (see Note 5.4); under certain circumstances the Group could make use of call options.

As part of the acquisition of EXAIL SAS (formerly IXBLUE), the Group benefits from an asset and liability guarantee granted by the majority seller (IXCORE). Its ceiling is €15 million and its term expires on 30 June 2025, except for longer or shorter terms provided for in the IXBLUE acquisition agreement. Specific commitments have also been agreed in connection with a dispute to which EXAIL is a party. These arrangements aim to ensure that EXAIL is excluded from the financial consequences of the dispute (see Note 13.2).

Note 3 Segment information

In accordance with IFRS 8 – Operating segments, the segment information presented below is based on the internal reporting used by Executive Management to assess the performance of and allocate resources to the various segments. Executive Management is the principal operational decision maker within the meaning of IFRS 8.

The two divisions defined as operating segments as of 2023 are as follows:

- The Navigation & Maritime Robotics segment includes the Group's two main activities, vertically integrated: the sale of navigation systems, positioning systems, and sonars; and the commercialization of drones and autonomous drone systems for maritime applications, integrating the Group's navigation systems and other equipment in order to offer the most effective robotic solutions;
- The Advanced Technologies segment consists of developing and selling the highest-performance photonic and quantum components (specialty optical fibers, optical modulators, quantum measurement instruments) and products using the most advanced technologies (on-board communication equipment, simulators, autonomous decision-making). These components and products are sold directly to third parties or integrated into the systems of the Navigation & Maritime Robotics segment.

The key indicators by division presented in the tables below are the following:

- the backlog, which corresponds to revenue yet to be recognized in respect of orders recorded;
- revenue includes revenue made with other divisions;
- current EBITDA;
- operating result;
- operating income.

Note 3.1 Reconciliation of the non-IFRS indicators and segment indicators with the consolidated operating income

The Group uses non-IFRS financial information for the purposes of information, management and planning because they offer a better assessment of its long-term performance. This additional information is not a substitute for any IFRS measures of operating and financial performance.

Operating income includes all income and expenses other than:

- interest income and expenses;
- other financial income and expenses;
- corporate income tax.

To make it easier to compare financial years and monitor its operating performance, the Group has decided to isolate certain non-recurring items of operating income and present "Profit (loss) from continuing operations". It also uses a current EBITDA indicator. These non-accounting indicators do not constitute financial aggregates defined by IFRS; they are alternative performance indicators. They may not be comparable to similarly named indicators by other companies, depending on the definitions used by them.

- The income from ordinary activities is the operating income before expenses related to free share grants, amortization of intangible assets acquired in business combinations and "other items of operating income", which include in particular the cost of restructuring actions, recognized or fully provisioned, when it constitutes a liability resulting from an obligation of the Group towards third parties resulting from a decision taken by a competent body materialized before the reporting date by announcing this decision to the third parties concerned and provided that the Group no longer expects any compensation for these costs. These costs consist primarily of compensation for termination of employment contracts, severance pay, as well as miscellaneous expenses. The other items included on this line of the income statement concern the costs of acquisition and disposal of businesses, goodwill impairment losses and any other unusual items in terms of occurrence or amount.
- Current Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) are defined by the Group as operating income before "Net depreciation, amortization and provisions", "Group share of the earnings of affiliated companies" and "Other items of operating income".

The 2024 and 2023 segment income statements are reconciled below with the Group's consolidated financial statements. They are prepared in accordance with the Group's operational reporting.



2024 FINANCIAL YEAR – SEGMENT INFORMATION

<i>(in thousands of euros)</i>	Navigation & Maritime Robotics	Advanced technologies	EXAIL TECHNOLOGIES structure	IFRS 16 and IFRS 2	Disposals	Consolidated
Backlog at start of period						630,268
Backlog at the end of the period						708,392
Revenue	289,004	97,332	1,132	-	(14,407)	373,062
CURRENT EBITDA	60,722	15,195	(1,231)	8,541	(9,408)	73,820
% revenue	21.0%	15.6%	n/a	n/a	n/a	19.8%
Depreciation, amortization and provisions (net of reversals)	(16,336)	(3,747)	(65)	(8,156)	-	(28,304)
INCOME FROM ORDINARY ACTIVITIES	44,386	11,448	(1,297)	385	(9,408)	45,515
% revenue	15.4%	11.8%	n/a	n/a	n/a	12.2%
Restructuring costs	(1,057)	(3,417)	-	-	-	(4,475)
Acquisition/disposal costs	(12)	-	-	-	-	(12)
Other	-	-	31	-	-	31
Total other operating items	(1,069)	(3,417)	31	-	-	(4,456)
Payments in shares	-	-	-	(4,662)	-	(4,662)
Amort. of intangible assets recognized at FV during acquisitions	(16,123)	(2,200)	-	-	-	(18,323)
OPERATING INCOME	27,194	5,831	(1,266)	(4,277)	(9,408)	18,074
% revenue	9.4%	6.0%	n/a	n/a	n/a	4.8%

2023 FINANCIAL YEAR RESTATED – SEGMENT INFORMATION

<i>(in thousands of euros)</i>	Navigation & Maritime Robotics	Advanced technologies	EXAIL TECHNOLOGIES structure	IFRS 16 and IFRS 2	Disposals	Consolidated
Backlog at start of period						628,304
Backlog at the end of the period						630,268
Revenue	245,547	84,997	1,356	-	(9,080)	322,820
CURRENT EBITDA	52,944	14,196	(1,841)	7,372	(7,611)	65,061
% revenue	21.6%	16.7%	n/a	n/a	n/a	20.2%
Depreciation, amortization and provisions (net of reversals)	(13,639)	(4,325)	(83)	(7,075)	-	(25,122)
INCOME FROM ORDINARY ACTIVITIES	39,305	9,872	(1,923)	297	(7,611)	39,939
% revenue	16.0%	11.6%	n/a	n/a	n/a	12.4%
Restructuring costs	(184)	(71)	-	-	-	(255)
Acquisition/disposal costs	(587)	(227)	-	-	-	(814)
Fair value measurement of PRODWAYS GROUP shares distributed	-	-	(4,673)	-	-	(4,673)
Other	-	(164)	(17)	-	-	(181)
Total other operating items	(771)	(462)	(4,690)	-	-	(5,923)
Payments in shares	-	-	-	(8,448)	-	(8,448)
Amort. of intangible assets recognized at FV during acquisitions	(16,123)	(2,200)	-	-	-	(18,323)
OPERATING INCOME	22,411	7,210	(6,613)	(8,151)	(7,611)	7,245
% revenue	9.1%	8.5%	n/a	n/a	n/a	2.2%

The eliminations column concerns eliminations of reciprocal transactions between the various segments as well as the elimination of the internal margin.

Note 3.2 Reconciliation of segment assets and liabilities

The segment assets refer to the current assets used in operations (inventories, receivables, advances from suppliers, other operating debtors such as social and tax receivables), the property, plant and equipment and intangible assets (including the goodwill); the segment liabilities refer to supplier and other operating liabilities, accrued liabilities, customer advances, warranty provisions and costs related to goods and services sold.

The total segment assets and liabilities are reconciled as follows with the total assets and liabilities of the Group:

2024 FINANCIAL YEAR

<i>(in thousands of euros)</i>	Navigation & Maritime Robotics	Advanced technologies	Net debt and financial commitments	EXAIL TECHNOLOGIES	Disposals	Consolidated
Segment assets	614,010	116,606	-	10,311	-	740,926
Other current financial assets	2,253	543	-	-	-	2,796
Deferred tax assets	90	16	-	28	-	134
Tax receivables payable	18,849	3,372	-	250	-	22,471
Other current and non-current assets	11,759	3,310	-	363	(417)	15,016
Cash and cash equivalents	-	-	50,277	-	-	50,277
TOTAL CONSOLIDATED ASSETS	646,961	123,848	50,277	10,952	(417)	831,620
Segment liabilities	126,021	42,378	-	715	-	169,114
Long-term provisions	4,994	1,406	-	2	-	6,402
Long-term debt	-	-	308,197	-	-	308,197
Lease liabilities	25,889	12,713	-	1,895	-	40,496
Financial instruments and commitments to non-controlling interests	-	-	29,203	-	-	29,203
Other current and non-current liabilities	28,712	5,881	-	511	(417)	34,686
Deferred tax liabilities	31,613	7,632	-	6	-	39,250
Tax liabilities payable	181	27	-	-	-	208
TOTAL CONSOLIDATED LIABILITIES⁽¹⁾	217,410	70,037	337,400	3,127	(417)	627,556

(1) Total liabilities less equity and non-controlling interests.

2023 FINANCIAL YEAR RESTATED

<i>(in thousands of euros)</i>	Navigation & Maritime Robotics	Advanced technologies	Net debt and financial commitments	EXAIL TECHNOLOGIES	Disposals	Consolidated
Segment assets	598,278	127,916	-	10,453	(150)	736,497
Other current financial assets	4,545	1,227	-	-	-	5,772
Deferred tax assets	69	18	-	2	-	90
Tax receivables payable	22,427	4,013	-	-	-	26,440
Other current and non-current assets	10,887	3,177	-	841	(417)	14,488
Cash and cash equivalents	-	-	17,358	8,180	-	25,538
TOTAL CONSOLIDATED ASSETS	636,206	136,351	17,358	19,476	(567)	808,824
Segment liabilities	108,790	37,737	-	1,193	(150)	147,570
Long-term provisions	5,019	1,413	-	1	-	6,433
Long-term debt	-	-	299,103	484	-	299,587
Lease liabilities	23,209	13,957	-	2,155	-	39,321
Financial instruments and commitments to non-controlling interests	-	-	22,226	-	-	22,226
Other current and non-current liabilities	26,705	5,470	-	529	(417)	32,287
Deferred tax liabilities	37,973	8,150	-	67	-	46,190
Tax liabilities payable	270	-	-	386	-	656
TOTAL CONSOLIDATED LIABILITIES⁽¹⁾	201,966	66,727	321,329	4,815	(567)	594,270

(1) Total liabilities less equity and non-controlling interests.

Note 3.3 Revenue by geographical area

2024 FINANCIAL YEAR

<i>(in thousands of euros)</i>	France	Europe	Africa	Americas	Oceania	Asia	Total
TOTAL	93,850	180,352	1,472	35,791	370	61,227	373,062
In %	25%	48%	0%	10%	0%	16%	100%

2023 FINANCIAL YEAR

<i>(in thousands of euros)</i>	France	Europe	Africa	Americas	Oceania	Asia	Total
TOTAL	89,215	138,819	2,250	35,179	4,549	52,809	322,820
In %	28%	43%	1%	10%	1%	16%	100%

The breakdown is based on the location of the Group's customer. Part of the revenue achieved with customers in France is destined for a foreign end customer. The export revenue is generated in Belgium (€89 million in 2024 and €60 million in 2023), the United States (€30 million in 2024 and €28 million in 2023), and in the United Kingdom (€21 million in 2024 and €19 million in 2023).

Note 4 Operational data

Note 4.1 Revenue recognition

The Group now applies IFRS 15 regarding the recognition of revenue from contracts with customers. Its revenues comprise sales of goods, the provision of services and in large part the completion of projects.

The percentage of completion method applies to project activities. For these activities, solutions are determined for the specific and unique needs of each customer. The method is applicable as long as the good sold has no alternative use and that the Group has an irrevocable right to payment regarding the work completed to date (corresponding to the costs incurred to date, plus a reasonable profit margin) in the event of termination for a reason other than the Group's failure to perform. In addition, revenue from the majority of service contracts is recognized over time since the customer receives and uses the benefits from the services provided simultaneously.

Proceeds from contracts may include items that may increase or decrease (rebates, revisions, indexation, penalties, claims, etc.). Claims are taken into account when they can be assessed reliably and when the Group's negotiations with the customer reach a point where the claims are likely to be accepted.

The estimates of revenue and termination costs are regularly reviewed by operational and financial managers. If profit forecasts at the end of a project indicate a loss, a provision for termination losses is recognized independently of the project's completion. Provisions for losses on completion are presented on the liabilities side of the balance sheet. The calculation method for completion is based on cost (the rate of completion is equal to the ratio between the cost recognized to date and the total estimated costs at the end of the project).

The backlog corresponds to the amount of customer contracts for which revenue has not yet been recognized.

Note 4.2 Other income from operations

The other income from the activity consists mainly of public subsidies and research tax credits.

These subsidies and research tax credits (RTC), which partially or totally cover the cost of an asset, are recognized in the income statement at the same rate as the asset's depreciation. The portion corresponding to an undepreciated asset is recognized as deferred income, the cumulative amount of the subsidies and research tax credits not yet recognized in profit or loss amounted to €28.7 million (see Note 4.6).

<i>(in thousands of euros)</i>	2024	2023
Subsidies	6,176	7,827
Research tax credit	21,333	17,014
SUB-TOTALS OF SUBSIDIES AND RESEARCH TAX CREDIT FOR THE PERIOD	27,509	24,841
Subsidies and research tax credit for previous financial years recognized in profit or loss over the period	2,856	1,803
Subsidies and research tax credit for the period recognized as deferred income	(6,529)	(6,397)
TOTAL OF OTHER INCOME FROM THE BUSINESS	23,836	20,247

The research tax credits that could not be offset against tax payable or sold appear on the assets side of the consolidated statement of financial position under "Current tax assets" for €21.6 million (see Note 9.1). The RTC receivables sold are deconsolidated because they are sold with the transfer of almost all risks and without benefits and without recourse.

Note 4.3 Net depreciation, amortization and provisions

<i>(in thousands of euros)</i>	2024	2023
Depreciation, amortization and provisions		
Intangible assets	(6,270)	(5,195)
Property, plant and equipment	(8,848)	(8,667)
Costs of obtaining and performing contracts	(448)	(1,270)
Rights of use	(8,156)	(7,075)
SUBTOTAL	(23,722)	(22,207)
Charges to provisions, net of reversals		
Inventory and work in progress	(2,899)	(2,000)
Current assets	(728)	(146)
Liabilities and expenses	(955)	(769)
SUBTOTAL	(4,583)	(2,915)
TOTAL DEPRECIATION, AMORTIZATION AND PROVISIONS	(28,304)	(25,122)
AMORTIZATION OF INTANGIBLE ASSETS RECOGNIZED AT FAIR VALUE	(18,323)	(18,323)

Note 4.4 Inventories and work in progress

The inventories of raw materials and semi-finished and finished goods are valued at the lower of their acquisition cost or their estimated net realizable value. The cost price is calculated using the FIFO or weighted average cost method.

The methods for valuing and impairing work in progress are tailored to the context of each consolidated company. However, the valuation principles generally accepted in the field are followed, including:

- work in progress is valued at direct and indirect production costs, excluding all sales and financial costs;
- hourly production rates are based on normal activity excluding any sub-activity cost;
- when, based on the forecast revenue and cost estimates, a termination loss is probable, said loss is covered by an impairment provision for the portion included in work in progress and a provision for liabilities and expenses for the part of the costs yet to be committed.

Movements in inventories in the consolidated statement of financial position are as follows:

<i>(in thousands of euros)</i>	2024			2023		
	Gross value	Depreciation	Net value	Gross value	Depreciation	Net value
Raw materials	50,328	(10,063)	40,266	46,008	(8,083)	37,925
Work in progress	17,967	(1,528)	16,439	18,307	-	18,307
Semi-finished and finished goods	24,479	(2,386)	22,093	18,039	(1,478)	16,562
Goods	52	(30)	22	119	-	119
TOTAL INVENTORY AND WORK IN PROGRESS	92,826	(14,006)	78,820	82,473	(9,561)	72,913

Over the period, the impairment net of reversals recognized in the income statement amounted to €2.9 million.

Note 4.5 Trade receivables, contract assets and liabilities

Trade receivables are invoiced receivables entitling the issuer to payment.

<i>(in thousands of euros)</i>	2024	2023
Trade receivables	66,307	64,535
Provisions for expected losses	(2,022)	(1,240)
TRADE RECEIVABLES, NET VALUES	64,285	63,295

Trade receivables are impaired according to the simplified IFRS 9 model. As soon as they arise, trade receivables would be impaired for their expected losses over their remaining term.

Credit risk assessment of trade receivables is carried out for each customer. The provisions for expected losses are thus assessed by using the default history of comparable customers, the aged balance of the receivables and the Group's assessment of the credit risk for each receivable. When it is certain that the receivable will not be collected, the receivable and its impairment are transferred to losses in the income statement.

In 2024, the top five customers represented 30.9% of the Group's revenue (compared to 27.4% for the top five customers in 2023). The top 15 customers represented 41.9% of the Group's 2024 revenue (compared to 39.2% for the top 15 in 2023).

There is only one significant customer at Group level, representing 20.8% of the Group's revenue (19.2% in 2023).

For each of the top five customers in 2024, the percentage that they represented in 2023 revenue over 12 months is also indicated.

	2024	2023
● Customer A	20.8%	19.2%
● Customer B	5.0%	3.3%
● Customer C	2.0%	1.7%
● Customer D	1.5%	1.6%
● Customer E	1.5%	-

The risk of customer default is the main credit risk to which the Group is exposed. The Group has implemented a policy of monitoring its credit risk at all of its subsidiaries.

The overdue trade receivables for which there are no provisions amounted to €41.2 million, and are broken down as follows:

<i>Delay compared to the maturity (in thousands of euros)</i>	2024	(in %)
Trade receivables not yet due	40,504	63.0%
< one month overdue	12,536	19.5%
one-two months overdue	2,955	4.6%
two-three months overdue	1,121	1.7%
> three months overdue	7,169	11.2%
NET TRADE RECEIVABLES	64,285	100%

The Group is not aware of additional difficulties which might justify a provision.

The "Contract assets" and "Contract liabilities" are determined on a contract-by-contract basis. "Contract assets" correspond to contracts in force for which the value of created assets exceeds the advances received. "Contract liabilities" correspond to all contracts in a situation where the assets (receivables in progress) are less than the liabilities (advances from clients and deferred income recorded when the invoices issued exceed the revenue recognized to date).

The backlog (revenue to be recognized) is indicated in Note 3.1.

<i>(in thousands of euros)</i>	2024	2023
Work in progress (A)	3,235	2,739
Receivables in progress (B)	94,950	85,377
Down-payments received (C)	26,292	10,281
Deferred income (D)	8,742	2,701
CONTRACT ASSETS (A) + (B) - (C) - (D)	63,151	75,134

<i>(in thousands of euros)</i>	2024	2023
Work in progress (A)	269	286
Receivables in progress (B)	13,460	10,002
Down-payments received (C)	30,390	26,357
Deferred income (D)	44,758	23,319
Other liabilities (E)	-	318
CONTRACT LIABILITIES (A) - (B) + (C) + (D) + (E)	61,418	39,706

Note 4.6 Other current and non-current assets and liabilities

(in thousands of euros)	2024			2023
	Gross value	Depreciation	Net value	Net value
Other non-current receivables ⁽¹⁾	5,333	(3,589)	1,744	2,043
TOTAL OTHER NON-CURRENT RECEIVABLES	5,333	(3,589)	1,744	2,043
Advances and down-payments made	10,141	-	10,141	5,282
Other receivables ⁽²⁾	11,079	(258)	10,822	8,778
Social and tax receivables	7,501	-	7,501	7,702
Prepaid expenses	2,450	-	2,450	3,667
TOTAL OTHER CURRENT RECEIVABLES	31,171	(258)	30,914	25,429

(1) The net amount corresponds to a receivable related to sub-leases treated in accordance with IFRS 16.

(2) Including subsidies and indemnities receivable for €6.5 million.

(in thousands of euros)	2024	2023
Suppliers	49,243	58,141
Fixed asset suppliers	49	335
TOTAL TRADE PAYABLES	49,292	58,476
Advances and down-payments received	1,296	2,208
Social security liabilities	37,210	32,255
Tax liabilities	12,227	10,091
Miscellaneous debts	1,667	2,104
Deferred income	29,310	24,507
TOTAL OTHER CURRENT LIABILITIES	81,711	71,165
Conditional advances	3,659	3,232
TOTAL OTHER NON-CURRENT LIABILITIES	3,659	3,232

Trade payables are paid on their normal due dates, provided the services from the suppliers are fully completed and in the absence of litigation.

The deferred income mainly includes subsidies and research tax credits that will be recognized as income concurrent with the amortization of the corresponding assets (€28.7 million, see Note 4.2).

Note 4.7 Summary of leases

The standard on leases, IFRS 16, places more focus on controlling the leased asset. Under IFRS 16, the Group must recognize assets (corresponding to the rights of use of the underlying assets) and lease liabilities with respect to its obligations to pay the rent due on all its leases, without distinction between simple or finance leases. The value of the lease asset (right of use) and liability is measured initially at the discounted value of future lease payments, as well as estimated payments at the end of the lease. The lease term is defined on a lease-by-lease basis and corresponds to the firm commitment period, taking into account option periods that are reasonably certain to be carried out. The right-of-use asset is amortized over the remaining lease period. The Group

applies the exemptions provided by the standard for leases with a term of 12 months or less, and for leases where the underlying asset has a low value when it is new. These lease payments are recognized directly as expenses.

The discount rates applied are based on the borrowing rates by type of asset defined according to the borrowing rates recorded by the Group and on the corporate financing market. The average rate used for the 2024 financial year is 3.98%.

Leases entered into by the Group and falling within the scope of this standard concern primarily:

- property leases;
- vehicle and other equipment leases.

4.7.1 RIGHTS OF USE

Right-of-use assets can be broken down by type of underlying asset as follows:

<i>(in thousands of euros)</i>	Property	Other assets	Total
Gross value			
31 December 2023	50,389	1,967	52,356
Acquisitions	7,446	641	8,087
Changes in scope	341	31	372
Departures	(1,565)	(405)	(1,970)
Other movements	919	35	954
Impact of changes in exchange rates	155	-	155
At 31 December 2024	57,684	2,269	59,953
Depreciation, amortization and impairment			
31 December 2023	14,241	1,200	15,442
Depreciation and amortization	7,598	558	8,156
Impairment losses	-	-	-
Departures	(1,322)	(357)	(1,679)
Other movements	(156)	10	(146)
Impact of changes in exchange rates	56	-	56
At 31 December 2024	20,418	1,411	21,829
Net value			
31 December 2023	36,148	767	36,914
AT 31 DECEMBER 2024	37,267	858	38,125

The acquisitions during the period mainly correspond to renewals of previously existing but expiring real estate leases as well as extensions of existing sites.

4.7.2 LEASE LIABILITIES

Lease liabilities valued according to IFRS 16 have changed as follows:

<i>(in thousands of euros)</i>	Lease liabilities
31 December 2023	39,322
New leases	8,094
Redemptions	(8,219)
Exits/revaluations	825
First consolidation/(deconsolidation)	372
Impact of changes in exchange rates	103
AT 31 DECEMBER 2024	40,497

The line "New leases" concerns changes with no impact on cash, related to accrued interest, and mainly to contract renewals and revaluations.

SCHEDULE OF LEASE LIABILITIES

<i>(in thousands of euros)</i>	of which breakdown of maturities at more than one year							
	31/12/2024	< 1 year	> 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	> 5 years
LEASE LIABILITIES UNDER IFRS 16	40,497	8,075	32,422	6,820	6,038	5,028	4,400	10,135

4.7.3 PRESENTATION IN THE INCOME STATEMENT

With IFRS 16, the nature of lease expenses has changed since the recognition of lease expenses on a straight-line basis is replaced by an amortization expense for "right-of-use" assets, and by an interest expense on lease liabilities.

The impacts of IFRS 16 on the income statement are as follows:

<i>(in thousands of euros)</i>	Property	Other property, plant and equipment	Financial expense	Impact on the income statement
Cancellation of lease expenses	7,990	551	-	8,541
IFRS 16 impact on current EBITDA	7,990	551	-	8,541
Amortization of rights of use	(7,598)	(558)	-	(8,156)
Impairment of right-of-use assets	-	-	-	-
IFRS 16 impact on operating income	391	(7)	-	385
Interest expenses	-	-	(712)	(712)
IFRS 16 IMPACT ON NET INCOME	391	(7)	(712)	(328)

Note 4.8 Off-statement of financial position commitments related to operations

<i>(in millions of euros)</i>	2024	2023
Endorsements, security deposits and guarantees given	17	30
Other commitments given	-	-
TOTAL COMMITMENTS GIVEN	17	30
Commitments received	-	-
TOTAL COMMITMENTS RECEIVED	-	-

Furthermore, EXAIL TECHNOLOGIES SA and GROUPE ECA SA (absorbed in 2023 by EXAIL SAS) have given certain customers individual performance guarantees on contracts awarded to Group companies; the value of these guarantees cannot be measured. This concerns in particular guarantees given to customers of BAUMERT, a subsidiary sold in 2022, but not transferred to the buyer.

There are no other significant commitments related to operating activities that are not included in the financial statements.

Note 5 Employee expenses and benefits

Note 5.1 Workforce

Continuing operations	31/12/2024	31/12/2023
Workforce	2,005	1,781
Average workforce	1,840	1,661

At 31 December 2024, approximately 7% of the total workforce was based abroad.

Note 5.2 Employee expenses and benefits

The employee benefits are estimated in accordance with the revised IAS 19. They are broken down between short-term and long-term benefits.

The employees of the Group receive short-term benefits such as holiday pay, sickness pay, bonuses and other benefits (other than contract termination payments) payable within the 12 months following the end of the period during which the employees provided the corresponding services.

These benefits are recognized in current liabilities and recorded in the expenses in the year in which the service is provided by the employee.

The long-term benefits cover two categories of employee benefit:

- the post-employment benefits, which include the allowance paid on retirement;
- the other long-term benefits (during employment), which mainly concern long service awards.

The various benefits offered to each employee depend on the local legislation and the conventions and agreements in effect in each Group company.

Employee benefits expense includes the following items:

(in thousands of euros)	2024	2023
Salaries and benefits	(103,034)	(92,869)
Social security contributions	(40,897)	(36,875)
Profit sharing and incentive schemes	(4,623)	(3,427)
Other ⁽¹⁾	(3,899)	(3,676)
TOTAL	(152,453)	(136,847)

(1) Mainly includes contributions to the Works Council, occupational health, and meal vouchers.

Note 5.3 Provisions for pensions and similar commitments

The Group makes provisions for post-employment benefits (retirement severance pay) and long-term employee benefit plans (awards). The cost of retirement and related benefits (awards) is provisioned for the remaining obligations. It is estimated for the entire workforce on the basis of accrued rights and a projection of current salaries, taking into account the risk of mortality, staff turnover and a discounting assumption.

The discount rates are determined by reference to the yields on bonds issued by first class corporations over terms equivalent to those of the commitments on the date of valuation.

Actuarial variances are generated where differences are recorded between the actual data and the forecasts made previously, or due to changes in actuarial assumptions. The actuarial variances generated are recognized in the overall income statement, net of deferred taxes.

The expense recognized in the income statement includes:

- the costs of services provided during the financial year, the cost of past services, as well as any effects of any reduction or liquidation of the scheme;
- the net interest expense on bonds and hedging assets.

The provision for claims is updated annually on the basis of the prevailing fee schedules, changes to the assessment base, staff turnover and mortality assumptions and discount rates.

The main parameters used for the financial year are as follows:

- departure at the employee's initiative (voluntary departure);
- calculation of compensation under the collective agreement in force in each of the companies (metallurgy, SYNTEC, etc.);
- assumed retirement age 67;

- IBOXX discount rate in the euro zone 3.38% (3.17% in 2023);
- average loading rate: differs from one entity to another and ranges between 36% and 48%;
- turnover: differs from one entity to another according to the type of activity, seniority, and the average age of personnel;
- rate of revaluation of the salary calculation bases: differs from one entity to another according to various factors;
- INSEE mortality table 2020-2022.

Change in the obligation <i>(in thousands of euros)</i>	2024	2023
At 1 January	6,417	5,972
Cost of services provided for the period	472	405
Interest on discounting	200	218
Cost of services provided	-	-
First consolidation/(deconsolidation)	43	-
Profit/(Loss) relating to liquidation or curtailment	-	-
Actuarial losses/(gains) generated on the obligation	(392)	354
Benefits paid	(371)	(532)
Provision recognized at closing	6,368	6,417

With respect to retirement and other post-employment benefits, a 0.5-point rise in the discount rate would decrease the amount of the obligation by approximately €333 thousand. An equivalent decline would increase the obligation by €361 thousand.

Note 5.4 Share-based payments (stock options, free share allocations)

The employees benefiting from free share plans and share subscription or purchase options receive remuneration in the form of equity instruments whose payment is based on shares. The costs of these plans are recognized in the income statement under personnel expenses and are reclassified within "Other items of operating income" with regard to the alternative performance measures used by the Group (see Note 3.1). This expense, which corresponds to the fair value of the instrument issued, is spread over the vesting period for the rights, offset by a corresponding adjustment to the shareholders' equity. The Group periodically re-examines the number of potential shares. Where applicable, it recognizes the consequences of the revision of its estimates in the income statement.

The fair value of the instruments is calculated using valuation models. Any changes to the values subsequent to the grant dates are without impact on the initial valuation of the shares; the number of potential shares considered to value the plans is adjusted at each reporting date to take into account the probabilities of achievement of the continued employment and performance objectives by the beneficiaries.

In October 2022, a free preferred share allocation plan was set up in favor of four EXAIL HOLDING executives who subscribed to a capital increase of EXAIL HOLDING of €2 million. Under this plan, 738,004 EXAIL HOLDING preferred shares were allocated to them. They vested after one year. After this vesting period, EXAIL TECHNOLOGIES benefits, in the event of the departure of the beneficiary, from a purchase agreement to buy them back on the basis of a value calculated in relation to the current EBITDA and the net debt by applying a discount of 40% then 30%. The ADPs provide preferential financial rights compared to ordinary shares in the event of a liquidity event. This preferential right is defined by an increased investment multiple, itself a function of the overall multiple achieved by the shareholders of EXAIL HOLDING.

A second free preferred share allocation plan was set up in August 2023 for the benefit of 34 managers of the EXAIL group who subscribed to a capital increase of EXAIL HOLDING of €2.09 million. The conditions are identical to those of the 2022 plan; the plan represents 772,317 preferred shares. Due to departures, only 728,037 shares were vested in September 2024.

Lastly, a third free preferred share allocation plan was set up in November 2024 for the benefit of 13 managers of the EXAIL group who subscribed to a capital increase of EXAIL HOLDING of €0.6 million. The conditions are identical to those of the previous plans. The new plan represents 198,995 preferred shares, the vesting of which would take place in November 2025.

Details of EXAIL HOLDING's free preferred share allocation plan (R) (FPSA R) is described in the table below.



EXAIL HOLDING FPSA plan	FPSA 10-2022	FPSA 09-2023	FPSA 11-2024
Original number of recipients	4	34	13
Support share	EXAIL HOLDING	EXAIL HOLDING	EXAIL HOLDING
Potential number of preferred shares	738,004	772,317	198,995
Final allocations in the year/cancellations	738,004 / -	728,037 / 44,280	-/-
Cumulative definitive acquisitions/cancellations	738,004 / -	728,037 / 44,280	-/-
Balance of shares to be acquired	-	-	198,995
Date of establishment	November 2022	August 2023	November 2024
Start of the vesting period	November 2022	August 2023	November 2024
End of the vesting period	November 2023	August 2024	November 2025
End of the lock-up period	November 2028	August 2025	November 2031
Expense recognized during the financial year ⁽¹⁾	-	1,050	43
Cumulative expense ⁽¹⁾	1,800	1,680	43
Value of the potential preference shares⁽¹⁾	-	-	512

(1) In thousands of euros, excluding social security contributions.

EXAIL SAS (formerly IXBLUE) set up free share allocation plans and stock option plans between 2018 and 2021, before the company joined the EXAIL TECHNOLOGIES group. As the entry of IXBLUE into the scope was recognized in accordance with the provisions of IFRS 3, the fair value used to value the instruments issued is the fair value of the share on the date of acquisition of IXBLUE by EXAIL HOLDING and not the fair value at the date of implementation of the plans.

The details of the free share allocation plans (FSA) and stock option plans (SO) of EXAIL SAS are described in the tables below. All plans are plans to acquire existing shares (no new shares). There is no performance condition, only a presence condition. The plans come in groups of three: a free share allocation plan, a stock option plan to be acquired over a period of three months, and a free share allocation plan, the benefit of which is conditional on the exercise of the option plan. There are no lock-up commitments.

2018 EXAIL SAS plans ⁽¹⁾	FSA 1-2018	SO 2018	FSA 2-2018
Original number of recipients	573	573	573
Support share	EXAIL SAS	EXAIL SAS	EXAIL SAS
Potential number of shares	2,095,700	2,095,700	2,095,700
Final allocations in the year/cancellations	-/-	-/-	- / 20,600
Cumulative definitive acquisitions/cancellations	1,997,700 / 98,000	1,824,000 / 271,700	- / 472,600
Balance of shares to be acquired	-	-	1,623,100
Date of establishment	December 2018	December 2018	December 2018
Start of the vesting period ⁽²⁾	December 2018	September 2022	December 2018
End of the vesting period ⁽²⁾	January 2021	November 2022	January 2025
End of the lock-up period	Not applicable	Not applicable	Not applicable
Previous cumulative expense ⁽³⁾	Not applicable	Not applicable	2,680
Expense recognized during the financial year ⁽³⁾	Not applicable	Not applicable	453
Cumulative expense ⁽³⁾	Not applicable	Not applicable	3,133
Value of the shares to be acquired⁽³⁾	Not applicable	Not applicable	3,133

(1) Formerly IXBLUE.

(2) Exercise period for the vesting options.

(3) In thousands of euros, excluding social security contributions.

2020 EXAIL SAS plans ⁽¹⁾	FSA 1-2020	SO 2020	FSA 2-2020
Original number of recipients	549	549	549
Support share	EXAIL SAS	EXAIL SAS	EXAIL SAS
Potential number of shares	1,876,400	1,876,400	1,876,400
Final allocations in the year/cancellations	-/-	1,647,335 / 83,565	- / 27,950
Cumulative definitive acquisitions/cancellations	1,757,000 / 119,400	1,647,335 / 229,065	- / 299,015
Balance of shares to be acquired	-	-	1,577,385
Date of establishment	June, July, August 2020	June, July, August 2020	June, July, August 2020
Start of the vesting period ⁽²⁾	June, July, August 2020	September 2023	June, July, August 2020
End of the vesting period ⁽²⁾	September 2022	November 2023	January 2026
End of the lock-up period	Not applicable	Not applicable	Not applicable
Previous cumulative expense ⁽³⁾	Not applicable	2,445	1,684
Expense recognized during the financial year ⁽³⁾	Not applicable	487	400
Cumulative expense ⁽³⁾	Not applicable	2,932	2,084
Value of the shares to be acquired⁽³⁾	Not applicable	-	2,492

(1) Formerly IXBLUE.

(2) Exercise period for the vesting options.

(3) In thousands of euros, excluding social security contributions.

2021 EXAIL SAS plans ⁽¹⁾	FSA 1-2021	SO 2021	FSA 2-2021
Original number of recipients	95	95	95
Support share	EXAIL SAS	EXAIL SAS	EXAIL SAS
Potential number of shares	2,108,000	2,108,000	2,108,000
Final allocations in the year/cancellations	90,000 / -	1,870,000 / 48,000	- / 48,000
Cumulative definitive acquisitions/cancellations	2,050,000 / 58,000	1,870,000 / 148,000	- / 148,000
Balance of shares to be acquired	-	90,000	1,960,000
Date of establishment	August and December 2021	August and December 2021	August and December 2021
Start of the vesting period ⁽²⁾	August and December 2021	September 2024 and September 2025	August and December 2021
End of the vesting period ⁽²⁾	September 2023 and January 2024	November 2024 and November 2025	January 2027 and January 2028
End of the lock-up period	Not applicable	Not applicable	Not applicable
Previous cumulative expense ⁽³⁾	4,778	2,714	1,322
Expense recognized during the financial year ⁽³⁾	-	657	520
Cumulative expense ⁽³⁾	4,778	3,371	1,842
Value of the shares to be acquired⁽³⁾	-	3,397	2,901

(1) Formerly IXBLUE.

(2) Exercise period for the vesting options.

(3) In thousands of euros, excluding social security contributions.

In November 2024, EXAIL HOLDING set up a free share allocation plan for all employees of the French entities, at the same time as a capital increase reserved for employees. The details of this plan are described in the table below. This plan will result in the issuance of new shares. There is no performance condition, only a presence condition. Each beneficiary was allocated 350 free shares, plus a number of

free shares based on their participation in the capital increase reserved for employees, up to a maximum of 350. Lastly, a certain number of managers who did not benefit from the free allocation of ADP R preferred shares received a variable number of additional free shares. There are no lock-up commitments.

2024 EXAIL HOLDING SAS plan	FSA 11-2024
Original number of recipients	1,427
Support share	EXAIL HOLDING SAS
Potential number of shares	1,101,800
Final allocations in the year/cancellations	- / -
Cumulative definitive acquisitions/cancellations	- / -
Balance of shares to be acquired	1,101,800
Date of establishment	November 2024
Start of the vesting period	November 2024
End of the vesting period	November 2026
End of the lock-up period	Not applicable
Previous cumulative expense ⁽¹⁾	-
Expense recognized during the financial year ⁽¹⁾	151
Cumulative expense ⁽¹⁾	151
Value of the shares to be acquired⁽¹⁾	3,334

(1) In thousands of euros, excluding social security contributions.

Note 5.5 Compensation of executives and related parties

5.5.1 COMPENSATION OF EXECUTIVES

The members of the Board of Directors of EXAIL TECHNOLOGIES received remuneration in 2024 for a total amount of €70 thousand for their participation in the Board in 2023. Some Directors have also been paid by EXAIL TECHNOLOGIES subsidiaries in which they hold offices (€65 thousand in the form of directors' remuneration and €206 thousand in the form of fees).

In 2024, EXAIL TECHNOLOGIES paid the Chairman and Chief Executive Officer total gross remuneration of €164,183 (€120,000

in fixed remuneration, €34,760 in variable and exceptional remuneration for 2023, and €9,423 in benefits in kind). Variable remuneration of €38,400 in respect of 2024 was set by the Board of Directors of EXAIL TECHNOLOGIES on 24 March 2025, after consulting the Compensation Committee.

5.5.2 RELATED PARTIES

Related parties are persons (Directors, managers of EXAIL TECHNOLOGIES or of its principal subsidiaries) or companies owned or managed by such persons (except for subsidiaries of EXAIL TECHNOLOGIES). The following transactions with related parties conducted during the financial year have been identified in EXAIL TECHNOLOGIES' financial statements:

(in thousands of euros)	GORGÉ SA	PRODWAYS GROUP	Subsidiaries of GORGÉ SA
2024 income statement			
Revenue	361	349	173
Other income	-	-	-
Purchases and external charges	(494)	(115)	(1,550)
Remuneration	-	-	-
Net financial income (expense)	-	-	-
2024 statement of financial position			
Trade accounts receivable	-	-	135
Debtors	-	-	-
Suppliers	182	(19)	(263)
Creditors	-	-	-
Deposits and guarantees received	-	-	-

GORGÉ SA is a holding company and the main shareholder of EXAIL TECHNOLOGIES. It is chaired by Mr. Raphaël GORGÉ, Chairman and Chief Executive Officer of EXAIL TECHNOLOGIES.

PRODWAYS GROUP is chaired by Raphaël GORGÉ. This company was controlled by EXAIL TECHNOLOGIES until December 2021, which now holds only 0.42% of the share capital. GORGÉ SA is the reference shareholder of PRODWAYS GROUP with 23.88% of the share capital.

Note 6 Assets and property

Note 6.1 Goodwill

The goodwill is initially recognized at the time of a combination of businesses as described in Note 2.1.4.

Goodwill corresponds to the difference between the cost of an acquisition and the fair value of the Group's share in the identifiable net assets acquired. Positive differences are recognized under "Goodwill" on the assets side of the statement of financial position, while negative differences are recognized directly in the income statement. Goodwill is allocated to cash-generating units (CGU). The essential elements of the business are treated in the same way as

goodwill. The profit/loss on disposal of the activity of a CGU takes into account the goodwill related to the transferred activity based on the relative values of the activity transferred and the share of the CGU retained.

Goodwill may be adjusted in the 12 months following the acquisition date to reflect the final calculation of the fair value of the assets and liabilities acquired.

Subsequent to their initial recognition, they are not amortized but are the subject of an impairment test on the appearance of indications of loss of value, and at least once a year. The impairment test procedures carried out in 2024 are described in Note 6.4.

Net value (in thousands of euros)	2024	2023
At 1 January	145,085	145,085
First consolidations ⁽¹⁾	670	-
Deconsolidated	-	-
AT 31 DECEMBER	145,755	145,085
Of which impairment	-	-

(1) Provisional goodwill relating to the company LEUKOS acquired by EXAIL SAS.

Goodwill breaks down as follows:

- Navigation and maritime robotics: €128.3 million;
- Advanced technologies: €17.5 million.

Note 6.2 Other intangible assets

Intangible assets acquired separately are recognized in the statement of financial position at their acquisition cost. They are subsequently measured at amortized cost, as recommended by IAS 38 – Intangible Assets. Intangible assets acquired in a business combination are recognized in the statement of financial position at their fair value, determined on the basis of external valuations. These valuations are performed using generally accepted methods, based on future inflows. The value of intangible assets is tested on a regular basis for impairment.

Intangible assets, with the exception of brands, are amortized on a straight-line basis over their useful life, taking into account the period of legal protection, if applicable.

The value of amortized intangible assets is tested when there is any indication that their recoverable amount may be less than their carrying amount. The impairment losses resulting from the valuation tests are recognized as "Other items of operating income".

Intangible assets acquired due to business combinations are not amortized when their lifetimes are indeterminate. The criteria for deciding whether or not the lifetime of these intangible assets is indeterminate, and where applicable, for deciding their lifetimes, are the following:

- reputation of the asset;
- longevity of the asset according to the strategy for including it in the Group's portfolio of activities.

The values of intangible assets with indeterminate lifetimes are tested at least once a year, as soon as an impairment index is identified. Where applicable, exceptional write-downs are recognized.

The non-current assets generated internally mainly concern expenses for the development of new projects. They are capitalized where the following criteria are strictly fulfilled:

- the technical feasibility necessary for the completion of the intangible asset with a view to its commissioning or its sale;
- the intention to complete the intangible asset and to commission it or to sell it;
- the ability to use or sell the intangible asset;
- the way in which the intangible asset will generate probable future economic benefits. The entity must demonstrate, among other things, the existence of a market for the production from the intangible assets or for the intangible assets itself or, if the latter has to be used internally, its utility;
- the availability of technical, financial and other resources necessary to complete the development and to commission or sell the intangible assets;
- the capacity to reliably estimate the expenses attributable to the intangible asset during its development.

Development costs that do not meet these criteria are expensed in the period in which they are incurred. This is notably the case for research and development work that may be carried out in connection with customer orders where the costs cannot be separated from the costs involved in fulfilling the order.





Capitalized development projects are depreciated over the lifetime of the underlying technology, generally between 3 and 15 years from their date of completion.

The development expenses are tested for impairment each time there is an indication of impairment.

Under IFRS 15, the costs of obtaining and executing a contract must be recognized as an asset and amortized if they represent incremental costs, i.e. costs the entity would not have incurred had that individual contract not been obtained, and which the entity expects to recover on the basis of the contract's expected profit. The Group occasionally incurs costs associated with obtaining and performing contracts (mainly

fees). The application of this method reduces the rate of progress of the relevant contracts at launch, since fewer expenses are recorded and the costs to obtain the contract are recognized through amortization over the term of the contract.

As part of the first consolidation of IXBLUE and in accordance with IFRS 3R, significant intangible assets were identified and measured at fair value. The total gross value recorded in the initial statement of financial position is €250 million, including €177 million of technology included in the "Development projects" column and €70 million of customer relationships and €3 million in brands (fully impaired in 2022) included in the "Other intangible assets" column.

<i>(in thousands of euros)</i>	Development projects	Costs of obtaining and performing contracts	Other intangible assets	Non-current assets in progress	Total
Gross value					
31 December 2023	273,757	3,151	86,530	564	364,002
Acquisitions	19,610	-	364	117	20,091
Changes in scope	1,836	-	162	733	2,732
Departures	-	-	(27)	-	(27)
Other movements	(43)	-	134	(139)	(48)
Impact of changes in exchange rates	-	-	-	-	-
At 31 December 2024	295,160	3,151	87,163	1,275	386,749
Depreciation, amortization and impairment					
31 December 2023	63,627	1,692	22,943	-	88,262
Depreciation and amortization	18,263	448	7,363	-	26,074
Changes in scope	1,284	-	149	-	1,432
Impairment losses	-	-	-	-	-
Departures	-	-	(23)	-	(23)
Other movements	(56)	-	55	-	(1)
Impact of changes in exchange rates	-	-	-	-	-
At 31 December 2024	83,118	2,140	30,486	-	115,744
Net value					
At 31 December 2023	210,130	1,459	63,587	564	275,739
AT 31 DECEMBER 2024	212,042	1,012	56,677	1,275	271,005

The intangible assets recognized at fair value in the context of acquisitions represented a net value of €205.8 million at 31 December 2024. The depreciation for the period of these non-current assets amounted to €18.3 million. They are shown on a dedicated line of the income statement and are reclassified, for the purposes of the alternative performance indicators used by the Group, within the "Other items of operating income".

Intangible assets are tested for impairment in accordance with the procedures indicated in Note 6.4.

In order to maintain and develop competitive advantages, the Group maintains a high level of investment in research and development. The Group sometimes files patents if this can protect technical, technological or commercial progress.

The Group's research and development was mainly focused on the following areas:

- next-generation GAPS acoustic positioning and communication systems;
- expert autonomous maritime navigation systems;
- high-performance inertial navigation systems;
- a new generation aero beacon;
- the development of a new wireless application protocol for inflight entertainment;
- next-generation inertial units;
- synthetic aperture sonar;
- hardware and software to carry out mine countermeasure missions;
- developments of our current products.

The R&D expenditure amounted to some €40.8 million in 2024. The R&D expenditures evolved as follows:

<i>(in thousands of euros)</i>	2024	2023
Capitalized research and development	19,610	21,414
Research and development recognized as an expense	21,163	27,298
Total expenditure on research and development	40,773	48,711
<i>Total research and development as % of revenue</i>	<i>10.9%</i>	<i>15.1%</i>
Tax credits for the financial year	21,333	17,014
RESEARCH AND DEVELOPMENT NET OF TAX CREDITS	19,440	31,698

The Group consistently seeks external financing to cover these investments (French Defense Procurement, BPIFRANCE, Europe, Regional, etc.) and uses the French research tax credit. Note 4.2 details the impact of the research tax credits and the subsidies on the income statement.

The R&D expenditures are for the most part internal costs; it is very rare that R&D work is subcontracted.

Note 6.3 Property, plant and equipment

Property, plant, and equipment primarily comprises land, buildings and production equipment, and is recognized at purchase cost, less accumulated depreciation and any impairment losses, as recommended by IAS 16 – Property, plant and equipment.

Each component of an item of property, plant and equipment with a useful life that differs from that of the item as a whole, is depreciated separately on a straight-line basis, without taking into account the residual values. The useful lives of items of property, plant and equipment are generally considered to be the following:

- buildings: ten to 35 years;
- technical facilities, equipment and tools: three to ten years;
- other: three to 12 years.

The useful life of items of property, plant and equipment used in operating activities reflect the estimated life cycles of the products. The useful life of items of property, plant and equipment are reviewed periodically, and may be adjusted prospectively, if appropriate.

Property, plant and equipment are tested for impairment when there is an indication that they may be impaired. If necessary, an additional impairment is recognized in the income statement under "Other items of operating income".

<i>(in thousands of euros)</i>	Land and buildings	Fixtures and equipment	Non-current assets in progress	Advances and down-payments	Total
Gross value					
31 December 2023	24,851	94,791	3,344	383	123,368
Acquisitions	885	7,938	5,224	557	14,605
Changes in scope	-	1,915	15	-	1,930
Departures	-	(745)	(6)	-	(751)
Other movements	287	1,294	(1,579)	-	3
Impact of changes in exchange rates	11	64	-	-	75
At 31 December 2024	26,035	105,257	6,998	940	139,230
Depreciation, amortization and impairment					
31 December 2023	8,712	69,963	-	-	78,675
Depreciation and amortization	1,066	8,135	-	-	9,201
Changes in scope	-	1,254	-	-	1,254
Impairment losses	-	-	-	-	-
Departures	-	(684)	-	-	(684)
Other movements	-	(40)	-	-	(40)
Impact of changes in exchange rates	9	62	-	-	71
At 31 December 2024	9,787	78,690	-	-	88,477
Net value					
31 December 2023	16,138	24,829	3,344	383	44,693
AT 31 DECEMBER 2024	16,248	26,567	6,998	940	50,753



Note 6.4 Impairment losses on non-current assets

Open-ended non-current assets are not amortized and are tested for impairment at each reporting date. These assets consist of goodwill. Goodwill impairment losses are irreversible.

Amortized assets are tested for impairment when, due to special events or circumstances, the probability of recovering their carrying amount comes into question. The appearance of impairment factors specific to certain assets other than goodwill, and notably R&D assets, may be a reason for a test and justify write-downs of these assets independent of an impairment test by the CGU to which they until then belonged. These impairment factors may be related either to internal factors (for example, change in the management's assessment of the ability to complete an R&D project or concerning the costs necessary for this) or to external events (for example change in commercial prospects). The sum of these factors influences management's appraisal, asset by asset, of whether or not there are any future economic benefits or what those future economic benefits are. For non-current assets that are impaired, the possible recovery of the impairment is reviewed on each reporting date.

For the purposes of measuring impairment, assets are grouped into cash-generating units (CGUs), which represent the lowest level of unit generating separate cash flow.

Impairment is accounted for to match the surplus of the carrying amount over the recoverable amount of a CGU. The recoverable amount corresponds to the higher of the fair value less costs to sell and the value in use, calculated using the discounted future cash flow method.

Two CGUs are identified in the Group's current organization, corresponding to the two operating segments.

PROCESS FOR THE IMPAIRMENT TESTS

The impairment tests carried out on all intangible assets and property, plant and equipment did not result in the recognition of any impairment losses.

The value in use is calculated using the discounted future cash flow method. The discount rate adopted corresponds to the Weighted Average Cost of Capital (WACC) calculated with the rates of the ten-year OAT (risk-free rate), a market risk premium and a β calculated according to the Company's share price and changes to the CAC40 index. The after-tax cash flows are projected conservatively over the forecast period of the business in question (five years), plus an extrapolated value and a terminal value with a growth assumption of 1.4%.

The key operating assumptions used include assumptions about the level of activity that are estimated to be conservative compared to historical growth. The growth of the Navigation and Maritime Robotics CGU as well as that of the Advanced Technologies CGU is expected to remain above 5% over the coming years. Assumptions pertaining to improving rates of return, optimization of production costs, and better absorption of fixed costs will be implemented in an accelerated manner following the mergers between the Group's entities. Lastly, in order to support the development of the activities, it is planned to maintain a sustained level of investment (R&D and production) and a working capital requirement that will improve over the coming years.

The discount rate calculated for the CGUs is 8.4%. The tests performed take into account the measurement of the sensitivity of the key assumptions used for calculating the recoverable value (discount rate of +/-0.5 point, perpetual growth rate of +/-0.5 point). These sensitivity measurements are identical for each of the CGUs.

There is no evidence of impairment and no goodwill impairment has been recognized. Management does not believe that any reasonably possible change in the key assumptions used to calculate the recoverable amount could result in the carrying amount of a CGU being considerably higher than its recoverable value.

Note 7 Details of cash flows

Note 7.1 Calculation of cash flow from operations

<i>(in thousands of euros)</i>	2024	2023
Net income from continuing operations	(4,532)	(17,706)
Allowances for/reversals of depreciation, amortization, provisions and impairment excluding IFRS 16	36,455	33,432
Allowances for/reversals of amortization and impairment of right-of-use assets	8,156	7,075
Cancellation of capital gains and losses on treasury shares	13	(11)
Expense calculated related to share-based payments and equivalent	3,271	6,803
Earnings of equity-accounted companies	-	-
Capital gains and losses on disposals ⁽¹⁾	(700)	3,461
Other calculated expenses	144	1,578
CASH FLOW FROM OPERATING ACTIVITIES (BEFORE ELIMINATION OF NET BORROWING COSTS AND TAXES)	42,807	34,632

(1) The capital gains and losses on disposals are included in investment flows in the statement of cash flows.

Current EBITDA is reconciled with the operating cash flow as follows:

<i>(in thousands of euros)</i>	2024	2023
Current EBITDA	73,820	65,061
Cancellation of capital gains and losses on treasury shares	13	(11)
Capital gains and losses on disposals ⁽¹⁾	(700)	3,461
Expense calculated related to share-based payments and equivalent	(1,389)	(70)
Appropriations and reversals concerning current assets	(5,171)	(2,146)
Other operating items excluding charges and reversals	(1,423)	(7,334)
Net finance income (expense) excluding financial charges and reversals	(26,914)	(28,061)
Corporation tax	4,352	3,105
Other calculated expenses	220	627
CASH FLOW FROM OPERATING ACTIVITIES (BEFORE ELIMINATION OF NET BORROWING COSTS AND TAXES)	42,807	34,632

(1) The capital gains and losses on disposals are included in investment flows in the statement of cash flows.



Note 7.2 Change in working capital requirements

(in thousands of euros)	Notes	Start of the period	Changes in scope ⁽¹⁾	Change over the year	Other movements ⁽²⁾	Currency translation	Closing
Net inventories		72,913	1,593	4,319	-	(6)	78,820
Net receivables		63,295	514	406	(301)	371	64,285
Contract assets		75,134	-	(12,007)	-	24	63,151
Advances and down-payments		5,282	-	4,858	-	1	10,141
Prepaid expenses		3,600	91	(1,356)	5	6	2,345
Subtotal	A	220,224	2,198	(3,779)	(296)	396	218,742
Trade payables		58,141	524	(9,431)	-	9	49,243
Contract liabilities		39,706	-	21,528	-	184	61,418
Advances and down-payments		2,208	31	(944)	-	-	1,296
Deferred income related to operations		1,953	-	(1,011)	(367)	1	576
Subtotal	B	102,008	555	10,143	(367)	194	112,534
Working capital requirement	C = A - B	118,216	1,643	(13,922)	71	202	106,208
Social and tax receivables		33,769	50	(4,750)	(251)	2	28,820
Current accounts payable		16	1	(16)	-	-	1
Other receivables		7,926	359	2,132	250	7	10,674
Subtotal	D	41,711	410	(2,634)	(1)	9	39,495
Tax and social debts		42,346	149	6,916	-	27	49,437
Miscellaneous debts		5,330	-	(799)	-	227	4,758
Current accounts payable		5	-	-	-	-	4
Deferred income from subsidies and research tax credit		22,554	1,081	4,732	367	-	28,734
Subtotal	E	70,234	1,230	10,849	367	254	82,934
Other items of working capital requirement	F = D - E	(28,523)	(820)	(13,483)	(368)	(245)	(43,438)
WORKING CAPITAL REQUIREMENT	G = C + F	89,693	823	(27,406)	(297)	(43)	62,770

(1) The changes in the scope of consolidation concern the first consolidation of the company LEUKOS.

(2) The "Other movements" concerns flows that do not generate any cash flow or any reclassification from account to account.

Note 7.3 Acquisitions/disposals of equity holdings

The cash flows recorded on the line "Acquisitions/disposals of equity holdings" relate to acquisitions or disposals of shares in subsidiaries on the occasion of a change of control.

(in thousands of euros)	2024	2023
Proceeds	250	28,660
Payments	(2,525)	(1,350)
Cash and cash equivalents of acquired and sold companies	204	-
TOTAL	(2,071)	27,310

In 2023:

- the receipts corresponded to an adjustment of the price paid for the acquisition of IXBLUE in 2022 for €1.6 million, the sale of the Engineering division (VIGIANS PROTECTION INCENDIE and SERES) for €27.0 million and to an earn-out on the sale of AI GROUP for €0.1 million;
- the disbursements corresponded to an earn-out relating to an acquisition of business carried out in 2022 by EXAIL SAS (formerly IXBLUE).

In 2024:

- the receipts corresponded to an earn-out on the sale of AI GROUP in 2018 for €0.25 million;
- the disbursements and cash from the acquired companies related to the acquisition of LEUKOS.

Note 7.4 Capital contributions and dividends paid

EXAIL HOLDING benefited from capital increases in 2023 (34 managers subscribed to a capital increase of €2.1 million) and in 2024 (13 managers subscribed for €0.6 million and employees subscribed for €0.8 million).

Dividends were paid to the non-controlling shareholders of MAURIC and EXAIL SAS for €0.4 million in 2024 and for €0.1 million in 2023.

Note 7.5 Other equity transactions

The cash flows recorded under "Other equity transactions" relate to acquisitions or disposals of shares in EXAIL TECHNOLOGIES or companies controlled by EXAIL TECHNOLOGIES (flows that do not result in a change of control).

<i>(in thousands of euros)</i>	2024	2023
Proceeds	1,249	907
Payments	(3,604)	(28,344)
TOTAL	(2,355)	(27,437)

In 2023, EXAIL SAS received €0.9 million as part of the exercise of options to acquire its shares. The Group acquired non-controlling interests in MAURIC for €0.6 million, of which €0.3 million disbursed in January 2024. EXAIL HOLDING acquired €1.85 million of EXAIL SAS shares from employees. EXAIL TECHNOLOGIES disbursed €1.6 million net within the framework of its share buyback program and its liquidity contract. Lastly, EXAIL TECHNOLOGIES acquired, for €24.5 million, 5% of the share capital of EXAIL HOLDING, which was held by the former main shareholder of IXBLUE.

In 2024, EXAIL SAS received €1.2 million as part of the exercise of options to acquire its shares. The Group disbursed €0.3 million for the non-controlling interests in MAURIC which was acquired in 2023. EXAIL HOLDING acquired €1.8 million of EXAIL SAS shares from employees. Lastly, EXAIL TECHNOLOGIES disbursed €0.7 million to acquire EXAIL HOLDING shares from non-controlling interests leaving the Group and €0.8 million net within the framework of its share buyback program and its liquidity contract.

Note 8 Financing and financial instruments

Note 8.1 Financial assets and liabilities

The financial assets and liabilities consist mainly of the following items:

- long-term financial liabilities, short-term loans and bank overdrafts which make up the gross financial debt (see Note 8.1.1);
- cash and cash equivalents, which are added to the gross financial debt to give the net financial debt (see Note 8.1.2);
- derivative instruments (see Note 8.1.3);
- other non-current financial assets (see Note 8.1.4).

8.1.1 GROSS FINANCIAL DEBT

The gross financial debt includes long-term financial liabilities, short-term loans and bank overdrafts.

The "Other borrowings" include repayable advances received by the Group in respect of research and development in particular. These advances cannot be repaid, or only repaid partially according to the success of the operations on the basis of which they were granted.

Financial liabilities consist primarily of current and non-current financial debt contracted with credit institutions as well as

bonds. These liabilities are initially recognized at fair value, from which are deducted, if need be, any directly attributable transaction costs. They are then valued at amortized cost based on their actual interest rate.

In 2022, EXAIL TECHNOLOGIES acquired IXBLUE. The acquisition was carried out by an intermediary company named EXAIL HOLDING. This company financed the acquisition by setting up a syndicated loan, the subscription of a bond issue of €81.3 million par value by Intermediate Capital Group (ICG) and equity contributions.

The syndicated loan taken out by EXAIL HOLDING was signed with seven banking partners and two institutional investors. The loan originally comprised a confirmed part of €235 million and an "unconfirmed external growth loan" part of €50 million which could be rapidly mobilized if needed. The confirmed portion of €235 million is broken down into three tranches: a tranche of €92.5 million amortizable over six years, an in fine tranche of €92.5 million maturing in January 2029, and a revolving credit facility (RCF) of €50 million maturing in January 2029. At 31 December 2024, the RCF renewable tranche had not been used. The issue costs relating to this loan are initially recognized as a deduction from the nominal value and are then recognized in loan counterparty expenses as part of the calculation of an effective interest rate.





The loan is accompanied by covenants (net debt excluding obligations on current EBITDA and net debt on equity) measured at the end of the year, with the maximum leverage ratio declining over the life of the contract. The margin grid is flexible depending on the leverage. The contract also provides for additional ESG indicators, with the achievement or not of ESG objectives adding additional flexibility to the margin. All covenants were respected as of 31 December 2024.

The bond issue subscribed by ICG matures in fine in January 2030. The interest is capitalized. These bonds bear interest at 12% until 12 July 2028, then at 14% during the seventh year and 16% thereafter. They are subordinated to the repayment of the syndicated loan and are not convertible, except in the event of

default (non-repayment at maturity or in the event of mandatory early repayment). The issue costs relating to this loan are initially recognized as a deduction from the nominal value and are then recognized in loan counterparty expenses as part of the calculation of an effective interest rate. A leverage ratio (net debt excluding obligations on current EBITDA) measured at the end of the year must remain below a higher contractual level than that of senior debt.

In 2024, the EXAIL HOLDING group subscribed for €33 million to five new loans with the Group's main partners and BPIFRANCE. These bilateral loans aim to finance investments and facilitate the management of the volatility of the working capital requirement.

CHANGES IN BORROWINGS AND FINANCIAL DEBT

<i>(in thousands of euros)</i>	Bond issues	Bank borrowings	Other borrowings	Financial debt	Bank overdrafts	Gross financial debt
31 December 2023	92,353	203,592	3,643	299,588	-	299,588
New loans	-	33,000	3	33,003	42	33,044
Changes in the use of the revolving credit line	-	-	-	-	-	-
Redemptions	-	(37,439)	(299)	(37,738)	-	(37,738)
Other changes ⁽¹⁾	12,068	588	-	12,656	-	12,656
First consolidations	-	645	1	646	-	646
AT 31 DECEMBER 2024	104,421	200,387	3,348	308,155	42	308,197

(1) Changes with no impact on cash flow, related to effective interest rates and accrued interest on borrowings.

SCHEDULE OF BORROWINGS AND FINANCIAL DEBT BASED ON CONTRACTUAL FLOWS

<i>(in thousands of euros)</i>	31/12/2024	of which breakdown of maturities at more than one year						
		< 1 year	> 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	> 5 years
Bond issue	105,489	-	105,489	-	-	-	-	105,489
Bank borrowings	204,512	36,382	168,130	28,076	25,709	17,795	93,191	3,360
Other borrowings	3,348	2,665	683	101	236	74	267	5
Long-term debt	313,348	39,046	274,302	28,177	25,946	17,868	93,458	108,853
Bank overdrafts	42	42	-	-	-	-	-	-
Gross financial debt	313,390	39,088	274,302	28,177	25,946	17,868	93,458	108,853

The table above shows the contractual schedule of the outstanding principal. The difference between the total financial debts on the statement of financial position and the financial debts in the schedule corresponds to the impact of accounting restatements at the EIR which have no effect on cash.

The gross financial debt does not include lease liabilities (see Note 4.7.2) or commitments to buy back non-controlling interests (see Note 8.2).

8.1.2 NET RESTATED CASH AND CASH EQUIVALENTS

Cash and cash equivalents presented in the statement of financial position consist of cash in hand, bank accounts, term deposits of no more than three months and transferable securities meeting the criteria in IAS 7.

Accrued interest earned on term accounts is recorded under investment income.

The change in treasury shares corresponds to the movements during the period as well as the impact of the valuation of all treasury shares at the closing price of the period.

<i>(in thousands of euros)</i>	31 December 2024	31 December 2023
Available cash and cash equivalents (A)	50,277	25,538
Equivalent financial instruments (A')	-	-
Bank overdrafts (B)	42	-
Available cash and cash equivalents appearing on the statement of cash flows (C) = (A) + (A') - (B)	50,236	25,538
Financial debt excluding bank overdrafts (D)	308,155	299,588
Net cash (net debt) (E) = (C) - (D)	(257,919)	(274,050)
EXAIL TECHNOLOGIES treasury shares	8,113	8,061
ADJUSTED NET CASH (NET DEBT) BEFORE IFRS 16	(249,806)	(265,989)

8.1.3 DERIVATIVES

Composite financial instruments, such as convertible bonds or bonds redeemable in shares, are recognized in accordance with IAS 32, i.e. separate recognition of the bond component recorded as debt at amortized cost and of the share component recognized as equity (similar to selling a stock option). The related issuance expenses are recognized as equity and debt respectively in proportion to the proceeds of the issue.

The Group may use, if it deems it necessary, derivative financial instruments to hedge against foreign exchange rate risks associated with operations, see Note 8.4.3.

The Group uses swaps or cap contracts to operationally manage and hedge fluctuations in interest rates. The derivative instruments used are economically matched to the maturities, rates and currencies of the loans hedged. These contracts imply the exchange of fixed and variable rates. The interest differential is recognized in financial income and expense by offsetting against interest to be received or paid as applicable. For these interest-rate instruments, the Group applies hedge accounting according to IFRS 9: the instruments are recognized at their acquisition cost then revalued at their fair value at the reporting date.

The Group's financial instruments are allocated to hedging future transactions (cash flow hedge). Therefore, treatment of the change in fair value is the following:

- the effective part of the change in fair value is recognized in hedging reserves until the actual completion of the planned

transaction. When the planned transaction is completed, the amount recognized in equity is booked to profit (loss), the income or expense is corrected by the effective part of the gain or loss on the fair value of the hedging instrument;

- the ineffective part of the variation in fair value is recognized in net finance income (expense).

In the absence of documentation of the hedge, the change in fair value was recognized in the income statement in 2022; the effectiveness of the hedge was measured from the second half of 2023 and partly recognized in equity. The fair value of swap contracts is evaluated according to the valuation techniques based on observable market data, in application of IFRS 7.

Two interest rate hedges in the form of caps partially cover the current syndicated loan. A first hedge concluded in 2021 was the subject of a novation between EXAIL TECHNOLOGIES and EXAIL HOLDING to cover the new syndicated loan. This hedge is cap of 0.5% for an original nominal amount of €47.6 million. The hedge is recorded in financial instruments and its fair value amounts to €0.9 million. The second hedge is a cap of 1.0% for an original nominal amount of €55.1 million, gradually increased to €88.2 million at the end of 2023 before gradually decreasing after the beginning of 2024. Its premium will be paid over the term of the hedge. The debt of €2.8 million relating to the spreading of the premium is shown as a liability under "Other current financial liabilities". This second hedge is valued at fair value for €1.9 million. The value of the two hedges is recorded as assets for €2.8 million under "Other current financial assets".

8.1.4 INTERESTS IN ASSOCIATES AND OTHER NON-CURRENT FINANCIAL ASSETS

IFRS 9 presents three major classes of financial assets, namely those measured at amortized cost, those measured at fair value through other comprehensive income, and those measured at fair value through net income. Financial assets are classified according to the asset's economic holding model and the characteristics of its contractual cash flows.

Net value (in thousands of euros)	2024	2023
Loans	1,521	1,367
Deposits and guarantees	2,991	2,422
Non-consolidated holdings	6,880	5,950
Other financial investments	-	-
OTHER FINANCIAL ASSETS	11,391	9,739

Breakdown of non-consolidated investments

RYDER TOPCO BV acquired VAN DAM in 2020. The receivable resulting from the sale price was converted into RYDER TOPCO BV shares for 15% of the capital and into a financial receivable. In 2024, the shares were positively revalued at fair value for €1.0 million through equity.

The Group holds a 2.58% stake in WANDERCRAFT, acquired for €0.5 million. In 2019 and 2021, in accordance with IFRS 9, the

WANDERCRAFT shares were remeasured at their fair value for a total of €1.9 million through profit or loss.

Since the two operations to distribute PRODWAYS GROUP securities (in 2021 and 2023), EXAIL TECHNOLOGIES holds only 0.42% of the share capital of PRODWAYS GROUP. As these securities are listed, they are measured at fair value through profit or loss based on the stock market price.

The shares held by the Group in companies over which it has no significant influence are as follows:

<i>(in thousands of euros)</i>	% control	Capital	Equity	Gross value of securities	Net value of securities	Revenue	Net income
RYDER TOPCO BV	15.0%	n/c	n/c	6,231	4,309	n/c	n/c
PRODWAYS GROUP ⁽¹⁾	0.4%	25,812	53,626	911	130	58,669	613
WANDERCRAFT ⁽²⁾	2.6%	96	11,554	2,441	2,441	1,997	(10,852)

(1) Figures taken from the consolidated financial statements of PRODWAYS GROUP.

(2) 2023 data, the financial statements for 2024 are not available.

Note 8.2 Commitments to buy back shares held by non-controlling shareholders

Non-controlling shareholders are present in the capital of several of the Group's fully consolidated companies. Shareholder agreements define the conditions under which the Group may have to or be able to buy back the shares held by these shareholders. A liability is recognized when the Group is committed by a put option held by the non-controlling shareholder, including if this commitment is conditional on the occurrence of an external event. However, nothing is recognized when the Group holds a call option.

The commitments are offset by a reduction in "Equity - attributable to non-controlling interests" within the limit of their amount and against "Equity - Group share" for the remainder.

The changes in the value of the commitments are then recognized in equity.

This accounting method has no effect on the interest and control rates indicated in Note 14.

- The non-controlling shareholders in MAURIC have put options exercisable under a shareholders' agreement entered into in November 2016 for a period of ten years. These options have been valued at fair value. The valuation is equivalent to the estimated current value of the option to date, which is itself a multiple of the estimated income of the subsidiary over the period in question.
- The employee shareholders of EXAIL SAS have a put option on EXAIL HOLDING under certain conditions. These options have been valued at fair value. The valuation corresponds to the estimated value of the options to date. New commitments were recognized because employees received shares in 2024 under free share allocation or stock option plans, and as such benefit from the commitment.
- A shareholder of LEUKOS (acquired in December 2024) retained 5% of the company's share capital. This shareholder has a put option on EXAIL SAS under certain conditions. This option is valued at fair value. The valuation corresponds to the estimated value of the option to date.

<i>(in thousands of euros)</i>	Start of the period	New commitments	Options exercised	Changes in value	Closing
Non-controlling shareholders in the capital of MAURIC	1,450	-	-	(244)	1,206
Non-controlling shareholder in the capital of EXAIL SAS	16,530	6,821	(1,813)	2,302	23,840
Non-controlling shareholders in the capital of LEUKOS	-	1,230	-	-	1,230
COMMITMENTS TO PURCHASE SHARES OF NON-CONTROLLING INTERESTS	17,980	8,051	(1,813)	2,058	26,276

Note 8.3 Financial income and expenses

On the one hand, financial income and expenses comprise interest income and expenses related to the net borrowing costs and, on the other hand, financial income and expenses.

Interest expenses correspond to the amount of interest recognized in respect of the financial debts and the interest income to the amount of the interest received from cash investments.

<i>(in thousands of euros)</i>	2024	2023
Interest expense	(27,084)	(26,675)
Interest expenses on lease liabilities	(741)	(526)
Income from other securities	438	274
Net profit (loss) on disposal of investment securities	8	-
Net borrowing costs	(27,379)	(26,928)
Other similar income	255	304
Other similar expenses	(171)	(753)
Net exchange gain or loss	380	(685)
Financial allowances net of reversals	(45)	6
TOTAL FINANCIAL INCOME AND EXPENSES	(26,959)	(28,056)

Note 8.4 Risk management policy

8.4.1 LIQUIDITY RISK

At 31 December 2024, the Group's cash amounted to €50.3 million. The Group also has a revolving credit facility with a total available amount of €50 million at the reporting date.

As indicated in Note 8.1.1, the syndicated loan taken out in 2022 is subject to covenants (net debt to adjusted current EBITDA and net debt to equity) that are respected. The margin grid is

flexible depending on the leverage. ESG indicators are defined so that their achievement or not adds additional flexibility to the margin.

The Group has the financing it needs. There is no financing essential to the activity that is being negotiated. The Group has no bank financing dependent on the rating of the Group nor significant concentration of credit risk.

The terms for the reimbursement of the main loans outstanding at the end of the year are the following:

Loan <i>(in thousands of euros)</i>	Rate	Initial nominal value	Share capital remaining due	Maturity
Bond issue	E3M + margin	81,300	105,489	Capitalized interest, In fine January 2030
TA syndicated loan	E3M + margin	92,500	61,790	12 half-yearly installments from January 2023
TB syndicated loan	E3M + margin	92,500	92,500	In fine January 2029
RCF syndicated loan	E period + margin	50,000	-	RCF line maturity January 2029
Bank 1	4.65	10,000	8,460	48 monthly payments starting in March 2024
Loans guaranteed by the French State	n/a	22,700	8,147	Various deadlines ending in 2026
Bank 2	E3M + margin	8,000	6,667	12 quarterly installments from July 2024
Bank 3	1.65	8,000	6,620	2021 real estate financing, over 12 years
Bank 4	5.11	5,000	5,000	12 quarterly installments from September 2025
Bank 5	E3M + margin	5,000	4,617	12 quarterly installments from July 2024
Bank 6	E3M + margin	5,000	3,824	12 quarterly installments from July 2024
Bank 4	1.75	5,000	1,875	20 quarterly installments from May 2021
Bank 4	4.01	5,000	714	40 quarterly installments from April 2015
Bank 4	1.04	1,300	487	20 quarterly installments from May 2021

The main borrowings of the subsidiaries may include a change of control clause.



8.4.2 INTEREST RATE RISK

Generally, the Group's policy for managing interest rate risk is to examine on a case-by-case basis credit agreements concluded on the basis of a variable interest rate and to consider, with the help of its external financial advisors, whether it is opportune to use ad hoc financial instruments to hedge, where appropriate, identified rate risks. The liabilities and assets exposed to changes in interest rates are as follows, by maturity:

<i>(in thousands of euros)</i>	DD to 1 year	1 to 5 years	Beyond
Financial liabilities ⁽¹⁾	34,272	45,518	173,800
Financial assets ⁽²⁾	20	-	1,501
Net position before management	34,252	45,518	172,299
Off-statement of financial position	-	-	-
Net position after management	34,252	45,518	172,299

(1) Not including financing that does not bear interest.

(2) Not including transferable securities and investments for €531 thousand.

Interest rate hedges were entered into in 2021 and 2022, as indicated in Note 8.1.3.

Overdrafts and short-term loans (financing of trading receivables) are concluded at variable rates and therefore expose the Group to fluctuations in interest rates.

The net debt exposed to interest rate fluctuations amounted to approximately €252 million at 31 December 2024. An increase or decrease of 100 basis points (1%) of all rates would have an impact of about +/- €2.5 million in the Group's annual pre-tax financial expense, assuming strict stability of the debt.

8.4.3 FOREIGN EXCHANGE RISK

Most of the revenue is generated in euros.

Prior to 2022, foreign exchange transactions were limited and focused on sales mainly in US dollars. The Group's exposure to the dollar increased with the acquisition of IXBLUE. Higher sales are made in dollars, notably by the EXAIL subsidiary located in the United States. The expenses in dollars also increased due to the addition of this subsidiary, but the sales in dollars remained higher than the expenses in dollars. The EXAIL HOLDING group has implemented a foreign exchange risk monitoring policy consisting of forecasting all of the

Group's foreign currency flows (receipts and disbursements) and measuring the Group's net exposure by maturity by currency, in particular the dollar. The objective is to possibly set up a currency hedge if the net position at an identified maturity justifies it. This requires an assessment of the risk of currency changes, which is issued by the Management advised by its banks. Hedges are made in the form of forward sales transactions.

Financial debt in foreign currencies is marginal; only a few foreign subsidiaries may have temporary bank overdrafts.

<i>(in thousands of euros)</i>	USD
Assets	19,066
Liabilities	13,904
Net position before management	5,161
Off-statement of financial position	-
Net position after management	5,161

A uniform exchange rate with a rise or decline of €0.01 against the major currencies could have an insignificant impact on the net position, assuming a strict stability of assets and liabilities.

8.4.4 MARKET RISK

Treasury shares are held by EXAIL TECHNOLOGIES (467,346 shares). These shares were acquired under liquidity contracts or in order to deliver shares when exercising rights attached to securities giving access to capital through redemption, granting stock purchase options to employees, cancelling all or some of the shares thus redeemed, delivering securities in payment or exchange in the framework of external growth transactions, or regulating the share price on the stock market.

At 31 December 2024, the market value of the treasury shares amounted to €8.11 million.

In addition, EXAIL TECHNOLOGIES holds 0.42% of the share capital of PRODWAYS GROUP (216,440 shares) with a market value of €0.13 million at 31 December 2024.

A change of 10% in the share price of EXAIL TECHNOLOGIES could have an impact on equity of €0.8 million compared with the position at 31 December 2024. A 10% change in the share price of PRODWAYS GROUP would have an insignificant impact on income.

The rest of the cash invested by the Group is mainly in term deposits.

Note 9 Income tax

Note 9.1 Details of corporate income tax

The tax charge on net income includes the tax payable and the deferred taxes of the consolidated companies.

The taxes related to items recognized directly in other items of total net income are recognized in other items of total net income and not in the income statement.

9.1.1 DETAILS OF CORPORATE INCOME TAX

Breakdown of tax expense

<i>(in thousands of euros)</i>	2024	2023
Deferred taxes	5,415	5,210
Taxes payable	(1,063)	(2,104)
TAX EXPENSE	4,352	3,105

In 2023, the EXAIL HOLDING subsidiary implemented a tax consolidation with all of its eligible subsidiaries.

Note 8.5 Off-statement of financial position commitments related to financing

8.5.1 PLEDGES OF ASSETS

In 2022, EXAIL HOLDING pledged the securities of its subsidiaries GROUPE ECA and EXAIL SAS, as well as its intra-group receivables, to lending financial institutions. GROUPE ECA has since merged with EXAIL SAS.

No other pledges, guarantees or sureties existed at the close of the 2024 financial year other than the pledges of assets to guarantee the loans used to finance them (in particular real estate assets).

8.5.2 COMMITMENTS RECEIVED

At 31 December 2024, EXAIL HOLDING had a revolving credit facility of €50 million, confirmed until January 2029. This credit line was not used at the reporting date. It is accompanied by a change of control clause and a financial covenant.

8.5.3 OTHER COMMITMENTS

No other pledges, guarantees or sureties existed at the close of the 2024 financial year.

The tax expense does not include the research tax credits, classified as other income; it does, however, include the contribution on corporate added value (see Notes 4.2 and 9.1.2).

Tax receivables and payable

<i>(in thousands of euros)</i>	2024	2023
Tax receivables	22,471	26,440
Tax payable	208	655
NET TAX RECEIVABLE/(DUE)	22,263	25,785

The tax receivables mainly comprised research tax credit receivables (€21.6 million), which could not be deducted from the tax charge payable. These receivables amounted to €26.1 million at the end of 2023.

9.1.2 ANALYSIS OF THE INCOME TAX EXPENSE

In accordance with standard practice and IAS 12 and IAS 20, as the research tax credits are neither elements of taxable income, nor computed on the basis of taxable income, and as they are not tax liquidation components nor limited to the amount of tax liquidated, they are recognized in operating income.

The research tax credits for the financial year are recognized in income from ordinary activities rather than as a reduction in the tax charge if they are not generated by research and development expenses recognized on the asset side of the consolidated statement of financial position. If they are generated by research and development expenses recognized in the consolidated statement of financial position, research tax credits are recognized as deferred income in liabilities and recognized in income at the rate of future amortization.

The contribution on corporate added value (CVAE) is recognized in the income tax accounts, this tax being based on value added. The Group's analysis is based in particular on the definition of income tax as defined in IAS 12 and on an IFRIC position from 2006 that states that the term "taxable income" implies a notion of a net rather than a gross amount, although not necessarily identical to the accounting income.

<i>(in thousands of euros)</i>	2024	2023
Net income from continuing operations	(4,532)	(17,706)
Tax income/(expense)	4,351	3,105
Earnings of equity-accounted companies	-	-
Earnings before tax	(8,883)	(20,810)
Tax rate	25%	25%
Theoretical tax charge	2,221	5,203
Reconciliation items		
Uncapitalized tax losses incurred for the period	(6,183)	(1,344)
Use of uncapitalized tax losses	(127)	(588)
Reassessment of deferred tax assets	4,547	5,542
Differential rates France/Foreign countries and reduced rates	87	(104)
CVAE	(729)	(642)
Tax effects related to the accounting classification of the CVAE and tax credits/savings on CVAE and restatement/cancellation of theoretical tax on tax credits	5,727	4,485
Other permanent differences	(1,190)	(9,447)
ACTUAL NET TAX INCOME/(EXPENSE)	4,352	3,105

The tax rate matches the parent company's current rate.

Note 9.2 Deferred tax

The deferred taxes corresponding to the timing differences between the taxable and accounting bases of the consolidated assets and liabilities are recognized using the variable carryforward method. Deferred tax assets are recognized when their future realization seems likely on a date which can be reasonably determined.

Future income tax breaks arising from the use of tax loss carry-forwards (including unlimited carry-forward) are recognized only when they can be reasonably anticipated.

The main timing differences are related to tax losses carried forward, to provisions for pensions and other similar benefits, to other provisions which are temporarily non-tax-deductible and to capitalized development expenses. The deferred tax assets and liabilities are calculated using the tax rates which will be in effect at the time of the reversal of the timing differences.

Deferred tax assets and liabilities are not discounted and are offset if they relate to the same taxable entity and have identical repayment maturities.

Breakdown of deferred taxes by type

(in thousands of euros)	2024	2023
Differences over time		
Retirement and related benefits	805	843
Development costs	(9,331)	(8,166)
Subsidies	293	347
IFRS 16 – Rights of use	260	177
Derivative financial instruments	383	(673)
IFRS 3 – Business combinations and fair value	(47,942)	(51,194)
IFRS 15 – Revenue from contracts with customers	2,600	1,059
Other	(3,609)	(1,109)
SUBTOTAL	(56,541)	(58,716)
Temporary differences and other restatements	1,182	925
Deficits carried forward	16,222	11,675
CVAE	21	16
TOTAL	(39,116)	(46,100)
DEFERRED TAX LIABILITIES	(39,250)	(46,190)
DEFERRED TAX ASSETS	134	90

The change in deferred taxes amounted to €70 million, of which €5.4 million recognized in profit or loss and €1.6 million in equity (for example in respect of actuarial gains and losses or interest rate hedges).

The tax loss carryforwards may be capitalized due to the prospect of rapid allocation of these tax losses (within five years). However, most of the deferred tax assets result from the net deferred tax liabilities of the companies concerned. The capitalized tax loss carryforwards relate solely to the tax consolidation scope of EXAIL HOLDING (i.e. in France).

Underlying tax position

Uncapitalized deficits carried forward (bases in millions of euros)	2024	2023
Ordinary deficits	52.4	44.8
TOTAL	52.4	44.8

The uncapitalized tax losses are mainly tax loss carryforwards at the level of the tax integration of which EXAIL TECHNOLOGIES is the parent company (€33 million).



Note 10 Equity and earnings per share

Note 10.1 Equity

10.1.1 SHARE CAPITAL AND ISSUE PREMIUMS

At 31 December 2024, the share capital of EXAIL TECHNOLOGIES SA amounted to €17,424,747, consisting of 17,424,747 fully paid-up shares, each with a nominal value of €1, of which 7,619,134 with double voting rights.

CHANGES IN SHARE CAPITAL

	Cumulative number of shares	Amount of share capital (in euros)
Share capital at 31/12/2022	17,424,747	17,424,747
Share capital at 31/12/2023	17,424,747	17,424,747
Share capital at 31/12/2024	17,424,747	17,424,747

The share premiums represent the difference between the nominal value of the securities issued and the amount, net of expenses, of the cash contributions received by EXAIL TECHNOLOGIES SA at the time of the issue. They amount to €11,268 thousand.

10.1.2 DIVIDEND PER SHARE

The dividend distributed in 2020 and 2021 amounted to €0.32 per share, i.e. a total amount of €4,320 thousand in 2020 and €5,576 thousand in 2021.

In 2021, an exceptional distribution of PRODWAYS GROUP shares took place in December; each EXAIL TECHNOLOGIES (named GROUPE GORGÉ at the time) share received 1.5 PRODWAYS GROUP shares valued at €2.74 on the ex-date, i.e. a dividend of €4.11 per share.

In 2023, a new exceptional distribution of PRODWAYS GROUP shares took place in June; each EXAIL TECHNOLOGIES shareholder benefited from 1 PRODWAYS GROUP share valued at €1.67 on the ex-coupon date for 6 EXAIL TECHNOLOGIES shares held, i.e. a dividend of €0.27 per share.

The distributable reserves of the parent company (equity excluding share capital and legal reserve) amounted to €76,485 thousand, before appropriation of the 2024 net income. They amounted to €76,638 thousand at 31 December 2023.

10.1.3 TREASURY SHARES AND SHARE BUYBACK PLAN

The share buybacks in 2024 were carried out under the authorizations given by the Shareholders' Meetings of 15 June 2023 or 18 June 2024.

At 31 December 2024, EXAIL TECHNOLOGIES held 467,346 treasury shares, of which 16,950 were held under a liquidity contract and 450,396 under the buyback program. At 31 December 2023, 417,663 treasury shares were held. The purpose of these shares may be to:

- transfer shares when exercising the rights attached to securities giving access to the share capital by reimbursement;
- grant stock options to employees;
- cancel all or part of the shares thus repurchased;
- provide securities in payment or exchange for acquisitions;
- stabilize the share's stock market price.

Note 10.2 Earnings per share

The earnings per share are calculated by dividing the Group's net income attributable to shareholders by the weighted average number of shares outstanding during the year calculated on a pro rata basis, net of treasury shares, in compliance with IAS 33.

The diluted earnings per share take into account instruments having a dilutive effect. It is calculated from the pro rata weighted average of the number of shares equivalent to outstanding shares during the year. The dilutive effect of the stock options or purchases of shares is calculated according to the "share buyback" method, taking into account the average price of the period concerned.

	2024	2023
Weighted average number of shares	16,997,650	17,038,299
Dividend per share paid in respect of the financial year (in euros) ⁽¹⁾	ND	0.27
Earnings per share (in euros)	(0.214)	0.988
Earnings per share from ongoing activities (in euros)	(0.214)	(0.853)
Potentially dilutive shares ⁽²⁾	-	-
Diluted weighted average number of shares	16,997,650	17,038,299
Diluted earnings per share (in euros)	(0.214)	0.988
Diluted earnings per share from ongoing activities (in euros)	(0.214)	(0.853)

(1) In 2023, payment of an exceptional dividend in kind in PRODWAYS GROUP shares.

(2) There are no potentially dilutive shares at EXAIL TECHNOLOGIES.

Note 10.3 Pledges of the issuer's shares

In 2020, GORGÉ SA pledged 1,750,000 EXAIL TECHNOLOGIES shares to a banking institution as collateral for financing; this pledge was partially released in July 2023; one million shares remain pledged.

A second pledge of 750,000 EXAIL TECHNOLOGIES shares was granted in July 2023 in favor of a banking institution, again as collateral for financing.

The Company has no knowledge of any pledges of EXAIL TECHNOLOGIES shares outstanding at the reporting date.

Note 11 Other provisions and contingent liabilities

The Group recognizes a provision if it has an obligation to a third party prior to the reporting date, where the loss or liability is probable and can be reasonably estimated. In cases where such loss or liability is neither probable nor reliably measurable, but still possible, the Group reports a contingent liability in commitments (excluding the posting of contingent liabilities in the event of acquisition). Provisions are estimated on a case-by-case basis or on a statistical basis.

Provisions are primarily intended to cover:

- economic risks: these provisions cover tax risks identified during inspections carried out locally by tax authorities and financial risks arising primarily on guarantees given to third parties covering certain assets and liabilities;
- business risks and contingencies; these provisions comprise:
 - statistical provisions for guarantees: the Group subsidiaries provide for all guarantees which may be given on equipment sales on a statistical basis. Some guarantees may cover 24 months,

- provisions for termination losses on ongoing projects,
- provisions for work outstanding on projects already delivered;
- restructuring costs, if the restructuring was covered by a detailed plan and an announcement or project launch before the reporting date.

In contrast to the foregoing definition of a provision, a potential liability is:

- a potential obligation resulting from a past event of which the existence will only be confirmed by the occurrence or otherwise of an uncertain event which is not within the control of the Group;
- a current obligation resulting from a past event for which either the amount of the obligation cannot be reliably estimated, or it is unlikely that an outflow of resources representative of economic benefits will be necessary to extinguish the obligation.

As part of business combinations, potential liabilities may be recognized as provisions in accordance with the criteria defined in the IFRS 3R standard.

Changes to provisions over the financial year are the following:

Provisions (in thousands of euros)	Litigation	Customer warranties	Termination losses	Fine and penalties	Other	Total
31 December 2023	675	4,515	1,932	97	58	7,277
Appropriations	176	1,620	151	-	757	2,705
Provisions used	(481)	(92)	(3)	-	(221)	(796)
Reversals	-	(427)	(938)	(68)	(40)	(1,472)
Impact on income for the period	(304)	1,101	(789)	(68)	496	436
Changes in scope	-	-	-	-	-	-
Other movements	-	-	-	-	-	-
Impact of changes in exchange rates	6	-	-	-	-	6
AT 31 DECEMBER 2024	377	5,616	1,143	29	554	7,720



Note 12 Non-current assets held for sale and discontinued operations

IFRS 5 – Non-current assets held for sale and discontinued operations requires a specific recognition and presentation of assets (or groups of assets) held for sale, along with discontinued operations and operations sold or being sold.

Non-current assets or groups of assets and directly associated liabilities are deemed to be held for sale if their carrying amount is recovered primarily through a sale rather than through continued use. For that to be the case, the asset (or group of assets) must be available for immediate sale and its sale must be highly probable. These assets are no longer depreciated as from their classification as assets (or groups of assets) held for sale. They are presented on a separate line of the Group's statement of financial position, without restatement of prior periods.

An operation that is discontinued, sold or being sold is defined as a component of an entity that generates cash flows that can be clearly distinguished from the rest of the entity and represents a separate major line of business or geographical area of operations. The net income of these activities is presented on a separate line in the income statement and is adjusted in the cash flow statement for all reported periods.

A process for the sale of VIGIANS PROTECTION INCENDIE and its subsidiaries, as well as SERES TECHNOLOGIES and STEDY, was started in 2022 and completed in March 2023. As the companies sold had not contributed to the income statement or the statement of cash flows in 2023, only the capital gain on the exit from the scope of these activities was recognized.

The net income of the discontinued operations in the income statement and statement of cash flows is as follows:

	2024	2023
Revenue	-	-
Income from ordinary activities	-	-
Other items of operating income ⁽¹⁾	-	31,365
Group share of the earnings of associates	-	-
Operating income	-	31,365
Financial income and expenses	-	-
Income tax	-	-
NET INCOME FROM DISCONTINUED OPERATIONS	-	31,365

(1) In 2023, capital gain on the Group's exit from VIGIANS PROTECTION INCENDIE, SERES and STEDY.

	2024	2023
Contribution from VIGIANS PROTECTION INCENDIE and SERES TECHNOLOGIES	-	31,365
NET INCOME FROM DISCONTINUED OPERATIONS	-	31,365

(in thousands of euros)

	2024	2023
Net income from discontinued operations	-	-
Cash flow from operations (after neutralization of the cost of net financial debt and taxes)	-	-
Tax paid	-	-
Change in working capital requirements	-	-
Net cash flow from operating activities (A)	-	-
Net cash flow from investing activities (B)	-	(7,521)
Net cash flow from financing activities (C)	-	-
Change in cash and cash equivalents (D = A + B + C)	-	(7,521)
Effects of exchange rate changes	-	-
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	-	7,521
Restatement of cash and cash equivalents	-	-
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	-	-

The cash flow in 2023 corresponds solely to the deconsolidation of cash from discontinued operations.

Note 13 Other notes

Note 13.1 Statutory Auditors' fees

The fees invoiced to all Group companies by EXAIL TECHNOLOGIES SA's Statutory Auditors were as follows:

2024 (in thousands of euros)	PricewaterhouseCoopers Audit		RSM		Total	
Statutory Audits, review of financial statements	208	95%	380	89%	588	91%
● Parent company	98	-	103	-	200	-
● Fully consolidated companies	111	-	277	-	388	-
Services other than certification of the financial statements	11	5%	47	11%	58	9%
TOTAL	219	100%	427	100%	646	100%

2023 (in thousands of euros)	PricewaterhouseCoopers Audit		RSM		Total	
Statutory Audits, review of financial statements	236	98%	569	99%	805	99%
● Parent company	110	-	101	-	212	-
● Fully consolidated companies	125	-	468	-	593	-
Services other than certification of the financial statements	5	2%	6	1%	11	1%
TOTAL	241	100%	575	100%	815	100%

The services other than the certification of the financial statements by the statutory auditors concern statements on the information relating to third-party Know Your Customer (KYC) procedures and statements relating to costs or revenue.

Note 13.2 Exceptional events and litigation

The Group is involved in various legal proceedings. After reviewing each case and seeking counsel, the provisions considered necessary have, as applicable, been recorded in the financial statements.

At the end of a nine-year legal appraisal, SCI FERCA, ECA EN's former lessor (absorbed by ECA ROBOTICS, now EXAIL ROBOTICS), sued the companies in charge of the unfinished asbestos removal work (and their insurers) to claim compensation for the damage suffered due to poorly executed and incomplete asbestos removal. SCI FERCA sued ECA EN, along with the companies in charge of the asbestos removal, accusing it, in its capacity as former tenant, of having hampered the asbestos removal process, which ECA EN vigorously contests. In a judgment of 24 November 2020, the Paris Court of Justice ruled out the liability of ECA ROBOTICS (which came to the rights of ECA EN following the simplified merger between these companies); an appeal has since been lodged by SCI FERCA before the Paris Court of Appeal. The latter, by a judgment of 1 March 2024, confirmed the judgment of the Paris Court of Justice, thus exonerating EXAIL ROBOTICS. An appeal was filed.

In 2020, SPIE BUILDING SOLUTIONS (formerly SPIE INDUSTRIE ET TERTIAIRE) made several claims to EXAIL TECHNOLOGIES (agent of the sellers) in respect of the asset and liability guarantee granted at the time of the sale of CIMLEC INDUSTRIE. These claims were dismissed by EXAIL TECHNOLOGIES, with the exception of one industrial tribunal claim that the Group deemed to be well-founded and settled. SPIE BUILDING SOLUTIONS then sued EXAIL TECHNOLOGIES and the other sellers in 2021, mainly for compulsory execution of the asset and liability guarantee and, in the alternative, for fraud and breaches of contract. On 7 April 2023, the Paris Commercial Court ruled that SPIE BUILDING SOLUTIONS is time-barred in its request for the enforcement of the contractual guarantee on assets and liabilities granted by the sellers of CIMLEC INDUSTRIE: the demand of SPIE BUILDING SOLUTIONS for enforced performance of the contractual asset and liability guarantee is inadmissible because it does not comply with the contractual deadlines agreed between the parties. The appeal filed by SPIE BUILDING SOLUTIONS against this decision was declared inadmissible in September 2024. If SPIE intends to pursue its allegations concerning fraud and breaches of contract and continues to claim €6.5 million in damages from the sellers of CIMLEC INDUSTRIE, then the proceedings could be relaunched before the Commercial Court.



EXAIL ROBOTICS was subject to a tax audit during the first half of 2023, covering the 2019 to 2021 financial years. Following this audit, a correction proposal was received in June 2023, initially representing an amount of €0.7 million in tax. Since then, the Company has entered into a reasoned dialogue with the tax authorities. The conclusions of this procedure made it possible to obtain the reduction or cancellation of most of the adjustment items proposed, in particular the most significant ones (provisions for impairment of inventory and questioning of the deductibility of intra-group services). A point relating to the research tax credit remains under discussion, with a stake of less than €0.1 thousand, the Company still wishing to raise arguments in its favor.

A tax audit began in August 2023 in the subsidiary EXAIL AEROSPACE, for the years 2020, 2021 and 2022. In December 2023, the Regional Academic Research and Innovation Delegation (Délégation régionale académique à la recherche et à l'innovation - DRARI) was asked to appraise the work declared in respect of the research tax credit. It submitted its final report in December 2024. The verification operations are now complete. Two rectification proposals were received in December 2024 (2020 RTC for an amount of €0.07 million) and February 2025 (2021 and 2022 RTC for a total amount of €0.4 million). The company has challenged the rectification of the 2020 RTC by mail and is preparing a challenge of the rectifications of the 2021 and 2022 RTCs.

As indicated in Note 2.3 EXAIL SAS has been involved in several disputes with a competitor for several years. As part of the acquisition of IXBLUE (which has since become EXAIL SAS), the Group agreed with the sellers that the costs, risks and opportunities related to these disputes would be borne entirely by the sellers. Consequently, these disputes are still handled by IXCORE, the former majority partner of EXAIL. In the event of a decision favorable to EXAIL, the Group will pay the sellers an additional price, whereas in the event of EXAIL being convicted, IXCORE will hold EXAIL harmless.

Note 13.3 Subsequent events

In January 2025, 1,623,100 EXAIL SAS shares were definitively acquired by employees (0.62% of the share capital) as part of a free share allocation plan. EXAIL HOLDING also acquired, from January to March 2025, 437,136 shares from non-controlling interests (i.e. 0.17% of the share capital of its subsidiary) for €1.45 million.

No other significant events took place between 31 December 2024 and the date of the Board of Directors meeting that approved the consolidated financial statements.

Note 14 List of consolidated companies

Companies	Parent company at 31 December 2024	% control		% interest		Method	
		2024	2023	2024	2023	2024	2023
Consolidating company							
EXAIL TECHNOLOGIES SA		Top	Top	Top	Top	FC	FC
Structure							
FINU 13 ⁽¹⁾	EXAIL TECHNOLOGIES	-	100	-	100	-	FC
SAS STONI	EXAIL TECHNOLOGIES	100	100	100	100	FC	FC
SCI DES CARRIÈRES ⁽¹⁾	EXAIL TECHNOLOGIES	100	100	100	100	FC	FC
GORGÉ EUROPE INVESTMENT (Netherlands) ⁽¹⁾	-	-	100	-	100	-	FC
GORGÉ NETHERLANDS (Netherlands) ⁽¹⁾	GORGÉ EUROPE INVESTMENT	90.58	90.58	90.58	90.58	FC	FC
BALISCO ⁽¹⁾	EXAIL TECHNOLOGIES	100	100	100	100	FC	FC
TROBOTICS (United States) ⁽¹⁾	EXAIL TECHNOLOGIES	30	30	81	81	EM	EM
EXAIL HOLDING group							
EXAIL HOLDING	EXAIL TECHNOLOGIES	87.21	87.70	66.35	66.57	FC	FC
ECA DEVI SAS ⁽¹⁾	EXAIL SAS	100	100	64.38	65.35	FC	FC
EXAIL AEROSPACE	EXAIL SAS	100	100	64.38	65.35	FC	FC
EXAIL AUTOMATION	EXAIL AEROSPACE	100	100	64.38	65.35	FC	FC
ECA DYNAMICS ⁽²⁾	-	-	51.00	-	33.33	FC	FC
EXAIL ROBOTICS	EXAIL SAS	100	100	64.38	65.35	FC	FC
EXAIL ROBOTICS BELGIUM (Belgium)	EXAIL ROBOTICS	100	100	64.38	65.35	FC	FC
EXAIL-GROUP ASIA Pte Ltd (Singapore)	EXAIL SAS	100	100	64.38	65.35	FC	FC
EXAIL ROBOTICS Australia Pty Ltd (Australia)	EXAIL ROBOTICS	100	100	64.38	65.35	FC	FC
EXAIL SAS	EXAIL HOLDING	97.03	98.16	64.38	65.35	FC	FC
EXAIL Systems Defense Inc. (United States)	EXAIL SAS	100	100	64.38	65.35	FC	FC
EXAIL Inc. (United States)	EXAIL SAS	100	100	64.38	65.35	FC	FC
EXAIL SDN BHD (Malaysia)	EXAIL SAS	100	100	64.38	65.35	FC	FC
EXAIL BV (Netherlands)	EXAIL SAS	100	100	64.38	65.35	FC	FC
EXAIL GmbH (Germany)	EXAIL SAS	100	100	64.38	65.35	FC	FC
IXBLUE DMCEST (Dubai)	EXAIL SAS	100	100	64.38	65.35	FC	FC
EXAIL Ltd (Great Britain)	EXAIL SAS	100	100	64.38	65.35	FC	FC
EXAIL LTDA (Brazil)	EXAIL SAS	100	100	64.38	65.35	FC	FC
EXAIL PTE (Singapore)	EXAIL SAS	100	100	64.38	65.35	FC	FC
EXAIL Norway (Norway)	EXAIL SAS	100	100	64.38	65.35	FC	FC
LEUKOS ⁽³⁾	EXAIL SAS	95.00	-	61.16	-	FC	-
MAURIC	EXAIL SAS	79.28	79.28	51.04	51.81	FC	FC
MAURIC BELGIUM (Belgium)	MAURIC	100	100	51.04	51.81	FC	FC

(1) Companies with no activity; VIGIANS adopted the name BALISCO in 2024.

(2) Company liquidated in November 2024.

(3) Acquisition in December 2024.





4.1.7 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

(Financial year ended on 31 December 2024)

To the Shareholders' Meeting of EXAIL TECHNOLOGIES,

OPINION

In compliance with the assignment entrusted to us by your Shareholders' Meeting, we have audited the consolidated financial statements of EXAIL TECHNOLOGIES for the financial year ended on 31 December 2024, as appended to this report.

We hereby certify that the consolidated financial statements give a true and fair view, in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union, of the results of the operations of the past financial year, and of the financial position and assets and liabilities, at the close of the financial year, of the entities included in the scope of consolidation.

The opinion expressed above is consistent with the content of our report to the Audit Committee.

BASIS FOR THE OPINION

Audit framework

We have conducted our review in accordance with the professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our responsibilities in view of these standards are set out in the section entitled "Statutory auditors' responsibilities regarding the audit of the consolidated financial statements" in this report.

Independence

We have conducted our audit in accordance with the rules of independence set out by the French Commercial Code and the Professional Code of Ethics for Statutory Auditors for the period from 1 January 2024 to the date on which our report was issued; in particular, we have not provided any services prohibited by article 5 (1) of Regulation (EU) No. 537/2014.

Justification of our assessment – key audit points

In accordance with the provisions 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 greatest significance for the audit of the consolidated financial statements of the financial year, as well as of how we addressed those risks.

These assessments were undertaken as part of the audit of the consolidated financial statements, taken as a whole, and of the opinion we formed and expressed above. We have not expressed an opinion on individual elements contained in these consolidated financial statements.

RECOGNITION OF INCOME FROM LONG-TERM PROJECTS

Risk identified

As indicated in Note 4.1 to the consolidated financial statements, EXAIL TECHNOLOGIES' consolidated revenue consist of sales of goods, provision of services and, to a significant extent, project-related revenues.

For these projects, therefore, the revenue and margin are recognized according to percentage of completion of the project, taking into account the following items:

- the percentage of completion is determined for each project by comparing the costs incurred at the reporting date with the total estimated costs at the conclusion of the project;
- the proceeds from contracts may include claims when these can be assessed reliably and when the Group's negotiations with the customer reach a point where the claims are likely to be accepted.

The estimates of the revenue and termination costs are regularly reviewed by operational and financial managers.

If profit forecasts at the end of a project indicate a loss, a provision for termination losses is recognized independently of the project's completion according to the best estimates of projected profits, to the extent that these are probable and can be reliably measured. Provisions for losses on completion are presented on the liabilities side of the balance sheet.

We considered this topic to be a key point of the audit given the significance of these estimates and the importance of the judgments exercised by Management to assess the completion of projects. The modification of these estimates could have a material impact on the financial statements of EXAIL TECHNOLOGIES.

Our response

Firstly, we assessed and tested the internal control procedures considered key to project accounting.

We also selected projects based on essentially quantitative criteria (amount of revenue recognized over the financial year and amount of revenue at completion) and carried out the following work:

- conducted interviews with operational and financial managers to understand the judgments made in the determination of income at termination;
- reconciled recognized profit at termination with contract documents (contracts, amendments or purchase orders);
- reviewed management documents by project in order to assess the consistency of the estimate of costs at completion: for a selection of projects whose current estimates differ significantly from previous estimates, we sought the origin of the change in forecasts at completion in order to assess, on the basis of our experience acquired during previous years, the reliability of the process of monitoring the costs incurred and estimating the costs necessary for the finalization of the project.

We also compared completions against previous estimates to assess the reliability of the estimates.

When applicable, we analyzed the entities' interactions with their customers or any other project stakeholders and corroborated that information with the estimates used by EXAIL TECHNOLOGIES' Management.

MEASUREMENT OF THE RECOVERABLE AMOUNT OF GOODWILL

Risk identified

As part of its development, the Group may carry out targeted external growth transactions and recognize goodwill corresponding to the difference recorded at the time of an acquisition between the price paid and the fair value of the assets and liabilities acquired.

At 31 December 2024, goodwill was recorded in the statement of financial position for a net carrying amount of €145.8 million, i.e. 18% of the assets. The goodwill is not amortized, but Management ensures that its carrying amount does not exceed its recoverable amount by carrying out impairment tests as soon as there is an indication of loss of value and at least once a year. For the purposes of these tests, goodwill acquired through a business combination is allocated to the cash generating units (CGUs) of the activities in which the various acquired businesses have been integrated.

The determination of the net recoverable amount of each CGU relies on discounted future cash flow projections and requires management to exercise significant discretion, specifically with respect to preparing forecasts and the discount and long-term growth rates to adopt.

In light of the foregoing, we considered the recoverable amount of goodwill to be a key audit point, given the importance of goodwill on the statement of financial position and the uncertainties inherent to certain factors, such as the likelihood of the forecasts used to determine the recoverable amount actually materializing.

Our response

We carried out a critical review of the methods used by management to analyze impairment indicators and perform impairment testing. Our work consisted in:

- obtaining an understanding of the process used to prepare the estimates and assumptions made by the Group as part of the impairment tests;
- reviewing the impairment tests performed by the Company at 31 December 2024, by:
 - verifying that the discounted future cash flow projections used to determine the value in use of the cash-generating units (CGUs) tested correspond to those generated by the items making up the carrying amount of these CGUs;
 - assessing the reasonableness of the assumptions used, in particular the cash flow forecasts, the discount rate and the long-term growth rate, by comparison with historical performance and by corroboration with external analyzes available in the market;
 - reviewing the tests performed by management on the sensitivity of the recoverable amount of the CGUs to a reasonable change in the discount rate or long-term growth rate;
- ensuring, for each CGU, that the impairment tests have been updated as of 31 December 2024.

Lastly, assessing the appropriateness of the information provided in Note 6.4 to the consolidated financial statements.



Specific verifications

We have also performed, in accordance with the professional standards applicable in France, the specific verifications required by laws and regulations of the Group's information given in the Board of Directors' management report.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

OTHER VERIFICATIONS OR INFORMATION REQUIRED UNDER LEGAL AND REGULATORY TEXTS

Format of the presentation of the consolidated financial statements intended to be included in the annual financial report

In accordance with the professional standards on the statutory auditors' work relating to the annual and consolidated financial statements presented in the single European electronic reporting format, we have also verified the compliance with this format, defined by Delegated Regulation (EU) 2019/815 of 17 December 2018, in the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in I of article L.451-1-2 of the French Monetary and Financial Code, prepared under the responsibility of the Chairman. Concerning the consolidated financial statements, our procedures include verifying that the mark-up of these financial statements complies with the format defined by the aforementioned regulation.

Based on our work, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the single European electronic reporting format.

It is not our responsibility to verify that the consolidated financial statements that will in effect be included by your Company in the annual financial report filed with the AMF correspond to those on which we carried out our work.

Appointment of the statutory auditors

RSM Paris was appointed as statutory auditors of EXAIL TECHNOLOGIES by your Shareholders' Meeting of 13 June 2018 and PricewaterhouseCoopers Audit by the Shareholders' Meeting of 17 June 2015.

At 31 December 2024, RSM Paris was in the seventh consecutive year of its mission and PricewaterhouseCoopers Audit was in the tenth year.

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 the International Financial Reporting Standards (IFRS) as adopted by the European Union and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the preparation of financial information and for verifying the effectiveness of the internal control and risk management systems and, where applicable, of the internal audit, with regard to the procedures for preparing and processing accounting and financial information.

The consolidated financial statements were approved by the Board of Directors.

STATUTORY AUDITORS' RESPONSIBILITIES REGARDING THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Audit objective and 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 means a high level of assurance, however without any guarantee that an audit conducted in accordance with professional standards will systematically detect any material misstatement. Misstatements may be the result of fraud or errors, and are considered material when, individually or combined, they can be reasonably expected to impact economic decisions taken based on the financial statements.

As set out in article L.821-55 of the French Commercial Code, our assignment to certify the financial statements does not involve guaranteeing the sustainability or quality of the management of your Company.

As part of an audit conducted in accordance with the professional standards applicable in France, the statutory auditor exercises professional judgement throughout the entire audit.

Furthermore:

- the statutory auditor 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 gathers adequate and appropriate information on which to form an opinion. The risk of not detecting a material misstatement resulting from fraud is higher than that of a material misstatement resulting from an error, given that fraud may imply collusion, falsification, willful omissions, false statements or the circumvention of internal control;
- the statutory auditor obtains an understanding of the internal control processes relevant to the audit, in order to define suitable audit procedures, and not for the purpose of expressing an opinion on the effectiveness of said internal control;
- the Statutory Auditor assesses the appropriateness of the accounting policies used and the reasonableness of the accounting estimates and related disclosures made by management in the consolidated financial statements;
- the Statutory Auditor 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 founded on information obtained up until the date of the report, it being specified, however, that subsequent circumstances or events may jeopardize business continuity. If the statutory auditors identify significant uncertainty, they highlight such uncertainty in their report by drawing readers' attention to the corresponding information presented in the consolidated financial statements, or, if this information has not been provided or is not relevant, issue certification with reserves or refuse to certify;
- the statutory auditor assesses the overall presentation of the consolidated financial statements and determines whether they provide a true and fair reflection of the underlying transactions and events;
- the Statutory Auditor obtains sufficient and appropriate audit evidence regarding the financial information of the entities included in the scope of consolidation to express an opinion on the consolidated financial statements. The Statutory Auditor is responsible for the administration, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these statements.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also bring to its attention, where appropriate, the significant weaknesses of the internal control that we have identified with regard to the procedures relating to the preparation and processing of accounting and financial information.

Among the elements included in the report to the Audit Committee are the risks of material misstatement, which we consider having been the most significant for the audit of the consolidated financial statements for the financial year and which are therefore the key audit matters, which we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in article 6 of Regulation (EU) No. 537-2014 confirming our independence, within the meaning of the rules applicable in France such as they are set in particular by articles L.821-27 to L.821-34 of the French Commercial Code and the Professional Code of Ethics for Statutory Auditors. Where necessary, we discuss the potential risks to our independence and the safeguard measures applied with the Audit Committee.

Done in Neuilly-sur-Seine and Paris on 17 April 2025

Statutory Auditors

PricewaterhouseCoopers Audit

Christophe Drieu

RSM Paris

Sébastien Martineau

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4.2 2024 INDIVIDUAL FINANCIAL STATEMENTS

4.2.1 INCOME STATEMENT

<i>(in thousands of euros)</i>	2024	2023
Revenue	1,132	1,356
Reversals of provisions, expense transfers and other income	1	-
Total operating income	1,133	1,356
Other purchases and external charges	1,728	1,716
Taxes and similar payments	44	92
Employee benefits expense	439	1,061
Depreciation, amortization and provisions:		
Non-current assets	195	202
Current assets	-	-
Other expenses	70	90
Total operating expenses	2,476	3,160
OPERATING RESULTS (A)	(1,343)	(1,804)
NET FINANCIAL INCOME (EXPENSE) (B)	634	148
INCOME FROM CONTINUING OPERATIONS BEFORE TAX (C) = (A) + (B)	(709)	(1,657)
EXCEPTIONAL INCOME (D)	306	17,308
Income tax (E)	250	(912)
NET INCOME (F) = (C) + (D) + (E)	(153)	14,739

4.2.2 STATEMENT OF FINANCIAL POSITION

ASSETS

<i>(in thousands of euros)</i>	2024			2023
	Gross	Depreciation, amortization and provisions	Net	Net
Intangible assets	754	465	289	370
Property, plant and equipment	951	485	466	572
Equity securities	87,910	9,676	78,233	77,642
Receivables related to shareholdings	-	-	-	-
Other financial investments	833	729	104	98
Non-current assets	90,448	11,356	79,092	78,682
Net trade receivables and related accounts	135	-	135	601
Other trade receivables	13,817	8,556	5,261	5,142
Treasury shares	7,216	-	7,216	6,381
Cash and cash equivalents	5,680	-	5,680	7,315
Current assets	26,848	8,556	18,292	19,439
Prepaid expenses	86	-	86	223
Debt issuance costs	-	-	-	-
TOTAL ASSETS	117,381	19,912	97,470	98,344

LIABILITIES AND SHAREHOLDERS' EQUITY

<i>(in thousands of euros)</i>	2024	2023
Share capital	17,425	17,425
Share premiums	11,268	11,268
Legal reserve	1,742	1,742
Other reserves	7,773	7,773
Retained earnings	57,597	42,858
Income (loss) for the period	(153)	14,739
Equity	95,652	95,805
Provisions for risks and charges	-	-
Bank borrowings	361	484
Other borrowings	23	1
Suppliers	472	927
Tax and social debts	657	1,018
Other liabilities	305	109
Total debt	1,818	2,539
TOTAL LIABILITIES	97,470	98,344

4.2.3 CHANGE IN CASH AND CASH EQUIVALENTS

<i>(in thousands of euros)</i>	2024	2023
Net income	(153)	14,739
Accruals	10	(8,438)
Capital gains and losses on disposals	(23)	(8,097)
Other	-	-
Cash flow from operating activities	(167)	(1,795)
Change in working capital requirements	126	1,085
Net cash flow from operating activities (A)	(41)	(710)
Investing activities		
Payments/acquisition of intangible assets	-	(129)
Payments/acquisition of property, plant and equipment	(8)	(7)
Proceeds/disposal of property, plant and equipment and intangible assets	28	-
Payments/acquisition of financial investments	(680)	(24,554)
Proceeds/disposal of financial investments	-	30,447
Net cash flow from investing activities (B)	(659)	5,757
Financing activities		
Capital increase or contributions	-	-
Dividends paid	-	-
Proceeds from borrowings	-	-
Repayment of borrowings	(123)	(438)
Net cash flow from financing activities (C)	(123)	(438)
Change in cash and cash equivalents (A) + (B) + (C)	(824)	4,609
Cash and cash equivalents at the beginning of the year	13,696	9,087
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	12,873	13,696
<i>of which cash</i>	5,657	7,315
<i>of which treasury shares</i>	7,216	6,381



4.2.4 NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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The notes, tables and comments referenced below in the list of contents to the notes are an integral part of the annual financial statements.

The financial year covers the 12 months from 1 January to 31 December 2024.

The financial statement (statement of financial position, income statement) presented is as follows:

- the net statement of financial position total for the financial year ended on 31 December 2024 amounted to €97,469,741.78;
- the income statement presented in list form shows a loss of €153,165.50.

The Board of Directors approved the annual financial statements of EXAIL TECHNOLOGIES on 24 March 2025. They will be subject to approval by the next Shareholders' Meeting.

Note 1 Accounting principles

The annual financial statements have been prepared in accordance with the provisions of the French Commercial Code and the accounting rules and principles generally accepted in France in accordance with the provisions of the French General Accounting Plan (Plan comptable général – PCG) (ANC Regulation No. 2014-03 relating to the PCG). The basic assumptions are as follows:

- going concern;
- consistency of accounting policies;
- prudence principle;
- separateness of accounting periods.

The recommendations of the French Accounting Standards Authority (Autorité des Normes Comptables), the French Association of Chartered Accountants (Ordre des Experts-Comptables) and the French National Institution of statutory auditors (Compagnie Nationale des Commissaires aux Comptes) have been applied.

The basic method used to value items in the financial statements is the historical cost method.

Generally accepted accounting principles have been applied in accordance with French legislation in effect on the reporting date.

The accounting rules and methods applied are identical to those used in the previous financial year.

Note 2 Notes to the income statement

Note 2.1 Revenue

The revenue comprises the invoicing of services provided to Group subsidiaries for €644 thousand and the invoicing of ancillary services or sub-letting of offices to, almost exclusively, affiliated companies (parent, sister) for €488 thousand.

Note 2.2 Statutory Auditors' fees

The fees for EXAIL TECHNOLOGIES' two Statutory Auditors to certify the 2024 financial statements amounted to €248 thousand, including the fees related to the certification of the sustainability-related information.

Note 2.3 Workforce and remuneration

Average workforce over the financial year is broken down as follows:

	2024	2023
Average workforce employed	2	3
of which executives and higher professional positions	1	2
of which technicians and supervisors	1	1

As regards the corporate officers:

- the remuneration of the members of the Board of Directors of EXAIL TECHNOLOGIES amounted to €70 thousand for their participation in the Board in 2023;
- the Chairman and Chief Executive Officer received gross remuneration of €164 thousand (fixed and variable remuneration for 2023) during the 2024 financial year.

Note 2.4 Net financial income (expense)

(in thousands of euros)	2024	2023
Investment income	-	55
Net income from financial investments ⁽¹⁾	718	704
Interest expense	(6)	(42)
NET FINANCIAL INCOME (EXPENSE) BEFORE PROVISIONS	712	718
Reversals of provisions for impairment of equity securities	1	-
Provisions for impairment of equity securities ⁽²⁾	(79)	(570)
NET FINANCIAL INCOME (EXPENSE)	634	148

(1) In 2024, the net financial investment income mainly included interest on current account advances for €519 thousand and cash income for €179 thousand.

(2) In 2024, the provisions concerned the impairment of the securities of the following companies: PRODWAYS GROUP and SCI DES CARRIÈRES.

Note 2.5 Exceptional income

(in thousands of euros)	2024	2023
Capital gains and losses on asset disposals ⁽¹⁾	23	8,097
Non-recurring income from management operations	19	2
EXCEPTIONAL INCOME BEFORE PROVISIONS	42	8,098
Reversals of provisions ⁽²⁾	263	9,715
Provisions	-	(505)
EXCEPTIONAL INCOME	306	17,308

(1) In 2023, a significant net capital gain was recorded as part of the disposal of several subsidiaries (reorganization of the Group) and the distribution of shares in PRODWAYS GROUP.

(2) In 2023, the reversals concerned the impairment of shares distributed (PRODWAYS GROUP) or sold (STEDY).

Note 2.6 Income tax

EXAIL TECHNOLOGIES is solely liable for corporation tax as the parent company of the tax consolidation group comprising itself and the following subsidiaries:

Companies	Date of entry
STONI	1 January 2005
BALISCO	1 January 2014

At 31 December 2024, the taxable income of the consolidated entity was a loss of €1,007 thousand before the allocation of losses. The Group opted to carry back the deficit in the amount of €1,000 thousand, thus generating tax income of €250 thousand.

After carrying back the deficit for 2024, the remaining deficit to be carried forward in respect of the tax group amounted to €33,050 thousand.

Note 3 Notes to the statement of financial position

Note 3.1 Non-current assets

Property, plant and equipment and intangible assets are recorded at their acquisition cost.

Depreciation and amortization are calculated on a straight-line basis using the following main useful lives:

- software: 3 to 10 years;
- fixtures and fittings: 9 years;
- office and computer equipment: 3 to 5 years;
- transport equipment: 5 years;
- furniture: 5 to 10 years.

Equity securities are recognized on the statement of financial position at their acquisition cost less any necessary estimated impairment.

An impairment may be recognized based on the value after tax of the securities, which represents the acceptable value payable to acquire the securities. Value after tax is estimated according to the value of the share of equity of the relevant entities at year-end as well as their income and short-term earnings outlook. This involves using cash flow projections. When the shares have been listed on the stock exchange, the market capitalization of the last months is also considered.

When the equity securities and related receivables have a present value lower than their book value and the financial position is compromised, the equity securities are written down before carrying out the impairment of the related receivables (unless a specific situation justifies a different order of impairment).

Loans and other financial investments are recognized at their original value less any necessary estimated impairment.

Gross values (in thousands of euros)	Start of the period	Increase	Decrease	Reporting date
Intangible assets				
Other intangible assets	754	-	-	754
TOTAL	754	-	-	754
Property, plant and equipment				
Other property, plant and equipment	1,017	8	74	951
TOTAL	1,017	8	74	951
Financial investments				
Equity securities ⁽¹⁾	87,241	674	5	87,910
Receivables related to shareholdings	-	-	-	-
Loans	729	-	-	729
Other financial investments	98	6	-	104
TOTAL	88,069	679	5	88,743

(1) The upward change in this item is justified by the acquisition of shares in EXAIL HOLDING for €674 thousand.

The depreciation and amortization for the financial year amounted to €195 thousand. The total depreciation and amortization at 31 December 2024 was €950 thousand.

Note 3.2 Schedule of receivables

<i>(in thousands of euros)</i>	Gross amount	Due within one year	At more than one year
Loans	-	-	-
Receivables related to shareholdings	-	-	-
Other financial investments	104	-	104
Other trade receivables	135	135	-
Social Security and other organizations	2	2	-
State and other government authorities:			
• income tax	250	-	250
• value-added tax	77	77	-
• other	-	-	-
Group and associated companies	13,008	4,452	8,556
Other receivables	480	480	-
Prepaid expenses	86	86	-
TOTAL	14,142	5,233	8,910

The receivables at more than one year concern impaired receivables on subsidiaries and the tax receivable related to the option to carry back the deficit.

Receivables and payables are valued at their nominal value. Where applicable, receivables are written down to take into account any collection difficulties to which they may give rise.

Accrued income by statement of financial position item:

<i>(in thousands of euros)</i>	Amount
Other financial investments	8
Other trade receivables	-
State and other government authorities	-
Other receivables	-
Cash and cash equivalents	8
TOTAL	17

Note 3.3 Equity

<i>(in thousands of euros)</i>	Beginning of period	Capital increase or decrease	Allocation of income	Payment of dividends	Reporting date
Capital	17,425	-	-	-	17,425
Share premiums	11,268	-	-	-	11,268
Legal reserve	1,742	-	-	-	1,742
Other reserves	7,773	-	-	-	7,773
Retained earnings	42,858	-	14,739	-	57,597
N-1 income	14,739	-	(14,739)	-	-
TOTAL	95,805	-	-	-	95,805
Income (loss) for the period	-	-	-	-	(153)
TOTAL EQUITY AT CLOSING					95,652

The share capital consists of 17,424,747 shares with a par value of €1.

Note 3.4 Provisions

<i>(in thousands of euros)</i>	Start of the period	Increase	Decrease	Reporting date
Provisions for risks and charges	-			-
TOTAL (1)	-	-	-	-
Impairment of:				
● equity securities	9,599	79	1	9,676
● financial investments	729			729
● other receivables	8,819		263	8,556
TOTAL (2)	19,147	79	264	18,961
GRAND TOTAL (1) + (2)	19,147	79	264	18,961

The impairment of equity securities and other financial investments at year-end relates to:

● Shares in STONI	€5,525 thousand
● Shares in SCI DES CARRIÈRES	€2,788 thousand
● PRODWAYS GROUP shares	€781 thousand
● Shares in IROBOTICS	€307 thousand
● BALISCO shares	€275 thousand
● Loan granted to RYDER TOPCO	€729 thousand

The provisions on securities for the period (€79 thousand) concern PRODWAYS GROUP securities.

The impairments of other receivables related to advances granted to BALISCO and to a company that has been in liquidation for several years (BEMA INGENIERIE). The reversal of €263 thousand concerns the receivable from BALISCO.

Note 3.5 Net financial debt

3.5.1 AVAILABLE CASH AND CASH EQUIVALENTS

Transferable securities are recognized on the statement of financial position at their acquisition cost. Accrued interest earned on term accounts is recorded under investment income. A provision for impairment is recognized when the net asset value is less than the acquisition cost.

The "Cash and cash equivalents" item, which appears on the assets side of the statement of financial position at 31 December 2024 for an amount of €5,680 thousand, consists of cash for €5,558 thousand and transferable securities for €122 thousand.

On the assets side of the statement of financial position there are also 467,346 treasury shares held under liquidity contracts and share buybacks. At 31 December 2024, the carrying amount of the shares held amounted to €7,216 thousand for a market value (at the end of December 2024 price) of €8,113 thousand.

3.5.2 FINANCIAL DEBT

	Gross amount	< 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	> 5 years
Bank borrowings:							
● originally due within one year	-	-	-	-	-	-	-
● originally due in more than one year	361	144	124	93	-	-	-
Other borrowings and financial debt	23	23	-	-	-	-	-
TOTAL	384	167	124	93	-	-	-

Note 3.6 Operating payables and other liabilities

SCHEDULE OF DEBTS

<i>(in thousands of euros)</i>	Gross amount	Due within one year	At more than one year
Trade payables	472	472	-
Employees	72	72	-
Social Security and other social organizations	68	68	-
State and other government authorities:			
● Income tax ⁽¹⁾	416	416	-
● value-added tax	97	97	-
● other taxes and similar payments	4	4	-
Group and associated companies	213	213	-
Other liabilities	92	92	-
TOTAL	1,434	1,434	-

(1) This item includes debts to Group subsidiaries, as part of the tax consolidation.

Accrued liabilities by statement of financial position item:

<i>(in thousands of euros)</i>	Amount
Other borrowings and financial debt	1
Suppliers	272
Tax and social debts	126
Other liabilities	90
TOTAL	489

Note 4 Transactions with affiliate companies and related parties

Related parties are persons (Directors or managers of EXAIL TECHNOLOGIES or its main subsidiaries) or entities owned or managed by these persons. GORGÉ SA is the parent company of EXAIL TECHNOLOGIES.

The net amounts for the affiliate companies included in EXAIL TECHNOLOGIES SA's statement of financial position and income statement items for the financial year ended on 31 December 2024 are as follows:

<i>(in thousands of euros)</i>	Subsidiaries	GORGÉ SA	Subsidiaries and equity investments of GORGÉ SA
Trade accounts receivable	-	-	135
Current accounts receivable	9,418	-	1
Trade payables	-	182	-
Current accounts payable	213	-	-
Liabilities related to tax consolidation	416	-	-
Revenue	251	361	520
Purchases and external charges	-	494	-
Gross remuneration	-	-	-
Remuneration of the members of the Board of Directors	-	-	-
Other financial income	519	-	-
Financial expense	3	-	-

Some Directors have also been paid by the Company's subsidiaries in which they hold offices (€65 thousand in the form of directors' remuneration and €206 thousand in the form of fees).

All transactions between related parties are concluded under normal market terms and conditions.

Note 5 Off-statement of financial position commitments**Note 5.1 Off-statement of financial position commitments related to ordinary activities**

- Guarantee in the amount of €85 thousand granted to a banking institution to guarantee loans granted to STEDY PORTAGE; this guarantee is counter-guaranteed by the purchaser pending its substitution;
- Guarantee in the amount of €6.6 million granted to a financial institution to guarantee loans granted to EXAIL ROBOTICS; these guarantees are counter-guaranteed by the subsidiary EXAIL HOLDING.

In addition, the Company may have to deliver comfort letters or parent company guarantees to subsidiary customers or partners, under particular circumstances. The parent company guarantees given by EXAIL TECHNOLOGIES concerning BAUMERT (sold in 2022) were not counter-guaranteed by the buyer.

The subsidiary EXAIL HOLDING counter-guarantees all commitments made before September 2022 by EXAIL TECHNOLOGIES for the benefit of the companies of GROUPE ECA, pending its replacement.

Note 5.2 Complex commitments

There are commitments made by the EXAIL TECHNOLOGIES group in connection with acquisitions or disposals of companies. These commitments are detailed in the notes to the consolidated financial statements.

Note 5.3 Financial covenants

None.

Note 6 Subsidiaries and equity investments

<i>(in thousands of euros)</i>	Capital Equity	Share Dividends	Gross value of securities Net value of securities	Loans, advances Guarantees	Revenue Result
STONI	38	100 %	5,690	-	-
	165	-	165	-	1
SCI CARRIÈRES	1	100 %	2,844	-	-
	56	-	56	-	(1)
BALISCO	5	100 %	275	9,417	-
	(7,765)	-	-	-	(547)
PRODWAYS GROUP	25,812	0 %	911	-	2,754
	46,190	-	130	-	718
TROBOTICS	500	81 %	308	-	-
	-	-	-	-	-
WANDERCRAFT ⁽¹⁾	96	3 %	500	-	1,997
	11,554	-	500	-	(10,852)
EXAIL HOLDING	1,732	66 %	77,382	-	-
	195,354	-	77,382	-	(1,361)

(1) For WANDERCRAFT, the 2024 financial statements are not available; the figures provided relate to 2023.

Note 7 Other information**Note 7.1 Exceptional events and litigation**

The Group is involved in various legal proceedings. After reviewing each case and seeking counsel, the provisions considered necessary have, as applicable, been recorded in the financial statements.

Note 5.4 Commitments received

None.

Note 5.5 Pledges, guarantees and sureties

None.

Note 5.6 Retirement severance pay

The retirement severance pay was assessed at €2 thousand on the reporting date.

The assumptions used to estimate the retirement pay are as follows:

- departure at the employee's initiative (voluntary departure);
- assumed retirement age: 67 years;
- discount rate: 3.38%;
- loading rate: 45%;
- turnover: -35 years: 10%; 35-45 years: 7%; 45-55 years: 2%; > 55 years: 0%;
- salary increase rate: 2.50%;
- mortality table: 2018-2020.

Note 5.7 Financial instruments

None.

Note 7.2 Subsequent events

There were no significant events between 31 December 2024 and the date of the Board of Directors meeting that approved the separate financial statements.

4.2.5 STATUTORY AUDITORS' REPORT ON THE ANNUAL FINANCIAL STATEMENTS

(Financial year ended on 31 December 2024)

To the Shareholders' Meeting of EXAIL TECHNOLOGIES,

OPINION

In compliance with the assignment entrusted to us by your Shareholders' Meeting, we have audited the annual financial statements of EXAIL TECHNOLOGIES for the financial year ended on 31 December 2024, as appended to this report.

We hereby certify that the annual financial statements give a true and fair view of the assets and liabilities, the financial position, and the results of the Company's operations in accordance with French accounting principles.

The opinion expressed above is consistent with the content of our report to the Audit Committee.

BASIS FOR THE OPINION

Audit framework

We have conducted our review in accordance with the professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our responsibilities in view of these standards are set out in the section entitled "Statutory auditors' responsibilities regarding the audit of the annual financial statements" in this report.

Independence

We have conducted our audit in accordance with the rules of independence set out by the French Commercial Code and the Professional Code of Ethics for Statutory Auditors for the period from 1 January 2024 to the date on which our report was issued; in particular, we have not provided any services prohibited by article 5 (1) of Regulation (EU) No. 537/2014.

Justification of our assessment – key audit points

In accordance with the provisions 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 greatest significance for the audit of the annual financial statements of the financial year, as well as of how we addressed those risks.

These assessments were undertaken as part of the audit of the annual financial statements, taken as a whole, approved under the conditions previously mentioned, and of the opinion we formed and expressed above. We have not expressed an opinion on individual elements contained in these annual financial statements.

VALUATION OF EQUITY SECURITIES

Risk identified

At 31 December 2024, the equity securities were recorded on the statement of financial position for a net carrying amount of €78.2 million, i.e. more than 80% of the total assets. They are recognized on the date of purchase at their acquisition cost.

When the value in use of securities is lower than their net carrying value, a provision for impairment is recorded for the difference. The value in use is determined, where applicable, based on:

- the value of the share of equity of the investment;
- an analysis of the short-term results and profitability outlook of the investment, in particular through the use of cash flow projections; and
- when the equity securities are listed on the stock exchange, the market capitalization of the last months.

Estimating the value in use of these securities therefore requires management to exercise its judgment in selecting the items to be considered according to the investments concerned.

In this context, we considered the estimation of the value in use of equity securities to be a key audit point, given the significance of equity securities on the statement of financial position and the inherent uncertainty linked to the likelihood of the forecasts used to determine the value in use actually materializing.





Our response

Our work consisted in:

- obtaining an understanding of the value testing process implemented by management;
- assessing the appropriateness and permanence of the valuation method chosen by management and the figures used;
- comparing the data used to carry out impairment tests on equity securities with the accounting data or the market capitalization of recent months, where applicable;
- where applicable, analyzing the consistency of management's future cash flow projections with past achievements and our knowledge of the subsidiaries' activities.

We have also verified the appropriateness of the information presented in Notes 3.1 "Non-current assets" and 2.4 "Net financial income (expense)" of the notes to the annual financial statements.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law and regulations.

Information provided in the management report and in the other documents sent to the shareholders with respect to the financial position and the annual financial statements

We have no matters to report as to the fair presentation and consistency with the annual financial statements of the information given in the Board of Directors' management report and in the other documents sent to the shareholders on the financial position and the annual financial statements with the exception of the item below.

In application of the law, we hereby bring to your attention the fact that the information relating to customer payment terms specified by article D.441-6 of the French Commercial Code is incompletely discussed in the management report. Consequently, we cannot attest to their accuracy and fair presentation or their agreement with the annual financial statements.

CORPORATE GOVERNANCE REPORT

We hereby certify the inclusion, in the Board of Directors' report on corporate governance, of the information required by articles L.225-37-4, L.22-10-10 and L.22-10-9 of the French Commercial Code.

With regard to the information provided pursuant to the provisions of article L.22-10-9 of the French Commercial Code on remuneration and benefits paid or awarded to corporate officers, as well as the commitments granted to them, we verified that they were consistent with those of the Company's financial statements or with the data used to prepare these financial statements and, where applicable, with the information collected by your Company from the companies controlled by it that are included in the scope of consolidation. On the basis of this work, we certify the accuracy and fair presentation of this information.

Concerning the information relating to factors that your Company considers likely to have an impact in the event of a public tender or exchange offer, provided in application of the provisions of article L.22-10-11 of the French Commercial Code, we have verified its compliance with the documents from which it was taken and which were provided to us. On the basis of this work, we have no observations to make regarding this information.

Other information

Pursuant to French law, we have verified that the various information relating to the identity of shareholders and holders of voting rights has been properly disclosed in the management report.

OTHER VERIFICATIONS OR INFORMATION REQUIRED UNDER LEGAL AND REGULATORY TEXTS

Format of the annual financial statements intended to be included in the annual financial report

In accordance with the professional standards on the statutory auditors' work relating to the annual and consolidated financial statements presented in the single European electronic reporting format, we have also verified the compliance with this format, defined by Delegated Regulation (EU) 2019/815 of 17 December 2018, in the presentation of the annual financial statements intended to be included in the annual financial report mentioned in I of article L.451-1-2 of the French Monetary and Financial Code, prepared under the responsibility of the Chairman.

On the basis of our work, we conclude that the presentation of the annual financial statements intended to be included in the annual financial report complies, in all material respects, with the single European electronic reporting format.

It is not our responsibility to verify that the annual financial statements that will in effect be included by your Company in the annual financial report filed with the AMF correspond to those on which we carried out our work.

APPOINTMENT OF THE STATUTORY AUDITORS

RSM Paris was appointed as statutory auditors of EXAIL TECHNOLOGIES by your Shareholders' Meeting of 13 June 2018 and PricewaterhouseCoopers Audit by the Shareholders' Meeting of 17 June 2015.

At 31 December 2024, RSM Paris was in the seventh consecutive year of its mission and PricewaterhouseCoopers Audit was in the tenth year.

RESPONSIBILITIES OF MANAGEMENT AND THOSE IN CHARGE OF CORPORATE GOVERNANCE IN RELATION TO THE ANNUAL FINANCIAL STATEMENTS

It is the management's responsibility to prepare fair and accurate annual financial statements in compliance with French accounting principles, and to implement the internal control procedures which it deems necessary for the preparation of annual financial statements free of any material misstatements, whether resulting from fraud or errors.

In preparing the annual financial statements, it is the management's responsibility to assess the Company's ability to continue trading as a going concern, to present, where relevant, the necessary information relating to operating as a going concern, and to apply the going concern principle of accounting, unless there are plans to liquidate or cease the Company's activity.

The Audit Committee is responsible for monitoring the process of preparing financial information and monitoring the effectiveness of the internal control and risk management systems, as well as the internal audit, where applicable, as concerns the procedures relating to the preparation and processing of accounting and financial information.

These annual financial statements have been approved by the Board of Directors.

STATUTORY AUDITORS' RESPONSIBILITIES REGARDING THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS

Audit objective and approach

We are tasked with preparing a report on the annual financial statements. Our objective is to obtain reasonable assurance that the annual financial statements, taken as a whole, are free of material misstatements. Reasonable assurance means a high level of assurance, however without any guarantee that an audit conducted in accordance with professional standards will systematically detect any material misstatement. Misstatements may be the result of fraud or errors, and are considered material when, individually or combined, they can be reasonably expected to impact economic decisions taken based on the financial statements.

As set out in article L.821-55 of the French Commercial Code, our assignment to certify the financial statements does not involve guaranteeing the sustainability or quality of the management of your Company.





As part of an audit conducted in accordance with the professional standards applicable in France, the Statutory Auditor exercises professional judgement throughout the entire audit. Furthermore:

- the statutory auditor identifies and assesses the risk of material misstatement in the annual financial statements, whether the result of fraud or errors, defines and implements audit procedures to address such risks, and gathers adequate and appropriate information on which to form an opinion. The risk of not detecting a material misstatement resulting from fraud is higher than that of a material misstatement resulting from an error, given that fraud may imply collusion, falsification, willful omissions, false statements or the circumvention of internal control;
- the statutory auditor obtains an understanding of the internal control processes relevant to the audit, in order to define suitable audit procedures, and not for the purpose of expressing an opinion on the effectiveness of said internal control;
- the Statutory Auditor assesses the appropriateness of the accounting policies adopted and the soundness of the accounting estimates made by management, as well as the information concerning them provided in the annual financial statements;
- the Statutory Auditor 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 founded on information obtained up until the date of the report, it being specified, however, that subsequent circumstances or events may jeopardize business continuity. If the statutory auditors identify significant uncertainty, they highlight such uncertainty in their report by drawing readers' attention to the corresponding information presented in the annual financial statements, or, if this information has not been provided or is not relevant, issue certification with reserves or refuse to certify;
- the statutory auditor assesses the overall presentation of the annual financial statements and determines whether they provide a true and fair reflection of the underlying transactions and events.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also bring to its attention, where appropriate, the significant weaknesses of the internal control that we have identified with regard to the procedures relating to the preparation and processing of accounting and financial information.

Among the elements included in the report to the Audit Committee are the risks of material misstatement, which we consider having been the most significant for the audit of the annual financial statements for the financial year and which are therefore the key audit matters, which we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in article 6 of Regulation (EU) 537-2014 confirming our independence, within the meaning of the rules applicable in France such as they are set in particular by articles L.821-27 to L.821-34 of the French Commercial Code and the Professional Code of Ethics for Statutory Auditors. Where necessary, we discuss the potential risks to our independence and the safeguard measures applied with the Audit Committee.

Done in Neuilly-sur-Seine and Paris on 17 April 2025

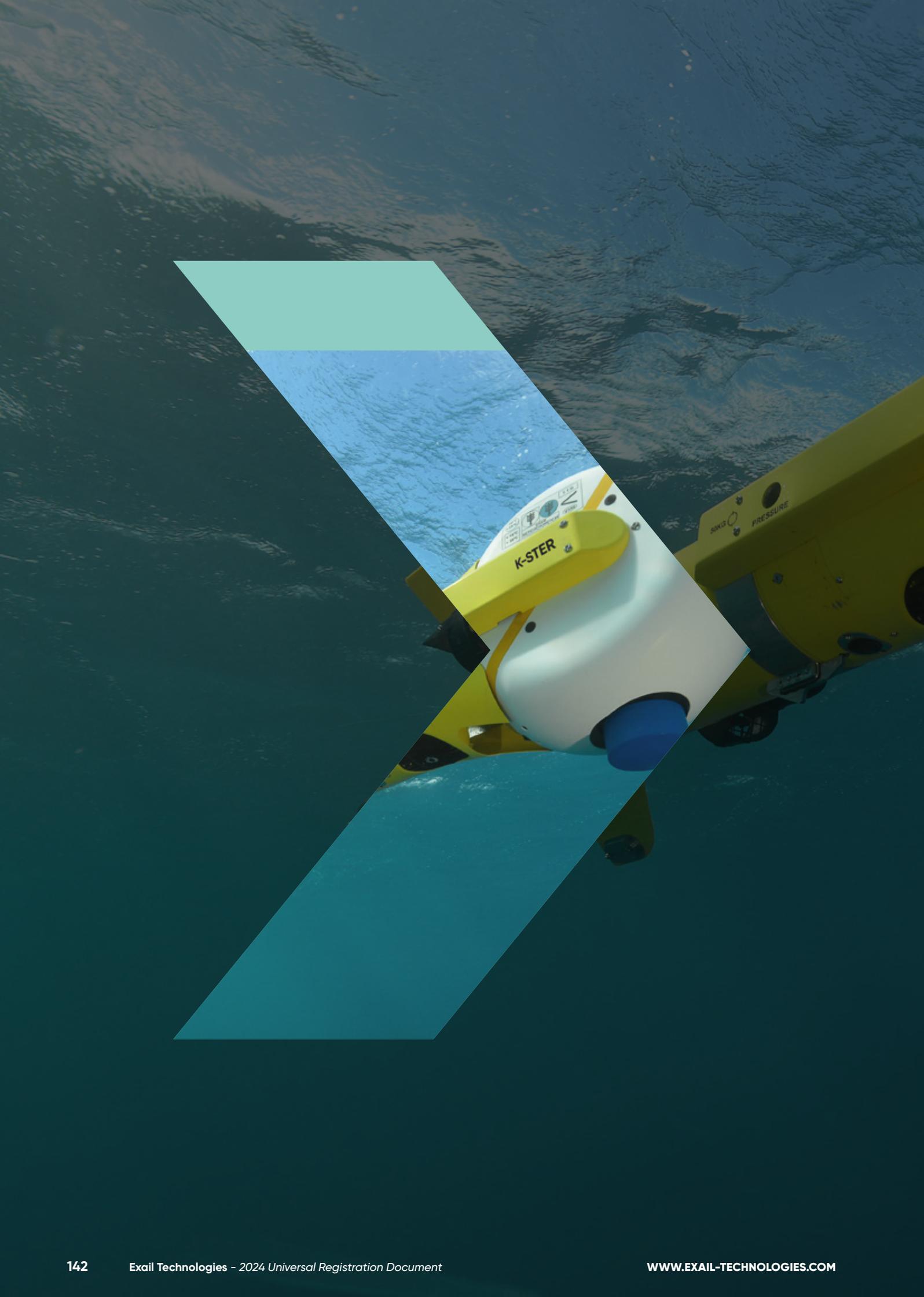
Statutory Auditors

PricewaterhouseCoopers Audit

Christophe Drieu

RSM Paris

Sébastien Martineau



5

INFORMATION ABOUT THE COMPANY, ITS SHARE CAPITAL AND SHAREHOLDERS

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5.1 INFORMATION ABOUT THE COMPANY

5.1.1 GENERAL INFORMATION

COMPANY NAME

EXAIL TECHNOLOGIES SA

PLACE OF REGISTRATION AND REGISTRATION NUMBER

RCS Paris 348 541 186 (France)

ISIN code FR0000062671 – EXA

DATE OF INCORPORATION AND TERM

EXAIL TECHNOLOGIES was formed on 3 November 1988. Its term is 99 years, to expire on 3 November 2087.

HEAD OFFICE, LEGAL FORM AND APPLICABLE LAW

Head office address:

30 rue de Gramont, 75002 Paris (France)

Telephone: +33 (0)1 44 77 94 77

The Company is awith a Board of Directors governed by French law.

LEGAL ENTITY IDENTIFIER (LEI)

549300EWC06TYV07XE53

5.1.2 CORPORATE CHARTER AND BYLAWS

CORPORATE OBJECT

As set forth in article 3 of the bylaws, the Company's purpose is to:

- undertake any transaction directly or indirectly related to managing the portfolio of transferable securities, buying and selling such securities and any related transactions, and investing liquidities;
- acquire, manage and transfer by any means holdings in any commercial or industrial companies;
- generally undertake any transaction directly or indirectly related to these purposes or to similar or related purposes.

PROVISIONS OF THE BYLAWS, A CHARTER OR REGULATIONS RELATED TO THE MEMBERS OF ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Pursuant to EXAIL TECHNOLOGIES' bylaws, the Board of Directors consists of 3 to 18 members subject to the exceptions provided for by law in the event of a merger. The term of office of the Directors is six years and is renewable.

Directors can be natural or legal persons. At the time of appointment, legal persons must appoint a permanent representative who is subject to the same conditions and obligations and incurs the same liability as if he or she were a Director in his/her own name, without prejudice to the joint and several liability of the legal entity he or she represents.

The number of Directors over the age of 70 may not exceed one third of the Directors in office. For the calculation of this ratio, the person of the founder of the Company, Mr. Jean-Pierre GORGÉ, is not taken into account in the number of Directors over the age of 70.

RIGHTS, PRIVILEGES AND RESTRICTIONS ATTACHING TO EACH CLASS OF EXISTING SHARES

There are no privileges or restrictions attached to certain shares or classes of shares.

"With respect to the percentage of share capital that they represent, double voting rights are conferred upon all fully paid-up shares which have been held in registered form for at least four (4) years in the name of the same shareholder. In the event of a capital increase by incorporating reserves, profits or premiums, this double voting right will be attached on the date of their issuance to the new registered shares allotted free of charge to a shareholder in consideration for the old shares giving rise to such right."

(Extract from article 12 of the bylaws)

GENERAL SHAREHOLDERS' MEETINGS

"Shareholders' Meetings are convened and deliberate under the terms and conditions set by the law.

Shareholder resolutions are made at Ordinary, Extraordinary or Special Shareholders' Meetings depending on the type of decision.

Shareholders' Meetings are convened by the Board of Directors, or, failing that, by those individuals named by the French Commercial Code, particularly the statutory auditors or a court-appointed agent as provided by law.

Meetings are held at the head office or in any other location stated in the convocation.

Shareholders' Meetings are convened as provided by the regulations in force.

Any shareholder, regardless of the number of shares he or she holds, has the right to attend and vote at the Shareholders' Meetings, whether in person, by proxy, or by remote voting, under the conditions and within the time limits laid down by the regulations in force.

Shareholders may, under the conditions laid down by the legislation in force, send their voting form by mail for any Shareholders' Meeting, either as a printed paper copy or, on a decision by the Board of Directors recorded in the meeting notice and the meeting notice, as an electronic copy.

Shareholders may, on a decision by the Board of Directors, attend and vote at any Shareholders' Meeting by means of video-conference or any means of telecommunication, under the conditions laid down by the regulations in force. This decision is included in the meeting notice published in the *Bulletin des Annonces Légales Obligatoires* (BALO). These shareholders are thereupon considered to be in attendance at the meeting, for the purpose of counting the *quorum* and majority.

Postal voting forms and proxies given to be represented at a Meeting may include the electronic signature of the shareholder or his or her legal or judicial representative using a procedure that complies with the requirements of article 1-316-4 al. 2 of the French Civil Code, i.e. a reliable identification process guaranteeing its link with the document to which it relates.

All shareholders have the right to access the documents required to be able to make an informed decision on the Company's management and situation.

The laws and regulations determine the type of documents as well as how they are sent and made available to shareholders.

The officers of the meeting certify as accurate the attendance sheet, duly signed by the attending shareholders and their proxies and to which shall be appended the powers of attorney awarded to each proxy and, where applicable, the vote-by-mail forms.

The meetings are presided over by the Chairman of the Board of Directors or, in his or her absence, by a Vice-Chairman or another Director specially appointed for this purpose by the Board. Failing such measures, the Shareholders' Meeting appoints the Chairman of the meeting itself.

The duties of scrutineer shall be performed by the two shareholders, present and accepting such duties, who hold the largest number of shares, either on their own behalf or as

proxy-holders. The officers so appointed shall appoint the Secretary, who does not need to be a shareholder.

The minutes of the meetings will be prepared and copies or excerpts of the proceedings will be certified in accordance with law.

Ordinary and Extraordinary Shareholders' Meeting, ruling under the conditions of *quorum* and majority required by the provisions that govern them respectively, exercise the powers granted to them by law. "

(Extract from article 22 of the bylaws)

CROSSING OF OWNERSHIP THRESHOLDS

The Company's bylaws include an obligation to report crossing the thresholds of 2%, 3% and 4%.

"In addition to the applicable regulation governing the crossing of thresholds, any physical or legal person who, alone or together, comes to hold or ceases to hold, in any manner whatsoever, a number of shares representing more than 2%, 3% or 4% of the capital or voting rights, is required to notify the Company within a period of ten calendar days from the crossing of one of these thresholds, of the number of shares, securities giving access to the share capital and voting rights attached thereto, that it holds. For the purposes of application of this statutory obligation, the participation thresholds are determined under the same conditions as legal participation thresholds.

In the event of non-compliance with the statutory requirement, the shares exceeding the undeclared fraction shall be deprived of voting rights for any Shareholders' Meeting held up until the expiry of a period of two years following the date of regularization, at the request, recorded in the minutes of the Shareholders' Meeting, of one or more shareholders holding 5% at least of the share capital. "

(Extract from article 10 of the bylaws)

5.2 SHARE CAPITAL

5.2.1 TOTAL SUBSCRIBED SHARE CAPITAL AND POTENTIAL SHARE CAPITAL

At 31 December 2024, the Company's share capital comprised 17,424,747 fully-paid up shares with a nominal value of €1 each.

There are no potential shares in the Company relating to stock option, stock warrant or free share allocation plans, or other securities that may be convertible, exchangeable or associated with stock warrants, or acquisition rights and/or obligations attached to subscribed but not paid-up capital. However, the EXAIL HOLDING and EXAIL SAS subsidiaries have plans for the allocation of free shares, stock options and the allocation of free preferred shares. These plans are described in Note 5.4 to the consolidated financial statements.

5.2.2 TREASURY SHARES

Share buybacks

The share buybacks in 2024 took place under the authorizations granted by the Shareholders' Meetings of 15 June 2023 and 18 June 2024.

A) NUMBER OF SHARES BOUGHT AND SOLD DURING THE FINANCIAL YEAR IN ACCORDANCE WITH ARTICLES L.225-208, L.225-209 AND L.225-209-1 OF THE FRENCH COMMERCIAL CODE AND AVERAGE PURCHASE AND SALE PRICE

In 2024, within the framework of the liquidity contract, 156,462 EXAIL TECHNOLOGIES shares were repurchased by the Company under the authorizations granted by the Shareholders' Meetings of 15 June 2023 and 18 June 2024. These shares were repurchased at an average price of €19.36 per share, for a total cost of €3,028,806. In addition, 152,890 EXAIL TECHNOLOGIES shares were sold in 2024 at an average price of €19.49 per share (total of €2,980,445).

In addition, EXAIL TECHNOLOGIES purchased 45,898 shares in 2024 outside its liquidity contract. These shares were acquired for €771 thousand, i.e. an average price of €16.80.

B) TRADING CHARGES

In 2024, the trading charges consisted of fees under the liquidity contract which amounted to €10,971.

C) THE NUMBER OF SHARES REGISTERED IN THE COMPANY'S NAME AT THE END OF THE FINANCIAL YEAR AND THEIR VALUE AT PURCHASE PRICE – FRACTION OF THE SHARE CAPITAL THAT THEY REPRESENT

At 31 December 2024, EXAIL TECHNOLOGIES held 16,950 treasury shares (i.e. 0.10% of its share capital) with a view to stabilizing the share price. EXAIL TECHNOLOGIES also held 450,396 treasury shares (i.e. 2.58% of its share capital). These shares are recognized for €7,216 thousand in the statement of financial position and were valued at €8,113 thousand at the stock market price of €17.36 at 31 December 2024.

The above number of shares and figures are given on the basis of a nominal value of €1 per share and 17,424,747 shares making up the share capital at 31 December 2024.

The treasury shares are recorded in the statement of financial position of EXAIL TECHNOLOGIES SA under "Cash and cash equivalents".

D) CANCELLATION OF COMPANY SHARES DURING THE 2024 FINANCIAL YEAR

During the 2024 financial year, the Company did not use the authorizations granted by the Combined Shareholders' Meetings of 15 June 2023 and 18 June 2024 to reduce the share capital by canceling shares owned by the Company up to 10% of the share capital for every 24-month period.

E) ALLOCATION OF SHARES BY PURPOSE

Repurchased shares may be used to:

- transfer shares when exercising the rights attached to securities giving access to the share capital by reimbursement;
- grant stock options to employees;
- cancel all or part of the shares thus repurchased;
- provide securities in payment or exchange for acquisitions;
- stabilize the share's stock market price.

Breakdown by objective of the treasury shares at 1 April 2025

At 1 April 2025, 3,048 shares were held with a view to stabilizing the stock market price and 450,396 shares were held with a view, where applicable, to the delivery of securities as part of external growth transactions.

Renewal of the share repurchase program – Description of the share repurchase program

The authorization of the Board of Directors, with the option of sub-delegation, to renew the share buyback program by the Company of its own shares will be requested at the Shareholders' Meeting of 25 June 2025 (10th resolution).

The purpose of this authorization is to enable the Company to trade in its treasury shares, as provided for by law, in order to:

- stimulate the secondary market or the liquidity of Company shares through the intermediary of an investment service provider under a liquidity contract that complies with the practices permitted by the regulations in effect. It should be noted that, in this context, the number of shares taken into account for the calculation of the aforementioned limit corresponds to the number of shares purchased, after deduction of the number of shares resold;
- retain the purchased shares and subsequently use them in payment or exchange in potential external growth transactions;
- provide coverage for stock option plans and/or free share allotments (or similar plans) for Group employees and/or corporate officers as well as all share allotments to Group or Company savings plans (or similar plans), under profit-sharing schemes and/or all other forms of share allotment to Group employees and/or corporate officers;
- provide coverage for transferable securities giving entitlement to the assignment of shares in the Company under the regulations in force;
- possibly cancel the acquired shares, in accordance with the authorization granted or to be granted by the Extraordinary Shareholders' Meeting; and
- more generally, carry out any objective authorized by law or any market practice approved by market authorities.

This authorization falls within the legal scope of article L.22-10-62 of the French Commercial Code:

- it would be valid for a maximum period of 18 months and, as from its adoption by the Shareholders' Meeting and for the remaining balance, it would cancel and replace any prior delegation of authority to the Board of Directors to allow the Company to trade in its own shares;
- the maximum amount of shares that may be acquired by the Board of Directors may not exceed 10% of the total number of shares comprising the share capital, it being specified that the Company may not hold at any time more than 10% of the shares comprising the share capital and that the limit is 5% in the event of the acquisition of shares with a view to their subsequent delivery in payment or exchange in the context of a merger, spin-off or contribution;
- the maximum purchase price per share would be set at €70.

In the event that the capital is increased through capitalization of reserves and allocation of free shares, as well as in the event of a share split, reverse share split or any other transaction affecting equity, the Shareholders' Meeting would delegate to the Board of Directors the power to adjust the aforementioned prices in such a way as to allow for the impact of such transactions on the share value.

The Board of Directors may not, without the prior authorization of the Shareholders' Meeting, use the delegation of authority

as from the filing by a third party of a draft public offer for the Company's shares, until the end of the offer period.

It is understood that these transactions must be performed in compliance with the rules laid down in articles 241-1 to 241-7 of the General Regulation of the French Financial Markets Authority (Autorité des Marchés Financiers) as regards market trading conditions and timing.

5.2.3 ADDITIONAL INFORMATION ON THE SHARE CAPITAL

Table of the history of the development of the Company's share capital

Date	Operations	Number of shares before	Number of shares after	Par value (in euros)	Additional paid-in capital (in euros)	Share capital after (in euros)
24 February 1998	Capital increase (listing on secondary market)	900,000	1,050,000	FRF 10	FRF 29,822,332	FRF 10,500,000
25 February 2000	Capital increase by incorporating an amount deducted from the issuance premium line item	1,050,000	1,050,000	FRF 32.79	FRF (23,937,742.50)	FRF 34,429,500
25 February 2000	Conversion of share capital into euros and a share capital increase to take into account the exchange rate	1,050,000	1,050,000	5	(3,649,285.32)	5,250,000
18 February 2005	Stock split to reduce the nominal value of the Company's shares from €5 to €1	1,050,000	5,250,000	1	-	5,250,000
24 November 2005	Capital increase following a conversion of bonds	5,250,000	6,183,689	1	12,183,158.06	6,183,689
25 July 2007	Capital increase following a dividend payment in shares	6,183,689	6,323,321	1	2,073,535.20	6,323,321
30 June 2009	Reduction of the share capital by allocation to a share premium account	6,323,321	6,323,321	0.01	6,260,087.79	63,233.21
	Capital increase resulting from the merger-absorption of BALISCO	6,323,321	11,553,735	0.01	689,581.79	115,537.35
27 July 2009	Increase in the nominal value of the shares by incorporating the premium	11,553,735	11,553,735	1	(11,438,197.65)	11,553,735
22 April 2010	Capital increase resulting from the acquisition of shares granted under a free share allocation plan	11,553,735	11,574,403	1	-	11,574,403
27 December 2011	Capital increase in cash	11,574,403	12,731,843	1	7,500,211.20	12,731,843
8 June 2012	Dividend payment taken from the premiums	12,731,843	12,731,843	1	(1,363,158.42)	12,731,843
6 June 2013	Charging of a portion of 2012 losses against the additional paid-in capital	12,731,843	12,731,843	1	(1,422,063.89)	12,731,843
6 June 2013	Dividend payment taken from the premiums	12,731,843	12,731,843	1	(4,074,189.76)	12,731,843
11 March 2014	Capital increase following the exercise of share issue warrants	12,731,843	12,781,843	1	1,011,167.45	12,781,843



Date	Operations	Number of shares before	Number of shares after	Par value (in euros)	Additional paid-in capital (in euros)	Share capital after (in euros)
26 March 2014	Capital increase following the exercise of share issue warrants	12,781,843	12,881,843	1	1,769,798.00	12,881,843
3 April 2014	Capital increase following the exercise of share issue warrants	12,881,843	12,981,843	1	1,852,223.10	12,981,843
15 July 2014	Capital increase following the exercise of share issue warrants	12,981,843	13,031,843	1	854,808.15	13,031,843
8 December 2014	Capital increase following the exercise of share issue warrants	13,031,843	13,081,843	1	934,437.50	13,081,843
9 April 2015	Capital increase following the exercise of share issue warrants	13,081,843	13,156,843	1	1,519,302.30	13,156,843
15 April 2015	Capital increase following the exercise of share issue warrants	13,156,843	13,181,843	1	506,434.10	13,181,843
8 July 2015	Capital increase following the exercise of share issue warrants	13,181,843	13,231,843	1	1,123,978.95	13,231,843
15 July 2015	Capital increase following the exercise of share issue warrants	13,231,843	13,281,843	1	1,122,971.95	13,281,843
7 October 2015	Capital increase following the exercise of share issue warrants	13,281,843	13,311,843	1	600,921.67	13,311,843
14 October 2015	Capital increase following the exercise of share issue warrants	13,311,843	13,366,843	1	1,100,697.89	13,366,843
30 March 2016	Capital increase following the exercise of share issue warrants	13,366,843	13,409,843	1	861,951.80	13,409,843
30 May 2016	Capital increase resulting from the acquisition of shares granted under a free share allocation plan	13,409,843	13,424,843	1	-	13,424,843
31 May 2016	Capital increase following the exercise of share issue warrants	13,424,843	13,439,843	1	296,033.70	13,439,843
10 October 2016	Capital increase following the exercise of share issue warrants	13,439,843	13,444,843	1	90,543.40	13,444,843
20 October 2016	Capital increase following the exercise of share issue warrants	13,444,843	13,449,843	1	89,163.00	13,449,843
21 October 2016	Capital increase following the exercise of share issue warrants	13,449,843	13,454,843	1	89,163.00	13,454,843
25 October 2016	Capital increase following the exercise of share issue warrants	13,454,843	13,459,843	1	89,360.20	13,459,843
9 December 2016	Capital increase following the exercise of share issue warrants	13,459,843	13,469,843	1	179,509.20	13,469,843
14 December 2016	Capital increase following the exercise of share issue warrants	13,469,843	13,474,843	1	89,163.00	13,474,843
26 December 2016	Capital increase following the exercise of share issue warrants	13,474,843	13,484,843	1	179,312.00	13,484,843
28 December 2016	Capital increase following the exercise of share issue warrants	13,484,843	13,489,843	1	89,656.00	13,489,843
29 December 2016	Capital increase following the exercise of share issue warrants	13,489,843	13,495,843	1	108,947.88	13,495,843
27 January 2017	Capital increase following the exercise of share issue warrants	13,495,843	13,502,843	1	114,913.02	13,502,843
30 December 2020	Capital increase resulting from the merger-absorption of ECA	13,502,843	17,424,747	1	1,699,881.27	17,424,747
14 December 2021	Withholding on the premiums for the exceptional distribution in kind of PRODWAYS GROUP shares	17,424,747	17,424,747	1	(16,443,266.00)	17,424,747

Table of delegations valid on 24 March 2025 granted by the Shareholders' Meeting to the Board of Directors in the area of capital increases

Date	Delegation	Validity	Maximum nominal amount	Use
CSM of 15/06/2023 (17 th resolution)	Delegation of authority to increase the share capital by incorporation of reserves, profits and/or premiums	26 months	€5,000,000	None
CSM of 15/06/2023 (18 th resolution)	Delegation of authority to issue ordinary shares giving, as applicable, access to ordinary shares (of the Company or a Group company) or entitlement to the allocation of debt securities and/or transferable securities giving access to ordinary shares to be issued (by the Company or a Group company) with shareholders' pre-emptive subscription rights	26 months	€5,000,000 ⁽¹⁾ €50,000,000 ⁽²⁾ (transferable securities representing receivables giving access to the share capital)	None
CSM of 15/06/2023 (19 th resolution)	Delegation of authority to issue ordinary shares giving access to ordinary shares (of the Company or a Group company) or to the allocation of debt securities, and/or transferable securities giving access to ordinary shares to be issued (by the Company or by a Group company), with cancellation of the shareholders' pre-emptive subscription rights, by public offering (excluding the offers referred to in I of article L.411-2 of the French Monetary and Financial Code) and/or in consideration of securities in the context of a public exchange offer	26 months	€5,000,000 ⁽¹⁾ €50,000,000 ⁽²⁾ (transferable securities representing receivables giving access to the share capital)	None
CSM of 15/06/2023 (20 th resolution)	Delegation of authority to issue ordinary shares giving, as applicable, access to ordinary shares (of the Company or a Group company) or entitlement to the allocation of debt securities and/or transferable securities giving access to ordinary shares to be issued (by the Company or a Group company), with cancellation of the shareholders' pre-emptive subscription rights, by an offer referred to in I of article L.411-2 of the French Monetary and Financial Code (private placement)	26 months	€3,000,000 (legal limit of 20% of the share capital per year) €30,000,000 ⁽²⁾ (transferable securities representing receivables giving access to the share capital)	None
CSM of 15/06/2023 (21 st resolution)	Determining the terms for setting the subscription price in the case of cancellation of the pre-emptive subscription rights, subject to the annual limit of 10% of the share capital	26 months	10% of the share capital per year, for an issue of ordinary shares or transferable securities pursuant to the 19 th and 20 th resolutions of the CSM of 15 June 2023	None
CSM of 15/06/2023 (22 nd resolution)	Delegation of authority to increase the number of securities to be issued in the event of excess demand during a capital increase pursuant to the 19 th and 20 th resolutions of the CSM of 15 June 2023	26 months	15% of the amount of the initial issue (according to articles L.225-135-1 and R.225-118 of the French Commercial Code) ⁽³⁾	None
CSM of 15/06/2023 (23 rd resolution)	Delegation to increase the share capital by issuing ordinary shares and/or transferable securities giving access to the share capital up to a limit of 10% of the share capital in order to remunerate contributions in kind of shares or transferable securities giving access to the share capital	26 months	10% of the share capital	None
CSM of 15/06/2023 (24 th resolution)	Delegation of authority to increase the share capital for the benefit of the members of a company savings plan.	26 months	3% of the Company's share capital	None

(1) This ceiling includes the nominal amount of the share capital increases that may be carried out pursuant to the 18th, 19th, 20th and 22nd resolutions of the Combined Shareholders' Meeting of 15 June 2023.

(2) This ceiling includes the nominal amount of the capital increases that may be carried out pursuant to the 18th, 19th and 20th resolutions of the Combined Shareholders' Meeting of 15 June 2023.

(3) With deduction from the overall ceiling provided for in the 18th resolution of the Combined Shareholders' Meeting of 15 June 2023.

The renewal of these financial delegations will be submitted to the Shareholders' Meeting of 12 June 2025 (see Chapter 7).

5.3 SHAREHOLDING

5.3.1 BREAKDOWN OF SHARE CAPITAL AND VOTING RIGHTS

The share capital and voting rights break down as follows:

	31 December 2024				31 December 2023				31 December 2022			
	Shares	% of share of capital	Voting rights exercisable at SM ⁽¹⁾	% of voting rights exercisable at SM	Shares	% of share of capital	Voting rights exercisable at SM ⁽²⁾	% of voting rights exercisable at SM	Shares	% of share of capital	Voting rights exercisable at SM ⁽²⁾	% of voting rights exercisable at SM
GORGÉ SA ⁽¹⁾	7,432,071	42.65%	14,752,899	60.03%	7,432,071	42.65%	14,675,899	59.76%	7,432,071	42.65%	14,675,899	59.46%
Raphaël GORGÉ	98,969	0.57%	181,200	0.74%	88,969	0.51%	171,200	0.70%	88,969	0.51%	171,200	0.69%
Jean-Pierre GORGÉ	118,449	0.68%	143,689	0.58%	115,409	0.66%	140,649	0.57%	115,409	0.66%	140,649	0.57%
GORGÉ family	7,646,489	43.90%	15,077,788	61.35%	7,636,449	43.83%	14,987,748	61.03%	7,636,449	43.83%	14,987,748	60.72%
Treasury shares	467,346	2.68%	-	-	417,663	2.40%	-	-	327,086	1.88%	-	-
Public	9,307,912	53.42%	9,498,747	38.65%	9,370,635	53.78%	9,570,898	38.97%	9,461,212	54.30%	9,694,126	39.28%
TOTAL	17,424,747	100%	24,576,535	100%	17,424,747	100%	24,558,646	100%	17,424,747	100%	24,681,874	100%

(1) GORGÉ SA is the holding company of the GORGÉ family. Control of this company is exercised by Raphaël GORGÉ and the percentage of voting rights held by him and his father Jean-Pierre GORGÉ amounts to 92%.

(2) The voting rights exercisable at the Shareholders' Meeting do not include treasury shares. The number of theoretical votes may be obtained by adding the number of votes exercisable at the Shareholders' Meeting to the number of treasury shares.

In 2024, 27,000 additional shares held by acquired double voting rights.

AMUNDI declared that it had crossed above the statutory threshold of 4% of the Company's share capital in January, then crossed below the same in July. Subsequently, AMUNDI declared that it had crossed above the threshold of 3% of the voting rights in March 2024, then crossed below the same in April 2024.

To the Company's knowledge, since the reporting date, no significant changes in shareholding have occurred and there are no shareholders, other than those mentioned above, directly or indirectly holding 5% or more of the Company's share capital or voting rights.

5.3.2 VOTING RIGHTS OF THE MAJOR SHAREHOLDERS

In accordance with the Company's bylaws, EXAIL TECHNOLOGIES shares that have been held in registered form for more than four years carry double voting rights. As such, GORGÉ SA holds a certain number of shares with double voting rights (see table above).

To the Company's knowledge no shareholder's or other agreement exists that could result in a change of control of the Company.

5.3.3 CONTROLLING SHAREHOLDERS

The Company is controlled by the GORGÉ family through GORGÉ SA.

Independent Directors sit on the Board of Directors of EXAIL TECHNOLOGIES. Having Independent Directors (who have no

association with the Company, its group or its management that is such as to influence their free judgment) ensures that there is no abuse or misuse of power as these Independent Directors could take the appropriate action if any such abuse were discovered. One of these Directors is also Chairman of the Company's Audit Committee.

5.3.4 INFORMATION LIABLE TO HAVE AN IMPACT IN THE EVENT OF A PUBLIC OFFER

Holders of shares registered in their names for more than four years enjoy double voting rights.

The Company is controlled by the GORGÉ family through GORGÉ SA.

5.3.5 EMPLOYEE SHAREHOLDING

The Group's existing share subscription or purchase option plans, free share grants and warrant grant plans are described in Note 5.4 to the consolidated financial statements.

In accordance with the provisions of article L.225-102 of the French Commercial Code, it should be noted that at 31 December 2024:

- no employees' shares were held under collective management;
- Group employees hold 19,610 EXAIL TECHNOLOGIES registered shares following the acquisition of shares under free share allocation plans.

5.4 FINANCIAL COMMUNICATION (FINANCIAL CALENDAR, SHARE PERFORMANCE, DIVIDEND POLICY, ETC.)

5.4.1 STOCK MARKET INFORMATION

CHANGE IN PRICE AND VOLUME TRADED ON EURONEXT

Month	High (in euros)	Low (in euros)	Number of shares traded	Capital (in euros)
January 2024	22.40	18.62	327,444	6,853,646
February 2024	23.00	21.05	346,942	7,597,459
March 2024	23.75	20.90	470,730	10,539,418
April 2024	24.60	17.78	816,242	17,315,724
May 2024	22.50	19.68	335,872	7,119,540
June 2024	22.40	15.70	427,113	7,726,314
July 2024	20.50	16.22	371,143	6,757,438
August 2024	18.16	15.80	150,811	2,573,091
September 2024	18.24	17.24	140,656	2,497,103
October 2024	18.84	17.00	227,444	4,084,649
November 2024	20.10	17.02	250,817	4,680,961
December 2024	17.62	16.10	216,894	3,668,342

Source: Euronext.

EXAIL TECHNOLOGIES' shares are listed in compartment B of Euronext Paris. Compartment B comprises listed companies with a market capitalization between €150 million and €1 billion.

Since 1 April 2014, EXAIL TECHNOLOGIES meets all the eligibility criteria for the French PEA-SME tax-efficient investment regime (in accordance with Decree No. 2014-283), i.e. it has fewer than 5,000 employees and has annual revenue of less than €1,500 million or total assets of less than €2,000 million. These criteria apply to the entire Group.

EXAIL TECHNOLOGIES is also included in the Euronext PEA-PME index. This index, compiled by Euronext and launched in 2013, comprises 150 stocks from its listed SME and mid-tier firms which qualify as PEA-SMEs.

EXAIL TECHNOLOGIES is also included in the Euronext Tech Leaders index. This index, created by EURONEXT, was launched in 2022 and includes nearly 110 securities taken from the list of SMEs and mid-tier firms.

In addition, the EXAIL TECHNOLOGIES share is admitted to the long-only SRD.

5.4.2 DIVIDEND DISTRIBUTION POLICY

The Company intends to pay dividends, but it has not defined a systematic policy with respect to the apportionment of its profits between dividends and the financing of its operations.

The dividends approved by the Shareholders' Meeting in previous financial years totaled:

- 2020: dividend per share of €0.32 (17,424,747 shares), or a total dividend of €5,575,919.04;
- In December 2021, the Company also made an exceptional distribution in kind of PRODWAYS GROUP shares (three PRODWAYS GROUP shares for two EXAIL TECHNOLOGIES shares), representing the equivalent of, at the stock market price on the day of the distribution, €4.11 per share. No cash dividends were distributed;
- 2022: None;
- In June 2023, the Company also made an exceptional distribution in kind of PRODWAYS GROUP shares (one PRODWAYS GROUP shares for six EXAIL TECHNOLOGIES shares), representing the equivalent of, at the stock market price on the day of the distribution, €0.27 per share. No cash dividends were distributed;
- 2024: None.

5.4.3 INFORMATION DOCUMENTS

The Company communicates with its shareholders primarily via its website (www.exail-technologies.com), its Twitter account and the financial press agency ACTUSNEWSWIRE.

The quarterly, half-yearly and annual financial results are disclosed in press releases according to the indicative timetable below:

- First quarter 2025 revenue: 16 April 2025;
- Shareholders' Meeting: 25 June 2025;
- Second quarter 2025 revenue: 23 July 2025;
- HY 2025 financial results: 22 September 2025;
- Third quarter 2025 revenue: 23 October 2025;
- Fourth quarter 2025 revenue: mid-February 2026.

The communication concerning the results of the 2024 financial year took place on 25 March 2025.

During the period of validity of the Universal Registration Document, the following documents may be consulted at the Company's head office:

- the latest updated version of the Company's bylaws;
- all reports, correspondence and other documents part of which is included or referred to in this Universal Registration Document.

The annual reports are available at the Company's head office, 30 rue de Gramont – 75002 Paris, as well as on the

website www.exail-technologies.com. The Company's press releases are relayed via professional broadcasting services (ACTUSNEWSWIRE) that can be consulted on the main stock exchange websites, accessible to all audiences, such as BOURSORAMA, BOURSIER.COM, EURONEXT, etc.

The Company's website contains all of EXAIL TECHNOLOGIES' up-to-date financial information. All EXAIL TECHNOLOGIES' press releases are readily available on it, as are all documents of relevance to shareholders such as Registration Documents, half-year consolidated financial statements and information on share buybacks.

EXAIL TECHNOLOGIES participates in small and/or mid cap events and road shows, as well as in other events throughout the year, at which the Group presents its activities and results to analysts, investors and shareholders. The Group also organizes investor and analyst visits during the Group's most important trade exhibitions throughout the year.

A Securities Service directly administers fully registered shares free of charge. Shareholders wishing to register their shares in this form may do so by sending their request to UPTÉVIA, Services Financiers Émetteurs, 90-110 esplanade du Général de Gaulle, 92931 Paris La Défense Cedex, or by making a request to their usual banker.

Our shareholder/investor contact, ACTUS FINANCE (52, rue de Ponthieu – 75008 Paris), is available for all questions about news and the various press releases about the Group.





SUSTAINABILITY STATEMENT

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6.1 GENERAL INFORMATION (ESRS 2)

6.1.1 METHODOLOGICAL NOTE

EXAIL TECHNOLOGIES' sustainability report is aligned with the European Sustainability Reporting Standards (ESRS). These standards cover all environmental, social and governance (ESG) dimensions in the publication of the Company's non-financial information.

The Group's sustainability report is based on a double materiality approach, incorporating both the impact of EXAIL TECHNOLOGIES on the environment and society, as well as the influence of environmental and social issues on the Company's performance. This report takes into consideration all stakeholders, in particular employees, investors, customers, subcontractors and suppliers with whom the Group interacts. It also includes an analysis of the sustainable development impacts, risks and opportunities facing EXAIL TECHNOLOGIES. To this end, EXAIL TECHNOLOGIES collected and consolidated data from all its activities, across its entire value chain.

EXAIL TECHNOLOGIES responds in accordance with Order no. 2023-1142 of 6 December 2023, which transposes EU Directive 2022/2464 of 14 December 2022, known as the Corporate Sustainability Reporting Directive (CSRD), into French law, which concerns the publication of sustainability information by companies.

In accordance with the CSRD, the sustainability report is audited by a Statutory Auditor in charge of certifying the sustainability-related information, with a limited level of assurance. The Group places corporate social responsibility (CSR) at the heart of its strategy and is committed to a proactive approach to continuous improvement of its social, environmental and economic impact.

The sustainability statement has been prepared on a consolidated basis identical to the scope of the consolidated financial statements. The sustainability statement therefore covers the Group, including its foreign subsidiaries.

The integration of upstream and downstream stakeholders in the sustainable materiality assessment process was necessary in particular to identify significant impacts across the entire value chain. The entire chain was covered. In the materiality analysis, the Company includes the impacts, risks and opportunities related to its upstream and downstream value chain. In short, EXAIL TECHNOLOGIES' sustainability statement illustrates a desire to optimize its environmental and social impacts throughout its value chain, taking them into consideration from the design phase to the use of products by customers.

The resulting policies, actions and objectives will also take into consideration the Company's entire value chain.

The following will not be disclosed: information relating to intellectual property, know-how or the results of innovation considered confidential.

The time horizons used in our materiality analysis were defined according to the short, medium, long and very long terms. These projections have been defined as follows: the short-term represents two financial years, the medium-term two to five years, the long term five to ten years, and the very long term beyond ten years. These time horizons enabled us to characterize the potential impact over time of all of the identified topics and issues.

For this first exercise, we chose to calculate the occurrence over time on the basis of a short-term horizon set at two years. This decision aimed to incorporate a perspective covering not only the current financial year, but also a slightly extended period to better anticipate emerging issues. This analysis was carried out in 2024, which led us to adopt this adapted temporary horizon. However, in order to ensure full compliance with the reference texts, the short-term horizon will be reduced to one year at the next update of the double materiality analysis. This update will align our methodology with current regulatory requirements and best practices.

The financial assessment of the risks and opportunities indicates uncertain estimated amounts due to the impossibility of confirming the accuracy of the impact to date. We therefore measured the impact by range of amounts of net income, representing an amount equivalent to the percentage of revenue.

In addition to its own analysis, the Company relied on indicators and data from indirect sources. Part of the value chain analysis was carried out on the basis of CSR or sustainability reports from other players in the chain (suppliers, partners, customers). These documents make it possible to obtain reliable and verified information and thus assess a large part of the issues and impacts, at all levels of the value chain.

We also interviewed players in the chain directly through questionnaires and additional interviews.

The objective will be to refine this analysis year by year by including a greater number of players in the discussion and by continuing joint efforts to improve our environmental and societal impact.

The data presented in EXAIL TECHNOLOGIES' carbon assessment include a certain level of uncertainty concerning the Scope 3 emissions, due to the complexity of the calculation methods and the possible variations in the parameters considered. These uncertainties may be related to consumption estimates, emission factors or other factors that may vary depending on the specific conditions of each activity or supplier.

To ensure maximum transparency, we have chosen to document the assumptions underlying these data. In the dedicated section of our statement, we will provide a detailed overview of the methods used, as well as details of the data sources and the methodological choices adopted. This approach aims to clarify the potential impact of these uncertainties on our results and to provide a better understanding of our sustainability commitment. We are committed to providing reliable information while recognizing the inherent limits of any carbon assessment.

Lastly, the sustainability report incorporates information by reference to the management report of EXAIL TECHNOLOGIES, for data points related to governance and for the risk management process.

6.1.2 GOVERNANCE OF EXAIL

Organizational structure

- **EXAIL TECHNOLOGIES:** listed parent company of EXAIL HOLDING, which owns EXAIL SAS. The Group approves the operations and strategy of EXAIL SAS through the Supervisory Board of EXAIL HOLDING.
- **EXAIL HOLDING:** subsidiary of EXAIL TECHNOLOGIES, which owns EXAIL SAS.
- **EXAIL SAS:** operational subsidiary managed by Executive Management and the Executive Committee of EXAIL (which includes Executive Management, the Operational Activities Department, the Sales Department, and the Cross-functional Central Services Departments).

For more details, see the Group organization chart in section 1.2.3 of the previous Universal Registration Document.

EXAIL's operational organization is based on three pillars

- **Operational activities** organized as much as possible in integrated teams on a human scale. The activities are grouped into **two segments** in order to promote joint work, synergies and the development of common strategies:

- Navigation & Maritime Robotics;
- Advanced technologies.

The description of the activities of the two segments is presented in Chapter 1 of this Universal Registration Document.

- A **sales function** that enables us to benefit from our global presence for the benefit of all activities. Global Sales is

organized into five Sales Departments and a Customer Support Department:

- Americas;
- Asia Pacific (APAC);
- Europe, Middle East, Africa (EMEA);
- Mine warfare;
- Photonics;
- Customer support.

The three Regional Sales Departments handle sales in the Group's three main regions of operation (Americas, APAC, EMEA), while the two Specialized Sales Departments (Mine Warfare, Photonics) handle worldwide sales concerning their specific solutions.

- **Five central cross-functional departments** whose mission is to support the operational activities and global sales: Finance (including Group cross-functional purchasing), IT & IS, Legal & Compliance, Marketing & Communication and Human Resources.

In addition to the five teams mentioned above, there are also:

- the Quality, Safety and Environment (QSE) Department;
- the Corporate Social Responsibility (CSR) Department.

QSE and CSR operate differently from the other central services: the QSE teams report to the divisions and activities and there is no CSR team attached to the central CSR Department. QSE and CSR work cross-functionally with the divisions and other EXAIL teams.

EXAIL's business ethics and compliance governance

Within the EXAIL TECHNOLOGIES group, business ethics and compliance, in the broad sense of "compliance", are functionally handled by the Compliance Team within the Legal and Compliance Department, itself co-led by the Legal Director and the Group Compliance Director, both of whom report directly to Executive Management.

The Compliance Director, with his own team in the Compliance Department and as part of a team integrated with the Legal Department, is more specifically responsible for the following matters relating to compliance within the Group:

- export control;
- international sanctions and embargoes;
- anti-corruption;
- protection of personal data.





These issues are addressed through dedicated internal compliance programs, coordinated with each other in a consistent and relevant manner, involving all relevant internal operational contributors.

The Compliance Director is responsible for (i) managing internal projects for the deployment or improvement of compliance-related issues and (ii) coordinating compliance programs.

The Compliance Director reports to EXAIL's Trade Compliance Committee (TCC), which (i) validates the launch of and supervises the internal compliance projects and (ii) oversees the compliance programs. He also hears the TCC as necessary for operational compliance points falling within its remit (e.g. assessment of certain third parties in connection with the anti-corruption program, decisions to take action with regard to certain countries subject to international sanctions or embargoes).

The TCC is composed of the following members, meeting according to the subject to be discussed:

- Chief Executive Officers, members of the Management Board of EXAIL SAS;
- Financial Director;
- Group Commercial Director;
- Legal Director;
- Heads of divisions.

All members of the TCC are signatories of the Ethics Charter, which binds individually any person who may be involved in the processing of an internal report, as stipulated in EXAIL's internal whistleblowing procedure (see Section 6.4.3.3).

The Compliance Director also regularly informs the Group Executive Committee of the progress of the projects for which he is responsible and the results obtained.

Lastly, the Compliance Director responds to requests from the Audit Committee of EXAIL TECHNOLOGIES for any matter pertaining to compliance issues.

Risk management process

Our Company has a risk analysis and management process that takes into account all risks, including those related to sustainability. This framework provides us with a comprehensive understanding of potential threats and mitigation levers. For more details on the main features and components of the risk management processes and systems, see Chapter 2 of this Universal Registration Document. The risk assessment approach and risk prioritization methodology are also outlined in said chapter.

We have deepened and supplemented our risk management approach by incorporating a detailed analysis of the impacts, risks and opportunities specific to sustainability within our double materiality matrix. This approach, described in Section **6.1.8 "Procedure for managing IROs and double materiality"** (ESRS 2 IRO-1), strengthens our ability to identify and prioritize sustainability issues, by aligning our strategic decisions with our environmental, social and governance (ESG) commitments.

Our IT tools (ERP, tools) make it possible to compile the data reliably.

In addition, a review process comprising several phases has been set up: review of the consistency with the standard and review of the form by the ESRS leaders and Management.

We are committed to continuously improving our processes and increasing the transparency of our practices.

6.1.3 SUSTAINABILITY GOVERNANCE

The GOV-1, GOV-2 and GOV-3 DR of the ESRS 2 are addressed by reference in Chapter 3 of this Universal Registration Document.

6.1.4 PRESENTATION OF ESG ACTIVITIES AND STRATEGY

Main products and services of EXAIL and its markets

EXAIL TECHNOLOGIES is a very high-tech industrial company addressing both the civil and defense sectors. On the basis of its technologies, it develops products, systems and solutions with very high added value for the maritime, land, aeronautics and space sectors.

At the heart of EXAIL are the women and men who, through their skills, talents, commitment and passion, make EXAIL successful every day and for the future.

The Company is present and operates worldwide and provides its customers with 24-hour support for a large part of its offer.

At EXAIL, customers are at the heart of priorities, from product design to the implementation of comprehensive and personalized support services throughout the product life cycle (technical support and maintenance, user training, after-sales service). Within a unified Sales Department, EXAIL has organized its customer support on an international scale with support teams spread over a dozen countries, offering effective intervention capacity in every time zone. EXAIL works to organize a close relationship between its product, sales and support teams to be as close as possible to the operational and technical challenges of its customers, thus enhancing sustainability and promoting loyalty.

With expertise spanning a wide range of sectors and constant attention to the specific needs of each customer, EXAIL is a key technology partner for critical and innovative projects worldwide.

A product innovation policy that takes into account climate issues

EXAIL aims to reduce the environmental impact of its products. To achieve this objective, the Company plans to deploy an eco-design approach as of 2025. This initiative aims to integrate environmental principles throughout the life cycle of products, from their design to their end of life, by promoting the use of sustainable materials, improving energy efficiency and reducing waste. Through this approach, EXAIL reaffirms its commitment to sustainability and environmental responsibility in its activities.

EXAIL is a high-tech industrial company that fully complies with the European CSR framework for companies.

EXAIL's technological solutions improve the operational capabilities of its customers, with a wide range of applications.

Among the use areas, some have a direct or indirect positive impact on the environment:

- DriX surface drones (DriX H8 and O-16), whose carbon footprint is much lower than that of traditional ships;
- research work on hybrid propulsion or the use of hydrogen in the maritime field;
- the design of the deep sea drone's propulsion system, which reduces its impact through its electric propulsion system. It also optimizes its propulsion to save energy, by actively regulating its weight, and by taking in or expelling water;
- engineering of the pilot vessels of the Neoline project, sail-powered cargo ships; this mode of sail propulsion combined with a reduction in operating speed to 11 knots as planned by NEOLINE makes it possible to halve the energy required to cover a nautical mile;
- research and development work for products for maritime operations, in particular the installation of offshore wind farms.

Corporate social responsibility (CSR) plays an increasing role at EXAIL, significantly integrating its global strategy. As part of its commitments, the Company relies on ADEME's "ACT Step-by-step" method to define its climate strategy. Although this work is still underway, the first elements of the strategy have already been defined (see Section 6.2.1 / Climate change (ESRS E1) for more details on the strategy). The action plan related to the strategy is under construction and will be completed by the end of the second quarter of 2025. The objective of this action plan is to implement concrete actions that will meet the Group's ambitions, in particular to reduce its carbon impact (company and products/solutions).

Export control of EXAIL's products and services

A significant portion of EXAIL's products and services are controlled for export, whether under the dual-use goods regime or the armaments regime.

In addition to the regime applicable in France or Belgium, additional constraints may be applied by the countries of destination or transit of the products. In addition, EXAIL is particularly vigilant about the integration into its products or systems of third-party components that could be subject to their own export constraints.

As such, in addition to compliance with international sanctions and embargoes in force, EXAIL's ability to deliver its products and services to certain countries may be limited by exportability decisions taken by the competent national authorities.

Share of fossil fuels in EXAIL's activity

As a supplier of navigation, imaging and multi-market robotic platform systems, EXAIL operates indirectly in the fossil fuel sectors, particularly oil and gas, by providing high-precision technologies and solutions used in these industries.

- Oil & Gas: approximately 10% of our sales relate to offshore sector projects, including oil & gas, where our equipment is used for activities such as exploration, construction, maintenance and inspection of offshore infrastructures.

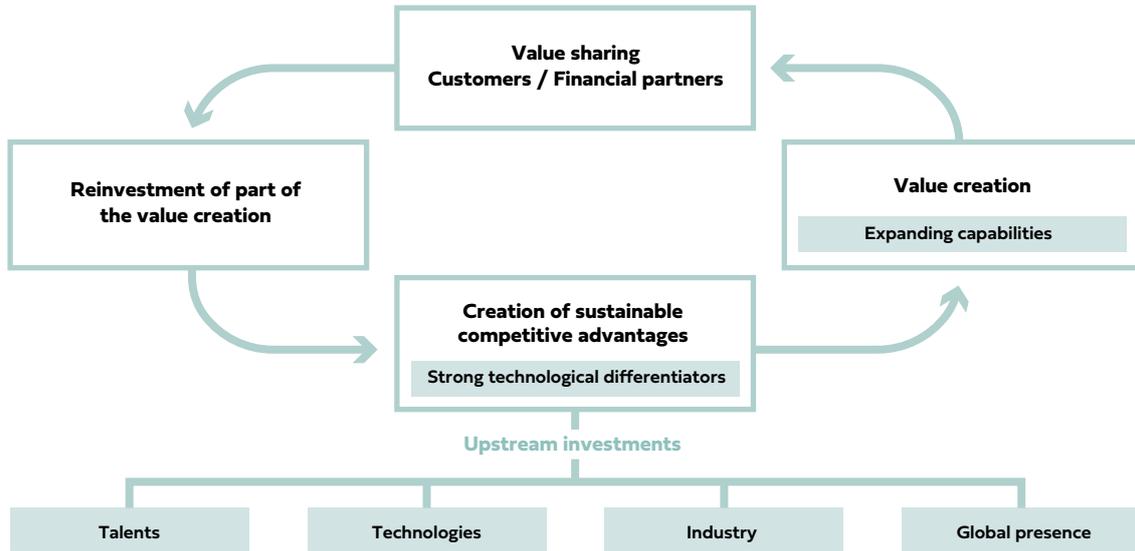
It should be noted that some of the EXAIL products that are directly or indirectly involved in oil- and gas-related activities are also used for renewable energies (wind farm installations, for example).

- EXAIL does not make significant sales, directly or indirectly, to the coal sector.

The Group remains vigilant about its environmental impact and is actively working to diversify its markets by developing solutions adapted to renewable energies and low-impact industries.

6.1.5 EXAIL'S BUSINESS MODEL AND VALUE CHAIN

Business model



EXAIL bases its business model on substantial upstream investments in four main areas:

- the Company's talents;
- the Company's technology portfolio;
- the industrial tool;
- a global presence, in particular commercial, to support the projection of the EXAIL offer as close as possible to its customers.

These investments generate sustainable competitive advantages based mainly on strong technological differentiators. These technological differentiators make it possible to develop the operational capacities of our customers, with a strong value creation.

EXAIL is able to capture a significant portion of this value creation due to the low intensity of competition in its markets and to reinvest a sufficient portion internally to continue to grow.

Value chain

 ACTIONS	 ACTIONS	 STAKEHOLDERS	 DESCRIPTION
 UPSTREAM ACTIVITIES	PRODUCE	Producers / manufacturers	Extraction of raw materials and sales of crude products Assembly and sale of finished products
	LEGISLATE REGULATE	State institutions	Compliance with legal provisions
	CONSULT	Customers and prospects	Taking into account the needs and requirements of customers or interested parties
	RECEIVE	Tier 1 suppliers	Transport of purchased products
 MAIN ACTIVITIES	SELL	Sales team, subsidiary or sales intermediary	Obtaining business / Commercial management
	DESIGN	Design and R&D teams	Project and technological innovation management
			Design and development of equipment, products and systems
	BUY	Purchasing / supply teams Logistics team	Purchase of products / components / materials / services Internal logistics management
	PRODUCE	Production / technical teams	Conduct of studies Production of equipment and products
	SELL	Sales team, subsidiary or sales intermediary	Sale of existing products / services
Logistics team		Customer delivery	
 DSA	ENSURE AFTER SALES SERVICE & CUSTOMER SATISFACTION	Customer support team	Proposal of products and systems maintenance and operation services
		Trade accounts receivable	After-sales relationship
 STG ACT.			Define strategy, objectives and steer / Manage the company / Manage performance improvement / Manage activities / Control and measure / Analyze and improve on an ongoing basis
 SUPPORT ACTIVITIES	FINANCE		Ensure the management, optimization and control of the organization's financial resources
	HR		Manage human resources
	MARKETING & COMMUNICATION		Develop and carry out marketing and communication actions
	IS		Supervise information systems
	CSR		Manage corporate social responsibility
	QSE		Manage health and safety
	LEGAL & COMPLIANCE		Ensure compliance with regulations and the application of internal procedures and instructions



As a high-tech manufacturer of multiple products and systems, EXAIL controls an extensive and complex value chain.

Upstream of EXAIL's core business are the supplier and strategic partner relationship stages for the purchase and definition of our products. In addition, EXAIL works closely with its customers and integrates their strict requirements and regulations (REACH, UECE, ROHS, etc.) upstream to meet their specific needs. State institutions require EXAIL to comply with various legal and regulatory provisions to ensure the compliance of its activities. The regulations on the export of sensitive technologies, compliance with the requirements of state contracts, cybersecurity and anti-corruption are issues raised by state institutions in order to supervise the sale, export and use of EXAIL's technologies while ensuring their quality and cybersecurity.

The core of the value chain consists of sales, purchases, design and production. EXAIL's value chain is characterized by advanced processes and strong vertical integration, enabling it to control all stages of production, from technological innovation to customer service. The control of inputs is also

essential to EXAIL's production process. Indeed, by effectively integrating and securing its inputs with strategic and sustainable partners, EXAIL optimizes its value chain to offer high-quality products and advanced technological services that meet the expectations of demanding customers and achieve high standards in terms of reliability and security. This contributes to EXAIL's reputation as a key player in its business sectors.

The activities related to EXAIL's downstream value chain concern the use and operation of its products and services. The main players in this process are end-customers, which include a diverse range of industrial, institutional, military and scientific players. These users rely on EXAIL technologies to carry out critical missions in areas such as defense, marine exploration, robotics, renewable energies and scientific research. Their satisfaction and commitment are essential to the sustainability and success of the solutions offered by EXAIL. The sales and customer support teams therefore provide adapted after-sales services (support, training, maintenance, etc.).

6.1.6 EXAIL'S STAKEHOLDERS

DIAGRAM OF EXAIL'S MAIN STAKEHOLDERS



EXAIL maintains close relationships with its stakeholders, which include all the players in its value chain mentioned in the "EXAIL value chain" diagram above, as well as its employees, professional groups, schools and its financial partners:

- EXAIL's employees, whether engineers, technicians, operators, experts, sales representatives or working in the Company's support services, are at the heart of the Company's innovation and operational success;
- public authorities, including regulatory bodies and professional federations, play a crucial role in the regulatory environment in which EXAIL operates;
- financial partners, such as investors and banks, provide the necessary resources to support EXAIL's research, development and growth projects;
- suppliers and subcontractors, with supplies mainly from local suppliers (around 70% of suppliers are local), which reduces the CO₂ emissions related to transport and promotes the development of the local economic fabric;
- customers who are end-users, integrators or distributors;
- technical and commercial partners.

EXAIL is aware that it is part of an ecosystem of stakeholders, within which it strives to organize balanced, ethical, law-abiding and inspiring relationships. The Company therefore maintains a regular dialogue with stakeholders throughout its value chain in order to take into account their interests and expectations, particularly as regards the development of its CSR roadmap. This dialogue takes the form of various initiatives, such as questionnaires, proactive individual interviews, satisfaction surveys and customer audits. The feedback from stakeholders, particularly customers and suppliers, is integrated into the double materiality analysis to guide the strategic priorities in terms of social responsibility. Likewise, customer feedback is integrated into the Company's commercial strategy and product targeting, in order to meet the needs of emerging markets such as wind power or space. This also makes it possible to adapt local support to customer needs thanks to the feedback received directly from the field.

The administrative, management and supervisory bodies of EXAIL TECHNOLOGIES are informed of the points of view and interests of the stakeholders concerned in terms of sustainability through several mechanisms (see Chapter 3 "Corporate governance" of this Universal Registration Document).

6.1.7 MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

EXAIL undertakes to demonstrate transparency and responsibility in the publication of its material impacts, risks and opportunities. The double materiality analysis carried out in 2024 made it possible to identify and assess these factors, taking into account both EXAIL's internal operations and its external environment.

The challenges identified as material for EXAIL allow it to understand the needs for adaptability and the opportunities available to it, in order to then adjust its strategy and business model as necessary. Indeed, EXAIL continuously assesses and monitors its performance in relation to these impacts and risks, while seizing opportunities aligned with its strategic objectives.

EXAIL's CSR roadmap ensures that the Company's strategy and business model remains resilient and sustainable, bringing value to its stakeholders while mitigating potential risks. This proactive and comprehensive approach strengthens EXAIL's competitiveness and contributes to its long-term value creation.

6.1.8 PROCEDURE FOR MANAGING IROS AND DOUBLE MATERIALITY

In 2024, EXAIL carried out its double materiality analysis for the Group, and for all its subsidiaries and activities.

To carry out the double materiality analysis of EXAIL, the first stage of the CSRD, we identified the relevant topics in connection with each ESRS. Based on this identification, we considered the relevance of these topics and then carried out the analysis of their impacts, risks and opportunities (IRO).

The stakeholders involved were as follows:

- members of the CSR Steering Committee;
- product R&D teams;
- purchasing teams;
- sales teams;
- members of EXAIL TECHNOLOGIES' CSR Committee;
- members of the divisions' Executive Committees;
- members of EXAIL's Social and Economic Committee;
- employees;
- purchases/suppliers;
- sales/customers;
- ESRS pilots (CSRD work coordinators by ESRS) and contributors for each ESRS;
- Statutory Auditor in charge of certifying the sustainability-related information;
- information systems teams.





At the same time, EXAIL has identified the material issues at the level of sectors, benchmarks (SASB, GRI, etc.) or competitors. This made it possible to determine the material issues for EXAIL and its value chain.

EXAIL also involved its stakeholders by consulting a sample of its panel.

It was decided to interview suppliers and customers by sending online questionnaires to assess each player's CSR approach and their own material challenges. The selection of this sample was carried out with the aim of ensuring representation of the main players in EXAIL's value chain. The selected suppliers covered a wide range of products and services (direct and indirect purchases). As regards customers, several markets and business sectors were targeted to cover a diversified panel.

Question-and-answer sessions were conducted with the CSR, purchasing or sales contact points of these stakeholders. Subsequently, the material issues identified for EXAIL's customers and suppliers were included in the double materiality analysis.

This approach, which was gradually implemented from March 2024, aimed at producing a first version of the EXAIL double materiality matrix at the end of July. This was done to prepare the gap analysis and the drafting of the CSRD reporting/sustainability report during the second half of 2024. As well as the CSRD audit by a Statutory Auditor in charge of certifying the sustainability-related information as of the fourth quarter of 2024.

The results of the identification of material issues for EXAIL made it possible to continue the analysis with the integration of a rating in order to measure the degree of importance of these issues. This analysis was carried out using an internal assessment system to measure the degree of importance of

the positive and negative impacts of each subject identified, but also to apprehend their risks and opportunities related to CSR issues. Two rating perspectives were used: impact materiality and financial materiality.

As regards the impact perspective, one measures the magnitude, scale, remediability and probability of occurrence over time of the negative and positive impacts of the Company on the environment and its stakeholders.

As regards the financial perspective, the Company's environmental and social risks and opportunities have been identified. They were assessed according to their financial severity and expected probability of occurrence. This assessment of risks and opportunities is also used in the Company's overall risk management process, as well as for the consideration of potential areas of development for the Company.

The IRO rating scale for material issues (impact and financial materiality) was validated by EXAIL TECHNOLOGIES' CSR Committee.

Each degree of materiality corresponds to a score which then gives an average. This average was set at 2, thus making it possible to define as material the items rated above this average. Following this, six of the twelve CSR topics identified for EXAIL are considered material and will form an integral part of the reporting scope, based on five of the ten ESRS of the CSRD.

A double check of the ratings was carried out by the Finance team for the financial assessment and by Executive Management for the impact assessment.

A final validation was also carried out by the members of the CSR Steering Committee. During coming materiality reviews, the CSR Steering Committee will also be asked to confirm the topics and the ratings assigned.

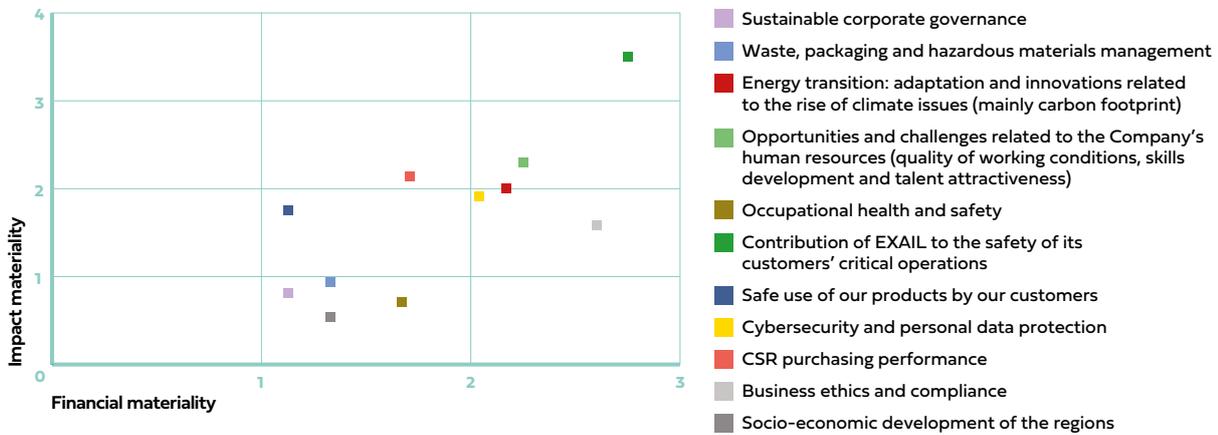
Specific factors related to business conduct

Although this has no direct impact on the double materiality analysis itself, and in particular the materiality of the issue of business ethics and compliance, the following specific factors are taken into account in the internal compliance programs:

- mapping of third parties according to the risks of corrupt practices;
- level of perceived risk of corruption by country through the annual Corruption Perception Index (CPI) published by Transparency International (TI);

- business sectors considered more sensitive to the risk of corruption;
- economic thresholds and/or specific transactions considered to present a higher risk of corrupt practices;
- countries subject to international sanctions or embargoes;
- countries considered as possibly at risk for export controls, including the risk of misuse and/or circumvention of international sanctions.

EXAIL'S DOUBLE MATERIALITY MATRIX



CROSS-REFERENCE TABLE OF MATERIAL ISSUES

Topic	ESRS	Issue	Disclosure location
Environment	E1	Energy transition: adaptation and innovations related to the rise of climate issues	Section 6.2 Environmental information 6.2.1 Climate change (p. 167-171)
Social	S1	Opportunities and issues related to the Company's human resources	Section 6.3 Social information 6.3.1 Own workforce (p. 173-180)
	S2	CSR purchasing performance	Section 6.3 Social information 6.3.2 Suppliers and partners of EXAIL (p. 180-183)
	S4	EXAIL's contribution to the safety of its customers' critical operations Cybersecurity and personal data protection	Section 6.3 Social information 6.3.3 Consumers and end-users (p. 183-187)
Governance	G1	Business ethics and compliance	Section 6.4 Information on business conduct (p. 188-191)

The ESRS topics E1, S1, S2, S4 and G1 were therefore identified as material for EXAIL.

The ESRS topics E2, E3, E4, E5 and S3 were considered as non-material due to the result of the double materiality analysis, which found no substantial impact for any subject related to these themes.

Indeed, the rating of impacts, risks and opportunities made it possible to measure, thanks to the implementation of an average threshold, the decisive and therefore material issues for the Company. The subjects not achieving an average of more than 2 are therefore not considered as material for the Company.

Therefore, the matrix directly highlights the impact of EXAIL on the environment, social (upstream and downstream), as well as

governance for business ethics and compliance issues. These identified topics result from a relatively high importance of their impacts, risks or opportunities.

Material topics

CSR PURCHASING PERFORMANCE (ESRS S2)

The CSR performance of purchases is a strategic issue for EXAIL, at the intersection of social, environmental and economic dimensions. This topic is essential to ensure the sustainability of operations, risk management and value creation for stakeholders.





EXAIL'S CONTRIBUTION TO THE SAFETY OF ITS CUSTOMERS' CRITICAL OPERATIONS (ESRS S4)

Ensuring the safety of its customers' critical operations is a major objective for EXAIL, in line with its mission and strategic positioning. EXAIL develops advanced technologies, particularly in robotics, autonomous systems and navigation solutions, often deployed in sensitive environments such as defense, aerospace or critical infrastructures.

Safety is essential for these sectors in terms of human security, operational continuity and data protection. By guaranteeing the reliability, performance and resilience of its solutions, EXAIL strengthens the confidence of its customers and affirms its key role in securing their strategic missions.

CYBERSECURITY AND PERSONAL DATA PROTECTION (ESRS S1)

Cybersecurity and the protection of personal data are key issues for EXAIL due to the strategic nature of its activities and its role in sensitive sectors. The effective management of this topic is crucial to protect the sensitive information of employees, customers and partners, while ensuring the reliability of products and systems. This topic also helps to preserve the Company's reputation and competitiveness, enhance stakeholder confidence and develop new business opportunities.

BUSINESS ETHICS AND COMPLIANCE (ESRS G1)

Business ethics and compliance are significant issues for EXAIL. As a global and critical player in sensitive markets (e.g. defense and energy), whether in the areas of export controls, sanctions and embargoes or anti-corruption, the Group is directly exposed to the high expectations and requirements of its various counterparties (authorities, civil society, employees, customers, partners, etc.) as regards these topics. In addition, the risks associated with any failure in terms of ethics and compliance, whether reputational, legal or financial, could significantly harm EXAIL's interests.

ENERGY TRANSITION: ADAPTATION AND INNOVATIONS RELATED TO THE RISE OF CLIMATE ISSUES (MAINLY CARBON FOOTPRINT) (ESRS E1)

The energy transition and adaptation to climate challenges are strategic priorities for EXAIL, reflecting both the growing expectations of stakeholders and regulatory requirements. This topic encompasses the environmental impact of EXAIL's activities and products, while exploring opportunities for innovation and development in sectors aligned with the energy transition. The integration of carbon footprint considerations into eco-design, production and marketing strategies enables EXAIL to improve its competitiveness, while meeting critical sustainability issues.

OPPORTUNITIES AND CHALLENGES RELATED TO THE COMPANY'S HUMAN RESOURCES (QUALITY OF WORKING CONDITIONS, SKILLS DEVELOPMENT AND TALENT ATTRACTIVENESS) (ESRS S1)

Human resources are a major strategic lever for EXAIL. The quality of working conditions, the development of skills and the attractiveness of talent have a direct impact on the Company's performance, innovation and competitiveness. This topic is crucial to support EXAIL's growth, strengthen its internal and external image, and meet the challenges of recruitment and retention in a complex economic and social environment.

Topics with limited materiality

SUSTAINABLE CORPORATE GOVERNANCE

Sustainable corporate governance is an important topic within the general framework of responsible practices, but it is of limited materiality for EXAIL compared to other strategic topics more directly related to its activity (cybersecurity, safety of critical operations, energy transition, etc.). Although limited in materiality, sustainable corporate governance remains a fundamental pillar to guarantee the resilience and consistency of the Company's actions.

WASTE, PACKAGING AND HAZARDOUS MATERIALS MANAGEMENT (ESRS E2 POLLUTION)

The topic of waste, packaging and hazardous materials management is certainly important for any company committed to a responsible approach, but it is of limited materiality for EXAIL due to the characteristics of the Company's activity, its strategic priorities and the relative magnitude of the environmental impacts related to this topic.

Its impact on operations, stakeholders and the overall strategy remains limited.

OCCUPATIONAL HEALTH AND SAFETY (ESRS S1 OWN WORKFORCE)

At EXAIL, the topic of health and safety at work concerns the actions and policies put in place to guarantee a healthy and safe working environment for all employees. This includes the prevention of occupational risks, the promotion of well-being at work, awareness of best safety practices, as well as compliance with the applicable regulations.

SAFE USE OF OUR PRODUCTS BY OUR CUSTOMERS (ESRS S4 CONSUMERS AND END-USERS)

The topic "Safe use of our products by our customers" at EXAIL covers all measures and actions aimed at guaranteeing that the products and solutions offered by the Company are reliable, safe and present no risk to end-users. This includes compliance with safety standards, rigorous testing, updating of products to prevent potential defects, as well as the training or support provided to customers for optimal and safe use. Although product safety remains an essential aspect to preserve customer trust and the Company's reputation, its strategic weight in the analysis of the overall priorities is relatively limited.

SOCIO-ECONOMIC DEVELOPMENT OF THE REGIONS (ESRS S3 AFFECTED COMMUNITIES)

The topic "Socio-economic development of the regions" at EXAIL refers to the Company's actions and commitments to make a positive contribution to the economic, social and cultural dynamism of the regions where it operates. This includes the creation of local jobs, support for regional suppliers, involvement in social or educational initiatives, and participation in projects that promote the well-being of local communities.

Non-material topics

WATER AND MARINE RESOURCES

No materiality subject has been identified by EXAIL under the theme "Water and marine resources" and, consequently, the E3 sectoral responsibility issue is not considered as material.

In addition, through the feedback obtained through the CSR questionnaire sent to suppliers and customers, it was established that the issues related to the discharge of wastewater and the extraction and use of marine resources are not perceived as material, neither by EXAIL nor by its value chain. These topics, although important to consider in certain contexts, have therefore not been selected as priorities within the context of the Company's CSR commitments.

BIODIVERSITY OF ECOSYSTEMS (ESRS E4)

The same applies to the topic "Biodiversity of ecosystems", as no materiality subject was identified. Consequently, the ESRS relating to this topic is not considered material by EXAIL.

In addition, the feedback from the CSR questionnaire sent to suppliers and customers confirms that issues related to the preservation of biodiversity are not perceived as priorities, neither by EXAIL nor by its value chain. As a result, this topic was not retained as a strategic area of the Company's CSR commitments.

CIRCULAR ECONOMY (ESRS E5)

Lastly, the same is true for the "Circular economy" topic, which was not identified as a materiality subject for EXAIL.

Concerning the management of inputs and outputs, these topics are directly addressed in other topics, such as purchasing performance and energy transition, in which their impacts, risks and opportunities are detailed.

6.2 ENVIRONMENTAL INFORMATION

6.2.1 CLIMATE CHANGE (ESRS E1)

EXAIL has implemented a corporate social responsibility (CSR) approach, incorporating environmental, social and governance initiatives. The Company is committed to strengthening its positive impact through innovative technological solutions, responsible practices and close collaboration with its customers and partners.

CSR governance (ESRS E1 GOV-3)

The Company's governance bodies, including the functioning of the CSR and Compensation Committee, is presented in Chapter 3 of this Universal Registration Document.

Carbon assessment, climate strategy and transition plan

EXAIL carried out its 2025 carbon assessment (2024 data) with the aim of expanding Scope 3 and continuing to improve the reliability of the data collected. To date, we have not formalized an action plan. This will be the objective of the last stage of the current climate strategy (ACT Step-by-step), in line with the strategic areas defined.





EXAIL has launched the development of its climate strategy and therefore its transition plan as part of the ACT Step-by-step approach. To this end, the Company is supported by a firm specializing in CSR consulting and climate strategy, which provides its expertise for the implementation of the process internally. The transition plan will be adopted from May 2025, during the last stage of the development of the strategy. The necessary means and financial resources will also be determined at this stage.

The Company will then set reduction targets on Scopes 1 and 2, following the SBTi recommendations. With regard to Scope 3, we want to focus on objectives related to the following topics: the eco-design of our products, the commitment of our suppliers, and the optimization of our transport.

Indeed, following the carbon assessment carried out and the first stages of our climate strategy (risks and opportunities, vision), the Company agreed on several decarbonization levers: energy efficiency of our most emissive processes, questioning of the use of air freight (upstream and downstream), commitment of suppliers through knowledge of their carbon impacts and through eco-design partnerships.

This last area of decarbonization makes it possible to respond to a large extent to the potential and proven impacts identified concerning our products. Indeed, we offer products that are alternatives to more emissive market solutions. Nevertheless, we want to continue our efforts to reduce the impact of our products, particularly in terms of their use or the materials used in their design.

We have identified that this also represents an opportunity in our target markets due to the growing interest of our customers in reducing their own environmental impact.

With regard to blocked emissions, we must improve our assessment of the products in circulation and the carbon impact related to their uses. It should be noted that the products in circulation are mainly powered by electricity. More precise studies may be carried out by means of a life cycle analysis to quantify this impact, which will in all cases be associated with an element of uncertainty.

Climate strategy

As part of its CSR strategy, EXAIL has adopted the ACT Step-by-step methodology developed by ADEME. This structured approach allows the Company to define and implement a low-carbon trajectory aligned with the targets of the Paris Agreement.

This approach is based on the following stages, involving the members of a working group dedicated to the subject, including a member of Executive Management:

- initial diagnosis: comprehensive assessment of the Company's carbon footprint to identify high-impact items;
- setting of reduction targets: definition of emission reduction targets aligned with the sectoral decarbonization scenarios;
- implementation of an action plan: development of concrete measures, including energy efficiency, eco-design and supply chain optimization;

- monitoring and continuous improvement: implementation of performance indicators to assess the effectiveness of the actions undertaken and to adjust the strategy if necessary.

The decarbonization levers and the concrete action plan to reduce carbon emissions are being drawn up and will be finalized during the first half of 2025. The climate strategy and the 2025 carbon assessment (2024 data) will make it possible to specify and prioritize key actions. On this basis, the results can be monitored over time.

Analysis of climate-related risks and opportunities

One of the stages of the ACT Step-by-step methodology is based on the analysis of the climate-related risks and opportunities.

Two working group workshops were held to determine the climate-related risks and opportunities in the value chain. This enabled us to model an attention triangle (high impact and high probability) to further the analysis.

A description of ADEME's year 2050 scenarios was also produced, highlighting their underlying factors, which have a direct impact on EXAIL's activities.

Product supply chain difficulties and customer delivery difficulties emerge as possibly being major consequence of climate change. In addition, market and country adaptations to the climate could impact commercial activities.

Conversely, new opportunities could emerge through concrete actions in favor of the climate such as the implementation of eco-design approaches to reduce the impact of the products manufactured. Technological innovation by optimizing the resources used when using EXAIL products is also an advantage that the Company can provide to its customers.

Also in the context of the attention triangle, during the risks and opportunities phase, events related to the transition were identified in the short, medium and long term.

It was also verified at the global level of EXAIL whether the commercial activities could be exposed to transition events. Impact levels have been defined for each of the transition risks and opportunities with the associated occurrence. However, this is defined qualitatively through discussions with the members of the working group during the two workshops.

An analysis of ADEME's S1, S2, S3 and S4 scenarios was carried out (source: "The 4 ADEME scenarios"). With regard to EXAIL's DNA and functioning, we focused on the trade-offs and key indicators of the S3 and S4 scenarios. These indicators and their changes were put into perspective in relation to the EXAIL business model.

The impact vectors of EXAIL's activity were analyzed in the same way as the emissions stemming directly from the products offered for sale. The action plan dedicated to eco-design will be implemented with the aim of reducing this impact on future designs.

Types of climate-related risks

EXAIL has industrial sites in France and Belgium. To complete the risks and opportunities stage of its climate strategy, EXAIL carried out a first draft of a resilience analysis.

To this end, the Company used the information usually available on portals provided by the government highlighting natural risks such as floods, swelling of clays, earthquakes, or coastal risks. The DRIASS databases, the "Climate central" site, the "Aqueduct floods" database of the World Resources Institute (WRI), and the "Areas exposed to sea level rise at high tide" site of the BRGM site made it possible to carry out this analysis.

In addition to this public information, thanks to the ACT Step-by-step methodology, it was possible to obtain a first level of knowledge of the Company's climate vulnerability by conducting a site-by-site analysis.

This structured approach made it possible to conclude that the Company is exposed to a limited number of risks, both in terms of their number and their magnitude.

Only the risks of:

- flooding,
- sea level rise,
- temperature rise,

are assessed specifically for a limited number of locations and graded from low to medium for one of them.

A binary analysis was carried out on the risk of submersion to highlight the sites at risk of a sea level rise of around 1 meter. The number of additional days at +35 degrees was also established. We analyzed the scenarios and the variability of the indicator with regard to EXAIL's activity on a typical issue (heat wave for employees) risk of flooding on the integrity of the building.

The IPCC SSP5 scenario 8.5 (Shared Socio-economic Pathways) was used as a basis for the analysis. At this stage, the value chain has not been analyzed.

The exposure to climate hazards appears to be limited overall, having a short-term impact on the strategy or business model.

However, a new analysis could refine the assessment of the risks identified and make it possible to increase EXAIL's resilience to the occurrence of climate change. The analysis was solely based on climate projections related to heat waves and flooding at the French sites. To go further, the Company could study other hazards (RGA, extreme risks, flooding by run-off, flooding by rising water tables). In addition to the questionnaire, which provides a first basis, on-site diagnostics to determine the sensitivity could be carried out.

EXAIL has already defined and implemented measures to address the first markers of climate change that the Company has faced.

EXAIL's greenhouse gas emissions assessment

EXAIL carried out its 2025 carbon assessment (2024 data) of all its sites in the consolidated scope (EXAIL SAS, EXAIL ROBOTICS, EXAIL AEROSPACE, EXAIL ROBOTICS Belgium, MAURIC). This required the involvement of employees from cross-functional functions at all of the sites. The latter collected consumption data to calculate the CO₂ impact.

The consumption of Scopes 1 and 2, as well as the Company's indirect emissions, were compiled to calculate its carbon emissions.

EXAIL has compiled its energy consumption by site. The main sources used are natural gas, mainly for heating, and electricity used for our various activities. One of our objectives is to reduce our environmental impact related to the energy consumed. To date, the energy consumed comes from nuclear and fossil sources.

DETAILS OF EXAIL'S ENERGY CONSUMPTION

	2024
Natural gas consumption (in MWh NCV)	2,517
Domestic fuel oil consumption (in MWh)	41
District heating network consumption (in MWh NCV)	961
Electricity consumption (in MWh)	7,268
Diesel consumption (in MWh)	1,259
Petrol consumption (in MWh)	12,238
Total energy consumption related to own activities (in MWh)	24,284



The energy intensity of EXAIL's activities (total energy consumption by net revenue) was therefore 0.0000651 MWh per euro of net revenue.

All of EXAIL's energy consumption is used for the Company's activities, which are in sectors with a strong climate impact. The net revenue (€373 million) used to calculate the emission intensities also comes from these activities.

BREAKDOWN OF ENERGY CONSUMPTION BY TYPE OF SOURCE

Total energy consumption related to own activities (in MWh)	24,284
Total energy consumption from fossil sources (in MWh)	17,310
Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources (in MWh)	293
Share of fossil sources in total energy consumption	71%
Total energy consumption from nuclear sources (in MWh)	4,874
Share of consumption from nuclear sources in total energy consumption	20%
Total energy consumption from renewable sources	2,101
Share of renewable sources in total energy consumption (in MWh)	9%

Concerning Scope 3, the data collected made it possible to visualize the impact of the Company's indirect emissions. Thus, we were able to identify the most emissive items by order of magnitude and determine the priority areas for improvement. Inputs, freight and travel are among the impact categories at EXAIL.

EXAIL's total emissions, based on location, were 11,404 tCO₂e in 2024.

Scopes	TCO ₂ eq 2024
Gross Scope 1 GHG emissions	1,532
Gross Scope 2 GHG emissions	422
TOTAL GROSS SCOPE 1 AND 2 GHG EMISSIONS	1,954
TOTAL GROSS INDIRECT EMISSIONS (SCOPE 3)	9,449
TOTAL GHG EMISSIONS	11,404

The intensity of the total GHG emissions of EXAIL's activities (total GHG emissions by net revenue) was therefore 0.0000306 tCO₂ per euro of net revenue.

Uncertainties of the Scope 3 data of the carbon assessment

With regard to the Scope 3 emissions, the data could only be partially collected, which entailed estimates or extrapolations where necessary. Certain items have not yet been analyzed, such as use, non-current assets and the end of life of products. For the Scope 3 items considered, some were collected using primary data (12%) whereas the rest required an extrapolated calculation due to the current absence of data.

A margin of error must therefore be taken into account for this scope.

We are carrying out a continuous improvement process for the collection of carbon assessment data. In 2025, our attention will be focused on improving the reliability of the data pertaining to inputs and freight.

EXAIL's CSR commitments

This measurement of the Company's carbon impact makes it possible to supplement the analyses carried out for a future projection of the emission reductions. It also provides quantitative data for the development of a concrete action plan. The latter will then be rolled out, in addition to the actions already in place at our sites.

In addition, EXAIL has already determined its key commitments in terms of corporate social responsibility (CSR):

1. reduction of our CO₂ impact: by prioritizing the most emissive items and those for which we have a controllable lever for action, such as inputs, freight, energy and travel;
2. innovation for the environment and our customers: to meet our customers' critical challenges while reducing the environmental impact;
3. talent loyalty and Group attractiveness: by placing our CSR commitment at the heart of the dynamics of our teams and our employer brand;
4. responsible supply chain: with the integration of environmental and social criteria in our relations with our partners and suppliers.

These commitments were determined following the stage of identifying the challenges carried out as part of the climate strategy, the analysis of the IROs related to the environmental topic (see description in Section 6.1.8 "Procedure for managing IROs and double materiality"), but also on the basis of the conclusions of the carbon assessment. In particular, they were presented to the CSR Steering Committee, and the related progress will be monitored on a monthly basis.

These actions are part of a gradual approach, and we will be able to detail our action plan in the next statement, with the estimated targets for all of the initiatives, as well as the financial resources put in place.

These targets will then be monitored by the CSR Department and shared internally, in order to be able to measure the progress of each of our actions, in line with our commitments mentioned above.

6.2.2 POLLUTION (ESRS E2)

An analysis was carried out taking into account all commercial activities in order to assess the risks and opportunities. This work mobilized multidisciplinary teams in order to have a global view in the assessment of any pollution that could be caused by EXAIL. In addition to this approach, targeted environmental analyses on specific sites are carried out as part of our ISO 14001 approach. They make it possible to precisely identify the environmental risks in the Company's operations.

These analyses lead to the identification of the following main risks:

- pollution of water;
- use of substances of concern or of very high concern.

These risks are the consequence of the operation of our equipment in water, the use of water in certain manufacturing processes, as well as the use of chemical products in the equipment manufacturing and assembly processes.

To reduce the impact of these risks, wastewater treatment and recycling solutions are implemented. The chemical products used are used in very small quantities, or are present in small quantities in the electronic items constituting our equipment.

6.2.3 BIODIVERSITY AND ECOSYSTEMS (ESRS E4)

EXAIL does not carry out any direct activity affecting biodiversity. The Company rents most of the buildings that it uses, which are generally located in business parks designed for companies and located in areas with a limited impact on biodiversity.

Impacts related to accident situations are taken into account by the sites, which initiate ISO 14001-type environmental initiatives.

Given the low direct impact on biodiversity, EXAIL has not initiated any major actions related to this topic.

6.2.3 RESOURCE USE AND CIRCULAR ECONOMY (ESRS E5)

Through its carbon assessment, EXAIL was able to note the importance of the impact of its inputs on its total CO₂ emissions. The Company has therefore begun a life cycle analysis approach, which will continue in 2025 on pilot products. The aim of this approach is to identify the most significant sources of emissions and then deploy an appropriate action plan. When technical and economic constraints so allow, EXAIL replaces emissive items with less polluting solutions in order to preserve the environment.

EXAIL's technological solutions are implemented over several years, even decades. The reliability, maintainability and reuse of all or part of our technological solutions will reduce end-of-life waste. EXAIL informs its customers and users about the dismantling or recycling of end-of-life products.



6.2.4 INFORMATION ON THE EUROPEAN TAXONOMY

Activities eligible for the green taxonomy

Derived from the action plan for sustainable finance launched in 2018 by the European Commission, European Regulation no. 2020/852 of 18 June 2020 establishes a framework to promote "sustainable" investments in the European Union, called "European green taxonomy".

In accordance with this regulation, since 2021 the Group has therefore been required to publish the portion of its activity eligible for the taxonomy – revenue, capital expenditure (Capex) and operating expenses (Opex), then the portion of these eligible activities that are aligned.

To be considered sustainable, an economic activity must make a substantial contribution to at least one of the six environmental objectives defined by the regulations, without causing significant harm to the others, and respect minimum social and ethical safeguards:

- climate change mitigation;
- climate change adaptation;
- sustainable use and protection of water and marine resources;
- transition to a circular economy;
- pollution prevention and control;
- protection and restoration of biodiversity and ecosystems.

In 2025, EXAIL carried out a new analysis on the basis of all its activities by production site. The list of the sectors and activities eligible for the taxonomy was reviewed to ascertain the eligibility of EXAIL's activities. At the end of this review, it emerged that none of the Group's activities corresponded to any of the activities listed in the taxonomy regulation. Consequently, the Group's activities do not fall within the scope of the green taxonomy and, as such, no revenue is eligible.

It is expected that the number of eligible activities will increase as new sectors are integrated. EXAIL will continue to monitor any changes to this list every year in order to update this analysis.

The Company is also aware of the strategic importance of sustainable development for its business. The sustainable approach is presented in Section 6.2 / Environmental information of this report.

Capex and Opex eligible for the green taxonomy

The eligible Capex and Opex are investments related to assets or expenses associated with eligible activities, or individually eligible Capex or Opex. The taxonomy identifies categories of investments or operating expenses that may be eligible, with the aim of improving companies' environmental performance, and which are not necessarily linked to their economic activity sectors. Given the absence of eligible activities for EXAIL, the analysis for the 2024 financial year only covers individually eligible investments.

The Capex eligible for the taxonomy include all of the Group's Capex relating to real estate investments (construction or renovation of buildings), including IFRS 16.

These Capex totaled approximately €11.3 million, out of a total Capex of €42.8 million, i.e. 26%.

The operating expenses to be considered in the analysis of the Opex ratio of the Green Taxonomy are certain non-capitalized direct costs (building renovation costs, short-term leases, maintenance costs and repair costs). The total of these expenses eligible for the taxonomy represented approximately €3.5 million, out of a total amount of Group Opex of €196 million, i.e. 1.8%.

As a result, the portion of Opex falling within the scope of the Taxonomy Regulation is considered as not material (less than 10% of the Group's total Opex), allowing them to be excluded from the analysis, in accordance with the provisions of Delegated Regulation (EU) 2021/2178 of 6 July 2021.

Capex aligned with the green taxonomy

After assessment of the eligible activities and the conclusion of a non-material portion of revenue, the analysis for the 2024 financial year only concerns the Capex related to individually eligible measures, given the absence of significant eligible activities or eligible Opex.

Among the identified eligible Capex, the proportion of aligned Capex is not significant. The Group therefore retains that 0% of the eligible Capex are aligned according to the current definitions in 2024.

All tables are available in the appendix to this report.

6.3 SOCIAL INFORMATION

6.3.1 OWN WORKFORCE (ESRS S1)

EXAIL undertakes to include in the scope of its disclosure under ESRS 2 all its own employees who are likely to be materially affected by the Company's activities. These material impacts include not only those arising directly from the Company's own activities, but also those related to its entire value chain. This includes the impacts generated by its products and services, as well as by its commercial relationships. This comprehensive approach ensures rigorous and transparent consideration of the consequences of its activities on all its internal stakeholders.

At 31 December 2024, the Group employed 2,006 employees. The characteristics of the Company's workforce are detailed in the tables below.

TOTAL NUMBER OF EMPLOYEES BY GENDER

Gender	Number of employees
F	515
M	1,491
GRAND TOTAL	2,006

WORKFORCE BY TYPE OF CONTRACT AND GENDER

	Permanent			Temporary		Total
	Permanent contracts	Work-study	Fixed-term contracts	Work-study contracts		
F	480	21	13	1	515	
M	1,409	57	21	4	1,491	
TOTAL	1,889	78	34	5	2,006	

In France, at the end of December 2024, EXAIL employed 1,889 employees on permanent contracts, 39 employees on fixed-term contracts, and 78 work-study students. Women represent 26% of the workforce and men 74%.

GEOGRAPHIC LOCATION OF THE GROUP'S ESTABLISHMENTS AND SUBSIDIARIES

Countries	Number of employees
France	1,853
Belgium	76
United States	19
Singapore	16
United Kingdom	10
United Arab Emirates	6
Netherlands	6
Germany	5
China	5
Malaysia	5
Brazil	4
Norway	1
TOTAL	2,006

BREAKDOWN OF WORKFORCE BY COUNTRY, GENDER AND TYPE OF CONTRACT

Countries	F	M	Number of employees
France			1,853
Permanent contracts	450	1,286	
Fixed-term contracts	13	21	
Apprentices	21	57	
Work-study contracts	1	4	
Belgium			76
Permanent contracts	15	61	
Norway			1
Permanent contracts		1	
Netherlands			6
Permanent contracts	1	5	
Germany			5
Permanent contracts	1	4	
Singapore			16
Permanent contracts	2	14	
United Kingdom			10
Permanent contracts	2	8	
Brazil			4
Permanent contracts	1	3	
China			5
Permanent contracts	1	4	
Malaysia			5
Permanent contracts	1	4	
United Arab Emirates			6
	1	5	
United States			19
	4	15	
TOTAL			2,006

NUMBER OF EMPLOYEES (FULL-TIME AND PART-TIME EQUIVALENTS) BY REGION AND GENDER

Region	F	M
France		
Full time	430	1,331
Part time	55	37
International		
Full time	28	119
Part time	2	4

At the end of December 2024, EXAIL had a total of 2,006 employees, including 92% in France and 8% outside France.

At the end of December 2024, EXAIL acquired LEUKOS. This subsidiary has 19 employees. LEUKOS' workforce will be included in the reports in 2025.

BREAKDOWN OF WORKFORCE BY AGE GROUP IN FRANCE AND BELGIUM

Age groups	Number of employees	%
< 30 years	389	20.20%
> 50 years	457	23.70%
30 to 50 years	1,083	56.10%
GRAND TOTAL	1,929	

BREAKDOWN OF MANAGERIAL STAFF BY GENDER AND SHARE OF TOTAL WORKFORCE

Line labels	Registration number
Executives	1,322
F	262
M	1,060
GRAND TOTAL	1,322
% of managers	65.90%

CHANGE IN EMPLOYEE DEPARTURE RATES BY LEGAL ENTITY

	EXAIL SAS	EXAIL ROBOTICS	EXAIL AEROSPACE	EXAIL AUTOMATION
2022 employee departure rate	7.74%	15.55%	26.09%	21.74%
2023 employee departure rate	7.77%	11.09%	25.31%	0%
WORKFORCE ON PERMANENT CONTRACTS AT 31/12/2024	1,019	618	152	22
2024 employee departure rate	6.77%	6.53%	10.53%	28%

The employee departure rate calculation is based on a methodology to measure the actual departures within the organization, while relying on clear rules to include or exclude certain employees and types of departures.

Included in the workforce are: employees on permanent contracts, transfers from fixed-term contracts to permanent contracts, and transfers from apprenticeship contracts to permanent contracts.

The following are excluded from this workforce: construction site employees on permanent contracts, employees on fixed-term contracts, apprentices, work-study students and trainees.

The departures included in the calculation are: dismissals, resignations, contractual terminations.

Certain types of departures are excluded from the analysis: redundancies, end of contracts (fixed-term contracts, apprenticeships or work-study contracts), internal transfers

from one Group unit to another, departures concerning permanent construction site contracts, retirements.

The calculation formula used for the employee departure rate is as follows:

Employee departure rate = Number of departures / Workforce at the beginning of the year × 100

This rate makes it possible to assess the level of voluntary or involuntary turnover within the organization, excluding situations that cannot be controlled or specific ones (such as retirement or the end of temporary contracts). By focusing on a well-defined scope, it provides a precise and comparable view over time and between different Group entities. Here, the four legal entities of EXAIL are represented.

In 2024, 227 employees left the Group.





Assessment of impacts, risks and opportunities for Company personnel

By means of various reporting tools (payroll extractions, specific dashboards, paperless time management module, paperless module for managing annual reviews), the Company regularly assesses:

1. employee working conditions, including safety, health and social rights;
2. diversity within its organization;
3. professional training, compensation and employee commitment.

These elements are measured using internally defined KPIs such as the professional equality index, the training monitoring table, and recruitment, absenteeism and accident statistics.

The Company's priority objectives relate to:

- the quality of life at work promoted by the continuous investment in the layout of the premises and internal tools, in favor of well-being at work;
- the continuous development of skills thanks to the means implemented to help retain employees;
- the transformation of working methods to allow autonomy and responsibility, promoting the release of internal energies and the development of cooperation.

The main risks identified are related to changes in the Company's scale (rapid growth) and the nature of its activities:

- risk pertaining to the Company's development related to changes in its size (changes in decision-making processes, organization, autonomy, etc.);
- difficulty in accessing and retaining critical skills and talent that could impact the internal expertise;
- internal and external image problem related to EXAIL's business sectors and/or markets (defense, energy, etc.).

This change of scale allows the Company to offer new perspectives to employees and to build a common identity:

- continuous improvement of the working conditions thanks to the collective agreements and actions implemented (investment projects, QLW, etc.) to promote the attraction and retention of talent;
- promotion of employee autonomy and responsibility through the deployment of actions and commitments encouraging the release of internal energies;
- development of the Company and its ability to attract talent through concrete actions to promote the activity and enhance the employer brand, and implementation of internal policies to this end.

Positive material impacts

With regard to the following three positive material impacts, EXAIL regularly monitors and assesses the effectiveness of its actions and initiatives to produce tangible results for its own workforce:

1. quality of life at work, promoted by the continuous investment in the layout of the premises and internal tools, in favor of well-being at work;
2. skills development and professional growth, thanks to the means implemented to promote employee loyalty;
3. transformation of working methods, allowing autonomy and responsibility, and promoting the release of internal energies.

To assess these actions, EXAIL is planning an internal survey in 2025, which will collect staff feedback on the impact of these initiatives and identify the actions needed to improve them. Depending on the results, improvement actions will be defined and implemented to ensure continuous development of practices. In addition, the Company has internal regulations, including a disciplinary procedure, to supervise and guarantee compliance with the standards and behaviors expected within the organization.

EXAIL allocates specific resources to the management of its impacts through several key functions of the Company. The HR, QSE (quality, safety, environment) and CSR (corporate social responsibility) functions, as well as local management, work closely together to identify, assess and manage these impacts. These teams are responsible for implementing the necessary actions to limit risks, improve working conditions and guarantee a respectful, inclusive and safe working environment for all employees.

In the event of a discontinuation of a commercial activity for economic or market reasons, the Company undertakes to comply with the legislation in force in order to mitigate the impact on its employees and to support the transition as much as possible.

EXAIL's employees, as well as the employee representatives, play an essential role in decisions relating to the design and implementation of programs or processes aimed at achieving positive impacts. Their contribution is made in particular through meetings of the Social and Economic Committee, participation in regular surveys, as well as informal exchanges with employees. These interactions provide valuable feedback and ensure that the actions taken are aligned with the expectations and needs of the staff, thus promoting an inclusive and collaborative approach when managing impacts within the Company.

The internal functions involved in impact management within EXAIL are Directors, managers, HR functions, as well as the QSE (quality, safety, environment) and CSR (corporate social responsibility) teams. These players work in close collaboration to identify, assess and manage impacts, implement concrete actions, and ensure a positive and safe working environment for all employees.

To manage the material IROs, EXAIL has, by means of its HR roadmap, defined targeted actions that are already in place or to be developed over the coming years. They are described in the following paragraphs.

EXAIL's integrity system

In accordance with our principles and values, as explained in our statement on ethics and compliance, EXAIL is committed to implementing the most demanding ethical standards and to respecting without exception all the laws and regulations to which we are subject.

In this context, an integrity system has been deployed and is applicable throughout the Group, in France and abroad.

This system is based in particular on two key documents:

- our Anti-Corruption Code of Conduct;
- our internal whistleblowing procedure.

This integrity system is intended in particular to handle complaints and appeals and to offer employees recourse in the event of identified discrimination. This system takes into account both formal structures and informal cultural dynamics that could prevent employees from expressing their concerns or grievances. The aim is to ensure a respectful and safe working environment, where every employee can confidently raise his or her concerns and receive fair and equitable treatment.

Accident prevention

A workplace accident prevention policy and a related management system are in place to enhance the health, safety and working conditions at EXAIL's sites.

1. Company commitments:

the QSE policy sets a clear framework: protect the health and safety of employees, customers and subcontractors, the single occupational risk assessment document (Document unique d'évaluation des risques professionnels - DUERP) serves as a key tool to identify and assess risks and define prevention and protection measures for employees;
2. Management of risks related to subcontractors:

implementation of prevention plans when necessary, issuance of fire permits for specific high-risk work;
3. On-site HSE protocols and monitoring:

safety protocol posted at workshop delivery points, bimonthly HSE meetings organized with the employee representatives to analyze accidents (including near misses), corrective actions, and changes to the DUERP, safety visits carried out on an ad hoc basis in collaboration with the employee representatives;
4. Incident follow-up:

for the Group and in accordance with the regulations in force, any serious accident with reference to the French Labor Code is subject to an analysis and an action plan. Recurring accidents or incidents are subject to the same procedure;

5. Layout and accessibility of facilities:

adaptations to guarantee safety and accessibility: floor markings, overhead signage (fire extinguishers, medical devices), demarcation markings around sensitive areas;

6. Initiatives:

- commitment of employees to the Health and Safety approach with the first Safety and Environment Week. Workshops such as the climate fresco, 2-ton workshop, virtual risk hunting, were organized on EXAIL sites,
- the 5S project launched at the end of 2023 has made it possible to improve workspaces,
- mandatory wearing of PPE (safety footwear) in production and testing areas,
- approach following the Bird pyramid aimed at preventing the occurrence of accidents by working on the basis of precursor events such as dangerous situations, near misses.

These approaches and actions reflect EXAIL's proactive approach to improving working conditions and reducing risks in order to ensure a safe environment.

Social dialogue: the involvement of the employee representatives is an essential element of the prevention approach. This social dialogue takes place regularly within the Health, Safety and Working Conditions Committees and local groups by site where they exist. This coordination is important because it allows employees to be involved in the procedures initiated; it also makes it possible to report worrying situations so that they can be handled.

Training

EXAIL organizes dedicated management training courses, during which essential topics are addressed, such as the responsibility of managers in terms of equal treatment and employment opportunities. These trainings also highlight the importance of publishing clear company-wide policies and procedures to guide the gender equality practices, and of integrating gender performance as a criterion for career advancement. These initiatives aim to anchor the principles of fairness at the heart of managerial practices and strategic decisions.

EXAIL offers an online training module called "Diversity and inclusion at work", designed to raise awareness and train employees on these key issues. In addition, specific training for managers on recruitment is planned for 2025, in order to strengthen the staff's skills in terms of non-discrimination policies and practices. These initiatives demonstrate EXAIL's commitment to promoting an inclusive and fair working environment.

The EXAIL platform offers employees access to a variety of programs designed to promote skills development. These programs enable all employees to strengthen their knowledge, consolidate their soft skills and acquire new skills, and advance in their career. By providing these training tools, EXAIL contributes to the creation of a continuous learning environment and promotes the professional development of employees while supporting the Company's strategic objectives.





Indeed, internal training and skills development is a priority topic for human resources. The aim is to contribute to the continuous development of staff skills.

Through training committees, the employee representatives have the opportunity to share their feedback and make suggestions. This participatory process ensures that decisions are aligned with the actual needs of employees and the Company, and makes it possible to adapt actions according to the results obtained, thus contributing to effective management of material impacts and continuous improvement of practices.

EXAIL ensures that its older employees have access to training. This initiative is part of EXAIL's desire to promote the inclusion and upskilling of all employees, regardless of their age, and to guarantee equal access to training.

Accessibility and disability

At EXAIL, we take individual situations into account as much as possible to ensure accessibility and the well-being of employees with disabilities. This includes specific arrangements for people with reduced mobility, adaptations of work equipment, and special measures in the event of an emergency. The declaration for the official recognition of a person's status as a worker with a disability (Reconnaissance de qualité de travailleur handicapé - RQTH) and the mandatory employment of disabled workers declaration (Déclaration obligatoire de l'emploi des travailleurs handicapés - DOETH) are used to compile information related to our employees with disabilities.

Most EXAIL sites with car parks have parking spaces reserved for people with reduced mobility (PRM). A large majority of the buildings offer adapted access facilities, such as ramps or special entrances.

Adapted essential facilities, such as toilets, are provided to people with reduced mobility. Whenever buildings are modified or new premises are fitted out, these issues are systematically taken into account to ensure optimal accessibility for all.

We are aware that certain disabilities are less visible, which can sometimes make it difficult to take them into account. This is why we encourage the employees concerned to inform us of their specific needs. This allows us to support them individually in various situations, such as hearing or vision disorders or musculoskeletal disorders.

We are constantly working to adapt our tools and machines to facilitate the work of employees. For example, changes have been made to reduce the exposure to musculoskeletal risks, thus helping to improve working conditions and preserve the health of our teams.

Emergency measures and evacuation

In addition to the usual work situations, we provide specific protocols for emergencies, in particular evacuations in the event of fire. When people with reduced mobility are on upper floors, secure refuge areas allow them to wait for the emergency services. These measures guarantee their safety while respecting the constraints related to the ban on the use of lifts during an evacuation.

Commitment to inclusion

At EXAIL, we are committed to creating an inclusive and accessible work environment, in which everyone can thrive, regardless of their particularities. We remain attentive to our employees to continue to improve our practices and meet their specific needs.

Recruitment and training

EXAIL has implemented a rigorous monitoring system and regularly updated job lists to ensure proactive management of the recruitment, training and promotion processes. These tools offer not only a clear and transparent view of the opportunities available to employees, but also a detailed monitoring of their development and progress within the Company. This approach ensures fair talent management, ensuring that every employee has equal access to career opportunities and continuous training. This visibility also promotes internal mobility within the Group. This approach is fully in line with EXAIL's commitments in terms of inclusion, diversity and skills development, while contributing to the retention of its talents.

Employee consultation

EXAIL regularly organizes webinars, meetings for all employees at all its sites, and social meetings with the employee representative bodies to enable its employees to share their points of view. These participatory exchanges are essential to inform the Company's decisions and activities, in particular those aimed at identifying and managing the actual and potential impacts on its own staff. This approach promotes a culture of active listening and co-construction, while strengthening the employees' commitment to EXAIL's strategy and actions.

The Company undertakes to comply with the legal framework while taking into account the points of view of its own employees to inform its decisions and activities. These perspectives are collected and discussed at the meetings of the employee representative bodies and within various dedicated committees, thus making it possible to better manage the actual and potential impacts on employees. This approach guarantees participatory governance and contributes to actions aligned with the needs and expectations of employees.

EXAIL maintains a calendar of ordinary meetings as well as sessions dedicated to information and consultations. This structured calendar ensures constant social dialogue and contributes to greater transparency and collaboration within the Company. The Company establishes a social roadmap with the social partners, steered by working groups composed of elected members of the Social and Economic Committees and members of the Human Resources Department, in order to prioritize the work and promote quality social dialogue that is responsible, respectful and continuous.

The Human Resources Department, together with the operational departments, is responsible for promoting employee commitment. The Human Resources Department ensures that the results of these discussions and consultations directly inform the Company's strategic and operational approach, thus ensuring consistent management aligned with the needs and expectations of the staff.

EXAIL takes into account potential barriers to employee commitment, such as language and cultural differences or gender imbalances. Executive Management regularly presents the Company's organization and governance in order to actively involve employees. These presentations aim to ensure a constructive and transparent dialogue on strategic choices, thus enabling employees to better understand the Company's orientations and to be included in its decision-making processes.

The Company takes steps to better understand the perspectives of its staff members who may be particularly vulnerable to impacts and/or marginalization. It also strives to provide solutions or help remedy situations that have a significant negative impact on its own employees.

EXAIL has set up several access channels to allow its employees and their representatives to express their concerns or report significant impacts. This includes mandatory signage in workspaces, ensuring clear and accessible information. An internal whistleblowing procedure is also available, allowing employees to quickly report any worrying situation. In addition, the lists of elected representatives are accessible, making it easier to make contact with employee representatives.

The Company also offers a psychological hotline to support its employees in case of need. The occupational health team is available to employees for any questions relating to their health at work, and contact persons are appointed to deal with issues related to harassment, disability and professional equality. These systems ensure easy and confidential access to resources and appropriate support to respond to each significant impact on employees.

The Company has a mechanism for handling grievances and complaints related to employee issues, in particular through meetings of the Social and Economic Committee and the Health, Safety and Working Conditions Committees, which make it possible to report employee information and concerns. These meetings play a key role in identifying and managing issues related to working conditions and employee well-being. In addition, periodic general information meetings are organized at the Company's sites, providing employees with regular opportunities to inform themselves, express their concerns and obtain answers to questions regarding them.

The Company is able to provide relevant and reliable data on the effectiveness of its communication and complaints channels, from the point of view of the persons concerned. In addition, an associated action plan is in place to respond to the feedback collected and continuously improve the efficiency of these channels, thus ensuring proactive management of concerns and better management of staff needs.

Working conditions of non-employees

The working and employment conditions of non-employees of the Company are mainly governed by the applicable labor law, as well as by collective agreements where relevant. However, in the absence of a contractual employment relationship, the conditions specific to non-employees, such as service providers or self-employed workers, are determined in accordance with the legal and contractual standards in force, thus guaranteeing compliance with the legal obligations and rights of self-employed workers, while promoting a fair working environment.

Wage policy

All EXAIL employees receive an adequate wage, in accordance with the applicable benchmarks. This practice ensures that wages are aligned with legal standards, collective agreements and industry criteria, thus ensuring a fair wage for the work performed. The Company ensures that each employee is compensated fairly, respecting the minimum wage thresholds according to their role, experience and the legal requirements in force. At the end of the year, the Company makes the necessary adjustments to ensure that all its employees are paid in accordance with the legal or contractual minimum wages.

Social protection

EXAIL ensures that all its employees benefit from social protection. To this end, the Company has negotiated agreements or implemented unilateral employer decisions covering several aspects of social protection, including healthcare costs and provident insurance:

- loss of income due to illness: all EXAIL employees are covered by provident programs that guarantee financial compensation in the event of long-term illness, in addition to public benefits;
- loss of income due to unemployment: unemployment-related coverage is also provided by public benefits, according to the legislation in force, and in addition to the guarantees offered by the Company;
- loss of income due to a workplace accident and acquired disability: EXAIL provides comprehensive coverage for its employees in the event of a workplace accident or acquired disability, through specific provident benefits and in accordance with the legislation on occupational safety;
- loss of income due to paternity leave: the Company pays for paternity leave in France by providing financial support, in addition to the allowances provided by public schemes.

EXAIL ensures that its employees benefit from adequate coverage to face major social risks, in compliance with the legal standards and through internal provident schemes.





EXAIL guarantees comprehensive social protection for its employees in all countries where it operates, in accordance with legal requirements and local collective agreements. Non-employees are not covered by these schemes, whether they are linked to the Company by other forms of collaboration (service providers, freelancers, self-employed) or employed in specific non-contractual contexts.

Types of employees not covered

1. **Illness:** non-employees such as service providers, freelancers or consultants do not benefit from the social protection offered by EXAIL, but must rely on their own coverage (public or private);
2. **Workplace accidents and acquired disability:** non-employees, in particular external service providers, are not covered by the schemes pertaining to these risks;
3. **Maternity leave:** non-employee women, for example self-employed women, are not entitled to maternity leave supported by the Company.

In conclusion, EXAIL ensures that all its employees, whether on permanent, fixed-term contracts, apprenticeships or internships, are fully protected against the hazards of life, but this excludes non-employees who work with the Company.

Discrimination

EXAIL guarantees a working environment that respects human rights and is fully committed to respecting the United Nations Guiding Principles on Business and Human Rights, as well as the OECD Guidelines for Multinational Enterprises.

No serious human rights issues or incidents related to the Company's employees have been reported to date. In addition, no cases of non-compliance with the United Nations or OECD Guidelines have been recorded concerning the Company's employees.

This commitment illustrates EXAIL's desire to maintain high standards in terms of social responsibility and respect for fundamental rights.

6.3.2 SUPPLIERS AND PARTNERS OF EXAIL (ESRS S2)

Interests, views and labor rights throughout the value chain are factored into the business model. Respect for human rights and transparent dialogue with stakeholders are key elements of EXAIL's supplier relationship management.

Impacts on suppliers

The actual and potential impacts and effects on suppliers are fully taken into account when adapting the Company's strategy. Actions have been undertaken or are planned from 2025 with a goal of continuous improvement on the environmental and social aspect of suppliers and partners:

1. **supplier commitment to the CSR approach:** the supplier assessment tools (qualification questionnaire, RFI, audit, etc.) will evolve with the integration of new CSR criteria, in order to guarantee the compliance of partners with the Company's requirements while increasing transparency. Indeed, in 2025, the objective will be to carry out an inventory of the supplier panel and an assessment of new entrants within a defined scope (see ESRS 2 SBM-3). This approach has been initiated to ensure monitoring and submit to our partners criteria committing them to increasing social and environmental responsibility.

The Supplier and Partner Code of Conduct will also be updated in 2025 and will be monitored for distribution and adherence by our partners to the ethical, social and environmental standards defined by the Company;

2. **preferred multi-sourcing:** this approach promotes the diversification of supply sources to reduce the risks related to dependence on a single supplier and to strengthen the resilience of the supply chain;
3. **improved supply chain analysis:** by working on tools such as the line card for electronic manufacturers and distributors, the Company aims to optimize the transparency and traceability of materials. In addition, purchases from brokers are limited to reduce the associated risks;
4. **consideration of the impact of the materials used:** a proactive reflection is carried out on the materials used in new products in order to find alternatives that limit their environmental and social impact, in collaboration with the Purchasing Departments in order to involve suppliers upstream;
5. **maintaining a majority of European or French suppliers:** this strategy promotes short circuits, reduces the carbon footprint related to transport and supports the local economy, while ensuring better compliance with CSR standards;
6. **adapted payment terms:** to meet the specific needs of suppliers, particularly small ones, flexible payment terms have been put in place to take into account their cash flow and contribute to their sustainability.

These actions demonstrate the Company's commitment to integrating responsible supply chain management into its overall strategy. They promote a balance between the economic, social and environmental objectives while strengthening the relationships of trust with partners.

Risks and opportunities in the value chain

The workers in the value chain play a crucial role in the performance and resilience of companies. The impacts and dependencies related to these players generate risks (social, ethical, legal, reputational) but also opportunities (improvement of reputation, access to new markets, competitive differentiation).

Actions have been put in place to integrate these elements into the strategy and business model.

1. Market watch and adaptation plan

- Conduct market watch to better understand the geopolitical risks and initiate the necessary steps with potentially impacted suppliers to ensure the continuity of the supply chain (assessment of related risks, action plan and adaptation of practices);
- Identification of high-risk areas (countries, sectors) where violations of workers' rights are more frequent.

2. Avoid high-risk areas

- Exclusion of suppliers located in geographical areas known for non-compliant practices (child labor, forced labor);
- Favor regions or countries where the regulatory and social frameworks are aligned with the Company's principles.

In summary, the integration of the risks and opportunities arising from the impacts on workers in the value chain requires a proactive and structured approach. The strategic actions mentioned enable the Company to reduce risks while exploiting opportunities for differentiation and resilience, thus aligning its practices with its strategy and sustainable business model.

Pragmatic approach and prioritization by impact sector

To meet the requirements of CSRD SBM-3 11 AR-6 AR-7, the Purchasing and CSR Departments carried out an in-depth analysis by mapping the sectors and product categories with the highest impact. This approach aimed to identify and rank products according to their significant contribution to environmental and social issues.

The mapping enabled us to highlight the sectors where our activities have significant effects, thus facilitating the prioritization of the actions to be implemented. Based on criteria such as carbon footprint, resource consumption and impacts on biodiversity, we were able to establish a hierarchy of supply chains. This hierarchy by order of impacts was cross-referenced with an analysis aimed at determining, among the sectors with high impacts, which were:

- those on which EXAIL could have direct levers with significant scale effects (actions that can be carried out in the short or medium term compatible with our size, markets and our products) and likely to have a significant impact: place in the supply chain and width of the chain, possible French or local suppliers, possible raw material or component alternatives, etc.;
- those on which EXAIL considers it has limited leverage, at its level, to allow a significant impact. We have specific products that do not allow us to implement multisourcing despite our ambition to do so. Our power of influence and our ability to impose a rapid adaptation of the supplier concerned are therefore limited.

Without excluding one-off or isolated actions in other sectors, we have therefore decided to concentrate the majority of projects on the following sectors:

- electronic components and boards;
- unwrought, machined or rare metals;
- chemical products;
- surface treatment.

This pragmatic approach allows us to focus our efforts and actions on impactful segments and thus to strengthen our sustainability strategy with significant expected results.

Despite the numerous differences between these four sectors, we have identified the possibility of addressing each of the impacts of each of the sectors according to three categories:

- "upstream" impacts resulting from the extraction of raw materials, treatment, refining and transformation into the first usable unit or finished part (e.g. raw material into an aluminum sheet);
- "intermediate" impacts resulting from the transport of the product between its place of first transformation, its secondary transformations (e.g. sending the aluminum sheet from a factory abroad to a French distributor, then shipping to a boilermaker or sheet metal worker, cutting and shaping of the raw material and transformation into a case in which electronic products will be integrated);
- "downstream" impacts related to the final use or application of the product (e.g. limitation of the product's impact on biodiversity, optimization of the energy related to the use of the product, management of the product's end-of-life or recycling, etc.).

Without being able to determine the proportion of these upstream, intermediate and downstream impacts in the overall impact of the sector, we have chosen to focus our efforts on the intermediate impacts in the first stage. It is in this segment that EXAIL will be able to undertake impactful short-term initiatives.

As regards the electronic components and boards segment (the no. 1 segment in terms of Purchasing revenue for EXAIL activities), since the end of 2023 the EXAIL group's purchasing community has relied on an Electronics Lead Buyer function whose work in 2024 made it possible to carry out a complete audit of the panel of manufacturers and distributors of electronic components and of the EMS panel (electronic card cabling).

- 29 EMS visited:
 - 70% of the revenue generated with three EMS (60% with the first two);
 - a 100% European and almost exclusively French panel.
- our top seven EMS (80% of the segment's Purchasing revenue) have
 - an average annual revenue of €18 million (SMEs/ISEs) and an average workforce of 111 employees; 13 groups of buyers met as well as most of the technical managers.





The visits and additional questionnaires showed that the groups on which our three largest EMS depend (70% of the segment's revenue) are strongly committed to a CSR approach; for example, our first supplier obtained a Silver medal following its ECOVADIS assessment, the second is publicly committed to its actions to reduce its carbon footprint, and the third is committed to projects with regenerative aims.

It can therefore be concluded that the suppliers in our electronics segment are already demonstrating an advanced level of maturity in terms of sustainability and that EXAIL must determine how it can capitalize on this maturity.

The analysis carried out in 2024 resulted in several optimization areas which were integrated into a roadmap that will be implemented from the beginning of 2025, including the following recommendations:

- favor, whenever possible (fit, form, function), the selection of components produced in Europe or, failing that, the selection of dual sources in order to limit the impacts of climate or geopolitical events;
- integrate social and environmental criteria into our supplier selection processes (RFI and audits);
- integrate, from the pre-design phases, the component manufacturers so that they can direct us towards components offering the best conditions of durability, as well as the methods and industrialization departments of our EMS so that they can help us to identify ways of reducing our needs in terms of raw materials, energy, etc. related to the manufacturing process itself (sidewalls, nesting, design strategy, positioning of certain components on the boards, routing strategy, control strategy, etc.);
- improve the supply policy in order to optimize the frequency of transport, production energy expenditure and the costs incurred:
 - maintain a safety stock making it possible to avoid (re)ordering a missing product: urgent = transport with a high carbon footprint (air freight 2-3 days vs. sea freight 4-6 weeks);
 - strive for minimum launch quantities to avoid too frequent deliveries when possible;
- implement forecasts (Manufacturing and sales plan, Production master plan) to promote the grouping of requirements, production orders and deliveries.

For the other families (wrought, machined or rare metals, chemical products, surface treatments), a similar approach is implemented on a more local and ad hoc basis, under the direct responsibility of the divisional purchasing directors and their teams, but with probably more limited levers due to the characteristics of the production markets and the constraints induced by the technologies of our products.

Indeed, EXAIL designs and produces highly technological and innovative solutions, which very often involves the selection of materials, processes and components that differentiate from a technological point of view and which, in practice, limits the possible sources of supply. In addition, EXAIL is mainly in the defense and aeronautics markets, whose regulatory requirements and limitations (standards, sources, traceability, etc.) are among the most restrictive in the industry, which limits the opportunities for substitution and optimization.

Example: some of our end-customers may impose restricted lists of manufacturers, qualified sources and/or standards for the supply of metals or chemicals.

MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS

EXAIL considers the management of its relationship with its suppliers to be essential for an effective sustainable purchasing policy. Its objective is therefore to strengthen the integration of sustainable development and social responsibility issues in its supply chain.

In addition, the Company seeks to limit its carbon impact across its entire value chain and therefore favors partnerships with committed suppliers.

EXAIL's "Supplier and Partner Code of Conduct" serves to share these expectations and requirements in terms of social, ethical and environmental responsibility with its partners and suppliers. It aims to ensure that partners and suppliers comply with high standards in terms of human rights, working conditions, environmental protection and the fight against corruption. This document also promotes sustainable and responsible collaboration while aligning partner practices with EXAIL's commitments and values.

The objective for 2025 will be to take these social and environmental criteria into account in the assessment of the current panel and in the selection of potential new suppliers.

To support this desire to develop commitment within its purchasing functions, collaboration has been set up between the CSR and Purchasing Departments. The objective is to integrate sustainability issues into the purchasing function.

At the same time, EXAIL has joined the United Nations Global Compact, committing itself to adopt, promote and apply, within its sphere of influence, the ten universally recognized principles in terms of human rights, labor law, protection of the environment, and the fight against corruption.

Stakeholder engagement

In order to ensure that its operational performance objectives are achieved under conditions guaranteeing the sustainability of its activities, EXAIL maintains an ongoing dialogue with its partners and major suppliers. By integrating them as early as possible in the value chain, they can make a positive contribution to the Company's impacts.

This dialogue is centralized by the purchasing and supply chain teams of the Group's various divisions, under the responsibility of each division's Purchasing Director. It is based on the principles set out in the Supplier and Partner Code of Conduct as well as on a set of social and environmental criteria defined by EXAIL, such as the standards of its purchasing and subcontracting policy. All buyers are trained to implement this policy on their portfolio of suppliers and are equipped with tools (RFI, Audit Matrix) to assess the level of maturity of suppliers and, if necessary, to implement personalized support.

The frequency of exchanges and assessments varies according to the importance of the supplier (revenue, criticality of the product or subcontracted activity) and its impact and/or the impact of its sector on the sustainability of EXAIL's activities; it can range from a one-off exchange when the supplier is qualified (RFI/Selection) if the level of maturity complies with EXAIL's requirements and/or the activity has a neutral impact, to more frequent exchanges such as quarterly Business & Quality Reviews or triennial audits on certain activities deemed critical.

Objectives with regard to suppliers

The objectives common to all EXAIL activities as regards partners and suppliers mainly relate to operational performance:

- On Time Delivery (OTD) = number of supplier order lines delivered on time / total number of order lines received;
- On Quality Delivery (OQD) = quantity of compliant parts delivered / total quantity of parts received;
- % local suppliers.

Additional indicators are observed by the purchasing teams of most of EXAIL activities (rate of supplier dependence on EXAIL, financial health, periodic risk assessment), but at this stage they cannot be applied to all EXAIL's activities through common objectives.

Sustainable procurement targets are also being developed for deployment in 2025. For example, the signing of the revised Supplier and Partner Code of Conduct (2025 version) and three on-site audits with integrated CSR criteria.

Standard payment terms policy as regards suppliers

EXAIL pays its suppliers according to the practices or legislation in force in the countries where it operates. At this stage, there is no specific approach regarding the payment terms regarding SMEs or VSEs since EXAIL is a group of activities whose size per site is close to SMEs or even VSEs.

In 2024, EXAIL did not monitor the average payment terms as regards its suppliers on a consolidated bases; this monitoring was performed on an entity-by-entity basis using different methodologies. By the end of 2026, our objective is to consolidate the payment terms by country using a harmonized approach.

Likewise, in 2024, given its current tools, EXAIL could not systematically and reliably measure the size of its suppliers to determine whether they are VSEs, SMEs or large groups. It aims to do so by the end of 2026.

The first level of qualification and attention will be on very small businesses to which the Group wishes to be particularly attentive with shorter payment terms than the Group's standards.

The Group is gradually rolling out invoice digitization tools to simplify the validation and payment of supplier invoices.

The average payment terms will be monitored on a consolidated basis by the end of 2026 with a unified approach and methodology. There are no ongoing legal proceedings for late payment.

6.3.3 CONSUMERS AND END-USERS (ESRS S4)

Consideration of the interests, views and rights of end-users

EXAIL strives to work closely with its customers. Our offering strategy is directly influenced by information from our

customers regarding their main challenges and the future improvements they would like to see in our products. Feedback is regularly reported via our sales and support teams, which are deployed around the world, using established tools in order to take into account each request or complaint. The sales and support team works closely with our product managers and market teams to feed into R&D, thus contributing to a long-term approach to the incremental development of new functionalities or offers. Before and after the sale, the support team is present in the field with the customer, providing training and installation assistance, and offering all types of services when and where necessary. The feedback flow is therefore constant. In addition, any customer complaints are recorded in an efficient ticketing system, allowing us to monitor them until they are resolved.

Impacts, risks and opportunities related to EXAIL's contribution to the safety of its customers' critical operations

EXAIL seeks technological leadership by providing products and systems of very high performance and reliability to our customers in a wide variety of applications. Some of these applications have a concrete impact on people and their environment:

- **protection of people:**
 - drone platforms keep people away from danger during mine clearance operations,
 - in the maritime sector, drones also make it possible to carry out operations that are sometimes dangerous due to the state of the sea. Many maritime operators are turning to drones for HSE reasons,
 - our navigation systems based on fiber optic gyro technology go well beyond IMO standards and are independent of magnetic disturbances and GNSS. Knowing that the rise in international tensions increases the risk of interference with and deception of satellite positioning systems, many users protect themselves against these risks by choosing EXAIL systems whose performance ensures safety, even under degraded conditions;
- **reduced energy consumption:** the use of drones significantly reduces the carbon footprint compared to traditional ships. The DriX-016 consumes 50 to 100 times less fuel than a hydrographic survey vessel. With its 2,300 liters of fuel and a hybrid propulsion solution, the O-16 can cover 2,500 miles at 8 knots, or 3,500 miles at 6.5 knots;
- **fewer equipment renewals:** EXAIL ensures an extended life of its equipment through the technology of its products and its technical support. One of the major differentiators of EXAIL navigation systems is that they do not require any maintenance. Fiber optic gyro technologies are devoid of wear elements, unlike mechanical or laser gyro technologies;





- **knowledge and protection of the environment:** EXAIL provides sensors and instruments for the scientific community worldwide. Our acoustic widths, our positioning equipment and our imaging sonars are used in many applications for assessing the impact on the environment and marine biodiversity. This is a substantial and growing business segment for EXAIL;
- **collective security:** EXAIL provides remotely operated vehicle systems, autonomous drones and a set of instrumentation for demining applications (MCM, EOD) on land and at sea. The objective is to locate, characterize and neutralize explosive devices. Sometime these devices are unexploded ordnance. They may also be stored, lost, forgotten or deliberately buried or submerged munitions;
- **infrastructure protection:** new needs are also emerging for the protection of energy and communication infrastructure. Drones and precision instrumentation can be used to provide surveillance and rapid response capabilities. We have built a solid reputation and are expected to respond to these new seabed management and control methods;

- **military markets:** EXAIL addresses civil, space and military markets in a large number of different application areas. This diversity of markets, which enrich each other, is one of the keys to EXAIL's technological differentiation and its resilience. As a result, the Company can reduce the risk of dependence on a single market and on the geopolitical environment.

Description of the types of end-users subject to material impacts

EXAIL's navigation systems address all critical environments from the seabed to space. EXAIL has become a quality benchmark both for increasing the performance of underwater vehicles and for the navigation of geostationary satellites. EXAIL capitalizes on its unique mastery of FOG technology to provide tangible benefits of precision and reliability in all environments. These feed into our R&D, positively impacting our environmental control (use, shocks, temperature, pressure, radiation, overall performance and functionalities).

NAVIGATION, FROM SEABED TO SPACE



+ 60,000 km



- 6 km



Policies adopted to manage the material impacts of our products and services on end-users, as well as the associated material risks and opportunities

EXAIL conducts its activity in a Business to Business relationship, with some exceptions. Indeed, its customers, professionals in the target sectors, are informed of, even involved in, the design and/or test cycles.

EXAIL is increasing the training of its end-users in the use of its high-tech products and solutions. Customers and users benefit from the theoretical and practical contributions of EXAIL's sales and support teams on site or during operations.

EXAIL contributes to the safety of its customers' critical operations by:

- including the customer in the development cycle;
- basing its work on the standards and regulations governing the innovative technological fields in question;
- integrating organizational and human factors into the appropriation of innovative solutions and their implementation.

In 2024, the QSE Department led the development of a common QSE policy for the Group which affirms the following commitments:

- provide our customers with high-performance and reliable components, equipment and systems that meet their needs;
- ensure the health and safety of our employees, as well as that of our customers and suppliers;
- aim for the deployment of an approach integrating the life cycle approach.

EXAIL adopts a graduated approach to the dangers and risks in its activities.

Solutions using pyrotechnic elements, batteries, lasers, etc. are the subject of specific studies to ensure that their use is safe throughout the life cycle.

For example, batteries are the subject of studies aimed at defining intrinsic characteristics to ensure their safety. The regulations applicable to maritime, air and rail transport are complied with. When necessary, for instance for the transport of hazardous materials, a safety advisor is consulted. Specific storage cabinets or containers are used, and loading and unloading are subject to specific operating methods and resources. Degraded modes and failure scenarios are considered through FMECA to define the prevention and protection measures necessary during operation.

The technological solutions offered by the Group may represent an opportunity in the context of the energy transition. The adoption of less cumbersome solutions requiring fewer resources for hydrography, oceanography, defense or energy presents an opportunity for our customers to reduce their greenhouse gas emissions.

Drones can:

- be a substitute for the use of vessels;
- make it possible to limit the use of vessels to the mission approach and supervision phases, whereas they are currently used for all phases;
- make it possible to define less emissive vessels by using a hybrid ship-drone solution.

EXAIL designed and coordinated the construction of the first electro-hydrogen propulsion fishing training vessel in France, demonstrating its ability to design Zero-Emission vessels thanks to its expertise in naval architecture and integration of complex onboard systems.

COMMITMENT AND RESPECT OF THE UNIVERSAL PRINCIPLES WITH REGARD TO END-USERS

EXAIL adheres to the United Nations Global Compact, reaffirming its commitment to universal principles in terms of human rights, international labor standards, the environment, and the fight against corruption. This commitment guides our consumer and end-user policies, ensuring their alignment with internationally recognized instruments such as the United Nations Guiding Principles on Business and Human Rights.

To date, there have been no reported cases of non-compliance with the UN Guiding Principles, the ILO Declaration or the OECD Guidelines involving consumers or end-users in our value chain. In the event that such cases are brought to our attention, we undertake to act transparently and implement appropriate corrective actions, in accordance with our international commitments.

EXAIL also has a Code of Conduct that serves as a framework to promote a culture of integrity, respect and responsibility. This document sets out the fundamental principles that all employees must follow to ensure exemplary conduct in the Company's activities.

The Code pays particular attention to relations with stakeholders, by establishing clear principles, particularly with regard to customers. The Company is committed to providing quality products and services, transparency and respect in exchanges, protection of customer data. The Code aims to build and maintain relationships of trust, by promoting ethical and sustainable practices.





PROCESSES FOR ENGAGING WITH CONSUMERS AND END-USERS ABOUT IMPACTS

EXAIL works with a certain number of customers who are themselves involved in the technical choices and are involved in the design of the products and systems provided to them. This is the case for customers who specify the technical solution in detail or for partners with whom EXAIL co-develops innovative technical solutions.

The expectations expressed by customers and partners are recorded throughout the projects, i.e. during the consultation, contractualization and execution phases.

In the latter cases, EXAIL's sales, offerings, project management and R&D teams are on the front line to understand and implement the needs expressed by these stakeholders.

Whether they are specifying customers and partners or customers purchasing off-the-shelf solutions, EXAIL notes the points of view of its customers, partners and users through several channels.

EXAIL has support services whose objective is to respond to the requests expressed by customers after the delivery of product and system components. This is an important entry point for capturing customer dissatisfaction as well as unmet expectations.

In addition, to improve its customer feedback, EXAIL implements several types of satisfaction surveys (intermediate delivery, final delivery, annual, general survey). The Eval & GO tools or partners such as Praxis made it possible to carry out this type of survey in 2024.

Events such as trade shows or other customer meetings are also a source of feedback concerning customer expectations and requirements. These discussions are conducted mainly with sales managers and product managers.

Customer communication channels

Information on this subject is detailed in Section 6.4 / Information on business conduct (ESRS G1)

Measures taken regarding material impacts on consumers and end-users, and approaches to manage material risks and search for material opportunities related to consumers and end-users, and effectiveness of these measures

EXAIL offers its customers solutions implemented in various critical operations such as the intervention of naval or land defense forces, mine clearance, aircraft emergency situations, etc. EXAIL is involved throughout its design and manufacturing cycle to guarantee its customers and end-users solutions that can be reliably and sustainably operated.

Analyses, demonstrations and tests are carried out during the design cycle to ensure that contractual, regulatory and standard requirements are met. Specific tests and trials can be carried out to demonstrate the performance of the product, and to validate the processes or industrial scheme aimed at providing reproducible copies.

The production activities are subject to graduated controls (self-checks, cross-checks, independent checks) according to the characteristics to be obtained (safety, performance, etc.). When volumes so allow, manual, semi-automatic or automatic testing means can be used to ensure the reproducibility of deliverables.

The aforementioned methods aim to prevent or reduce any abnormal impact.

Almost all of the legal entities that make up the Group have an ISO 9001- or EN 9100-certified quality management system for the sites operating in the aeronautics sector.

In addition to these quality-related certifications, in 2024 EXAIL, following an evaluation by ECOVADIS according to its methodology, obtained a silver medal (Top 15%) after obtaining a bronze medal in 2023 (Top 35%).

Products may be subject to inspection or, where applicable, certification by an inspection body or a supervisory authority (EASA, DGA, ASN, etc.).

These verifications, controls and independent audits conducted by third parties attest, through regular reviews, to the compliance of the measures put in place.

The subcontractors, relevant stakeholders of the Group, are assessed, monitored, inspected and audited to ensure that supplies are kept under control and that they are compatible with the Group's requirements.

EXAIL's industrial sites are located in France and Belgium. The subcontractors are mainly located in Europe near EXAIL's industrial sites. This localization aims in particular to guarantee control of the supply chain, both in terms of technical and non-technical requirements, respect for human rights, the SDGs, business ethics, etc.

Action plans and resources to manage material impacts, risks and opportunities related to consumers and end-users

Upon their request, EXAIL's end-customers or end-users can be provided with training.

EXAIL provides, in different formats depending on the technological solutions provided, a set of information relating to the product and its use and end-of-life perspective.

The information is contained in documents usually referred to as a data sheet, handbook, user manual, user guide, manual and/or service book. All of these documents are intended to inform the user.

User feedback is facilitated by various means (QR code, questionnaires, hotline) or dedicated contacts (support, sales, project teams). Feedback, reports of anomalies, expressions of customer and user satisfaction make it possible to enrich, improve and adapt training, information documents and innovative technological solutions.

The high-tech solutions provided by EXAIL are finding new markets and meeting new needs, and must be constantly adapted to the operational concepts and uses of customers and end-users within the framework of these cutting-edge and disruptive technologies.

RESOURCES ALLOCATED TO IMPACT MANAGEMENT

The ISO 9001 or EN 9100 certifications and procedures within EXAIL demonstrate a high level of commitment in terms of quality, safety and process management. These standards require the implementation of a rigorous system led by the QSE (quality, safety, environment) teams and require cross-functional collaboration between all company functions:

- 1. alignment with the Company's strategy:** the Company's processes and actions must be consistent with its strategic objectives. This ensures that the quality approach effectively supports EXAIL's development ambitions and operational priorities;
- 2. analysis of the business context:** this includes identification of relevant stakeholders (customers, partners, employees, etc.), as well as understanding of the needs, expectations and constraints of the external and internal environment;
- 3. risk and opportunity management:** an in-depth analysis of the potential risks and opportunities must be carried out to anticipate potential problems and capitalize on levers for improvement;

- 4. customer audits:** customers can perform audits to verify that EXAIL's processes meet their specific requirements. These audits also make it possible to assess the Company's ability to integrate their expectations into its operational practices.

In short, these certifications ensure that the Company applies world-class standards in its management practices, while remaining focused on continuous improvement and customer satisfaction.

CYBERSECURITY

EXAIL takes an integrated and proactive approach to mitigate cybersecurity risks by combining:

- compliance with recognized standards with the application of NIS 2 best practices and compliance with current directives;
- the presence of a dedicated cybersecurity team to manage these issues at all levels of the Company with a commitment to transparency towards our stakeholders;
- raising awareness among internal and external stakeholders of the Company's cybersecurity issues.

These actions make it possible to strengthen the Company's resilience in the face of cyber threats while promoting transparency and trust with its customers and partners.

Our commitment to rigorous and transparent cybersecurity is an essential component of our sustainability strategy. By working hand in hand with our customers, we build relationships based on mutual trust, operational excellence, and a shared commitment to a secure and sustainable future.

At EXAIL, we consider the safety of consumers and end-users to be an essential responsibility. We are committed to ensuring that our internal practices, products and services do not expose our customers to cybersecurity risks. This commitment is reflected in a continuous improvement approach in terms of cybersecurity.



6.4 INFORMATION ON BUSINESS CONDUCT (ESRS G1)

6.4.1 GOVERNANCE

Information on this subject is provided in Section 6.1/General information (ESRS 2).

6.4.2 IMPACTS, RISKS AND OPPORTUNITIES RELATED TO BUSINESS CONDUCT

Information on this subject is provided in Section 6.1/General information (ESRS 2).

6.4.3 CORPORATE CULTURE AND BUSINESS CONDUCT POLICIES

6.4.3.1 Business ethics and compliance

Within the EXAIL group, business ethics and compliance, in the broad sense of "compliance", govern the conduct of business.

Given the associated challenges (see Section 6.1.5 for the IRO perspective) but also in line with its vision and values and the corporate culture it defends, the Company has formalized a statement on ethics and compliance (freely available on the Group's website). Stipulating that business ethics and compliance are key to its success and sustainable development, it establishes the EXAIL group's policy as regards business conduct.

This statement, approved at the highest level and applicable to the entire EXAIL group, is thus the keystone of all the compliance programs deployed and is binding on the behavior of all employees.

It is also applied in our own value chain via the Supplier and Partner Code of Conduct (freely available on the Group's website).

The governance aspects associated with business conduct are developed in Section 6.4.1 (see GOV-1).

6.4.3.2 Integrity system

More specifically, business ethics and compliance are based on the Group's integrity system, formally rolled out in September 2023 and structured around two key components:

- the corruption prevention and detection program or anti-corruption program (see Section 6.4.3.2);
- the internal whistleblowing system (see Section 6.4.3.3).

A structural component of the corporate culture with regard to business conduct, the integrity system is specifically promoted to all Group employees with a dedicated page on the MyExail intranet site.

The two main documents of the system, i.e. respectively for each of its components the Anti-Corruption Code of Conduct and the Internal Whistleblowing Procedure (freely available on the Group's website), are formally endorsed by all employees under contract (in France from 2024, extended internationally from 2025).

6.4.3.3 Corruption prevention and detection program

A key component of EXAIL's integrity system, given the importance of the associated issues, the project to define the revised anti-corruption program for the EXAIL group (being set up at the time) was initiated in the second half of 2022 for an iterative multi-year deployment starting in 2023.

This program, adapting and improving the pre-existing programs, enables the EXAIL group to comply with the legal and regulatory requirements to which it is subject with regard to the prevention and detection of corruption, according to the requirements of Law no. 2016-1691 of 9 December 2016, known as the Sapin 2 law, as amended.

Section 6.4.4 provides additional information on the anti-corruption program (see G1-3). The training regarding the anti-corruption program is described in Sections 6.4.3.5 and 6.4.4.7 (see G1-3).

6.4.3.4 Internal whistleblowing system

A key component of EXAIL's integrity system, since September 2023, the Group has deployed a comprehensive internal whistleblowing system, duly linked to the anti-corruption program, as explained in detail in the internal whistleblowing procedure.

This system complies with the requirements of Law no. 2016-1691 of 9 December 2016, known as the Sapin 2 law, as amended by Law no. 2022-401 of 21 March 2022, known as the Wasserman law, itself transposing Directive (EU) 2019/1937 of 23 October 2019 into French law. It thus enables the EXAIL group to comply with the legal and regulatory requirements to which it is subject with regard to the collection and processing of alerts and the protection of whistleblowers.

The following key points are of particular importance (the paragraphs mentioned refer to the whistleblowing procedure):

- the whistleblowing system allows any eligible person to report any subject falling within the scope of the system (see Sections II. and III.):
 - as such, it is open not only to employees, in a very broad definition, but also to various external interested parties as defined by the legal framework,
 - it makes it possible to report not only violations of the law as defined by the legal framework but also any breach of the Anti-Corruption Code of Conduct or any other Code or Charter formally applicable within the EXAIL group;
- in order to make this system as effective as possible, two reporting channels are made available to any whistleblower:
 - via the internal contact persons (see IV.1, V. and VI.), either directly or through functional email addresses,
 - via the outsourced ethicorp platform (see V. and VI.);
- the system governs the processing of alerts, including with regard to the prevention of any conflict of interest and any internal investigations that may be launched (see IV. and VII.);
- any whistleblower meeting the legal framework is strictly protected according to the provisions in force (see VIII. to XIII.);
- in addition to the Group's website, all elements of the internal whistleblowing system are available on the MyExail intranet site (see also XIV.);
- the internal whistleblowing procedure is formally communicated to all employees with an employment contract within EXAIL.

The training on the internal whistleblowing system is developed in Section 6.4.3.4 (see also Section 6.4.4.7 in connection with the anti-corruption program).

6.4.3.5 Functions exposed and training system

In line with the statement on ethics and compliance, all EXAIL group employees are covered by the integrity system, which is the common foundation of business ethics and compliance.

When it was rolled out in September 2023, a series of specific awareness-raising webinars were conducted for all Group employees (in French and English), which were subsequently made available on the dedicated page of the MyExail intranet site. In 2024, awareness-raising sessions were carried out on a pilot basis on certain sites, targeting various functions and/or with employees in order to fine-tune the approach for raising employee awareness of the integrity system, in parallel with the information made available to them on the intranet site.

In addition, more specifically in connection with the anti-corruption program (see also Section 6.4.4.7), the following functions are considered to be the most exposed:

- Management;
- sales (including business development) and offers;
- purchasing;
- projects/programs, if in relation with third parties in countries and markets considered sensitive.

In 2024, dedicated awareness-raising and/or training actions were carried out on a pilot basis for some of these functions in order to fine-tune the approach for raising awareness and/or providing enhanced training in connection with the anti-corruption program.

From 2025, all awareness-raising and/or training actions related to business ethics and compliance will be harmonized and carried out according to an annual plan, and be provided in modules covering both the basis of the integrity system and the more advanced elements of the anti-corruption program (depending on the exposure of the functions concerned and in line with the associated risk mapping).

An assessment will be carried out at the end of 2025 in order to ensure the sustainability of the awareness-raising and training system.



6.4.4 PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY

6.4.4.1 Corruption prevention and detection program

Already mentioned in Section 6.4.3.2, EXAIL's internal corruption prevention and detection program, or anti-corruption program, aims to combat corruption, including bribery and influence peddling.

This program enables the EXAIL group to comply with the legal and regulatory requirements to which it is subject with regard to the prevention and detection of corruption, according to the requirements of Law no. 2016-1691 of 9 December 2016, known as the Sapin 2 law, as amended. By extension, it also makes it possible to comply with the requirements applicable to the EXAIL group of the other legal and regulatory provisions in this area, for example those issued by the United Kingdom (UKBA) and the United States (FCPA).

Adapting and improving the pre-existing programs within the IXBLUE and ECA groups, the project to define the revised anti-corruption program for the EXAIL group (being set up at the time) was initiated in the second half of 2022 for an iterative multi-year deployment mainly conducted over the 2023 and 2024 financial years. In accordance with the annual assessment and the revised annual action plan, as prepared by the Compliance Director and presented to the TCC in early 2025 (see Section 6.4.1), this deployment will be consolidated over the 2025 financial year, finalizing the transition to an EXAIL anti-corruption program with the appropriate level of maturity.

As already mentioned in Section 6.4.3, the statement on ethics and compliance, as well as all the key documents relating to the integrity system, are published on the Group's website and are therefore freely accessible to all external stakeholders. A link is also made in the Supplier and Partner Code of Conduct, which in particular applies the integrity system to certain third parties in the EXAIL value chain.

In addition, as already mentioned in Section 6.4.3, all anti-corruption program documents are available to employees on the MyExail intranet site.

The following sections (6.4.4.2 to 6.4.4) provide additional information on the main components of EXAIL's anti-corruption program.

6.4.4.2 Risk mapping

The anti-corruption program is structured and deployed in line with the associated risk mapping, taking into account the EXAIL group's various activities in the countries where it is established or operates, in particular with regard to its relationships with third parties considered potentially more at risk of corrupt practices.

See also Section 6.4.2 for a list of the risk factors taken into account in the anti-corruption program.

6.4.4.3 Anti-Corruption Code of Conduct

Already mentioned in Section 6.4.3.2 as a pillar of EXAIL's integrity system, the Anti-Corruption Code of Conduct is the key document of the anti-corruption program, specifying in particular the following points:

- reminder of the EXAIL group's "zero tolerance" for any form of corruption, in the broadest sense of the term, as already explained at the highest level in the Statement on Ethics and Compliance (see Section 6.4.3.1);
- definition of its scope of application and its general principles;
- definition of corruption;
- presentation of situations at risk of corrupt practices with illustration of practical cases.

The Anti-Corruption Code of Conduct refers to the Gifts, Hospitality and Contributions Procedure, specifying the rules applicable within the EXAIL group on these subjects.

6.4.4.4 Assessment of third parties

In line with its business model and strong international exposure, as well as with the risk mapping (see Section 6.4.4.2), the assessment of third parties is a key element of the EXAIL group's anti-corruption program.

Consequently, a significant effort has been made on this point and a largely revised Know Your Partner (KYP) process has been defined, covering the various groups of third parties and the other most significant factors with regard to the risk of corruption (see IRO-1 in Section 6.4.2). Structured as a multi-level approach, it makes it possible to widen the scope of the assessment and raise the level of decision-making according to the level of perceived risk. Also benefiting from the integrated approach of the Legal and Compliance Department, it naturally distinguishes the assessment itself from the contractualization (including the integration of ad hoc clauses).

Launched in early 2024 with a first focus on commercial intermediaries, the deployment will be finalized with the other third-party groups in the course of the 2025 financial year.

6.4.4.5 Accounting controls

In addition to the standard provisions in force in the accounting processes concerning the segregation of duties, the technical provisions implemented in the software packages and the incremental verifications, specific measures were defined and deployed in 2024 pertaining to the validation of invoices for certain commercial intermediaries (see focus 2024 as explained in Section 6.4.4.4).

The accounting controls related to the anti-corruption program will be consolidated by the Legal and Compliance Department and the Financial Department during the 2025 financial year, in line with the risk mapping (see Section 6.4.4.2).

6.4.4.6 Internal whistleblowing system

The internal whistleblowing system, generically incorporating the anti-corruption component, is further developed in Section 6.4.3.3.

More specifically, with regard to the anti-corruption program, the following elements will be specified:

- any alert involving an incident of corruption is systematically and immediately reported to the TCC, which will supervise any related internal investigation;
- it is noted that the TCC will inform the Executive Chairman of EXAIL TECHNOLOGIES and the Non-Executive Chairman of EXAIL of the existence of any corruption alert in the Group, as soon as possible after its filing.

6.4.4.7 Training system

The general framework, the current state of play and the outlook for the business ethics and compliance training system, including the anti-corruption program, are mentioned in Section 6.4.3.4.

As indicated in Section 6.4.3.5, following the initial deployment of the integrity system at the end of 2023, awareness-raising and/or training actions were carried out in 2024 on a pilot basis for certain functions, including those considered to be the most exposed (or "at risk"). However, given the pilot nature of these actions it is not possible to determine a percentage of the risk functions covered in 2024.

More specifically in relation to the anti-corruption program, the awareness-raising and training plan will be structured from 2025, for the entire EXAIL group, around three modules as explained in the table below.

TABLE - AWARENESS / TRAINING MODULES RELATED TO THE ANTI-CORRUPTION PROGRAM

Module	Content	Target
C1 - Presentation of the EXAIL integrity system	General presentation of the various components of the EXAIL integrity system (see Section 6.4.3.2)	Any new employee with an employment contract
C2 - Training on the EXAIL anti-corruption program	Specific training on the EXAIL anti-corruption program, in line with the specificities of each function concerned	At least the employees considered to be the most exposed (see Section 6.4.3.4)
C3 - Training on the assessment of third parties in connection with the EXAIL anti-corruption program	Advanced training on the assessment of third parties and the KYP process (see Section 6.4.4.4), supplemented as necessary by related sub-modules according to the specificities of each function concerned	At least the employees in charge of the management of third parties concerned by the KYP process

6.4.4.8 Control, assessment and improvement system

In particular, a certain number of multi-level control points have been integrated into the process for assessing third parties and the associated accounting controls, distinguishing the roles of the operational functions concerned from the specific role of the Compliance Department.

As mentioned in Section 6.4.1 (see GOV-1), the entire anti-corruption program is controlled and assessed by the Compliance Director, who reports to the TCC in its oversight role. The assessment and annual action plan presented to the TCC make it possible to identify areas for improvement, integrated into the improvement projects in place.

6.4.4.9 Incidents of corruption or bribery

During the 2024 financial year and within the scope of the EXAIL group:

- there were no incidents of corruption or bribery;
- there were no convictions or fines for breaches of anti-corruption legislation or for acts of corruption;
- there were no breaches of the anti-corruption program.





APPENDICES

REGULATORY TABLES RELATED TO THE EUROPEAN TAXONOMY

REVENUE

Financial year N		Year 2024		Substantial contribution criteria					
Economic activities	Codes	Turnover (€m)	Share of turnover (%)	Climate change mitigation (Y; N; N/EL)	Climate change adaptation (Y; N; N/EL)	Water (Y; N; N/EL)	Pollution (Y; N; N/EL)	Circular economy (Y; N; N/EL)	Biodiversity and ecosystems (Y; N; N/EL)
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY									
A.1 Environmentally sustainable activities (aligned with the taxonomy)									
Revenue from the environmentally sustainable activities (aligned with the taxonomy) (A.1)		0	0%						
<i>Of which enabling (%)</i>		0	0%	0%	0%	0%	0%	0%	0%
<i>Of which transitional (%)</i>		0	0%	0%					
A.2 Activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy)									
Revenue from the activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy) (A.2)		0	0%	0%	0%	0%	0%	0%	0%
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY (%)									
Revenue from the activities not eligible for the taxonomy		373	100%						
TOTAL (A + B)		373	100%						

Do No Significant Harm (DNSH) (h)										Activity category	
Climate change mitigation (Y; N)	Climate change adaptation (Y; N)	Water (Y; N)	Pollution (Y; N)	Circular economy (Y; N)	Biodiversity and ecosystems (Y; N)	Minimum safeguards (Y; N)	Proportion of revenue aligned with the taxonomy (A.1) or eligible (A.2), year N-1 (%)	Category (enabling activity) (E)	Category (transitional activity) (T)		
							0%				
							0%	H			
							0%			T	



Do No Significant Harm (DNSH) (h)								Activity category	
Climate change mitigation (Y; N)	Climate change adaptation (Y; N)	Water (Y; N)	Pollution (Y; N)	Circular economy (Y; N)	Biodiversity and ecosystems (Y; N)	Minimum safeguards (Y; N)	Proportion of Capex aligned with the taxonomy (A.1) or eligible (A.2), year N-1 (%)	Category (enabling activity) (E)	Category (transitional activity) (T)
							0		
							0	H	
							0		
							0		
							0		
							0		
							0		
							0		





Share of revenue/(absolute revenue)

	Aligned	Eligible
Climate change mitigation	0%	0%
Climate change adaptation	0%	0%
Water and marine resources	n/a	0%
Circular economy	n/a	0%
Pollution	n/a	0%
Biodiversity and ecosystems	n/a	0%

Share of Capex/(absolute Capex)

	Aligned	Eligible
Climate change mitigation	0%	26%
Climate change adaptation	0%	26%
Water and marine resources	n/a	0%
Circular economy	n/a	0%
Pollution	n/a	0%
Biodiversity and ecosystems	n/a	0%

Share of Opex/(absolute Opex)

	Aligned	Eligible
Climate change mitigation	0%	0%
Climate change adaptation	0%	0%
Water and marine resources	n/a	0%
Circular economy	n/a	0%
Pollution	n/a	0%
Biodiversity and ecosystems	n/a	0%

6.5 REPORT ON THE CERTIFICATION OF THE SUSTAINABILITY-RELATED INFORMATION AND THE CONTROL OF THE DISCLOSURE REQUIREMENTS OF THE INFORMATION PROVIDED FOR IN ARTICLE 8 OF REGULATION (EU) 2020/852 OF EXAIL TECHNOLOGIES SA, RELATING TO THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

To the Shareholders' Meeting of Exail Technologies SA,

This report is issued in our capacity as Statutory Auditors of Exail Technologies SA. It covers the sustainability-related information and the information provided for in article 8 of Regulation (EU) 2020/852, relating to the financial year ended 31 December 2024 and included in the Group's management report and presented in Sections 6.1 to 6.4 of Chapter 6 of the Universal Registration Document, hereinafter the "Group's sustainability report".

Pursuant to article L.233-28-4 of the French Commercial Code, Exail Technologies SA is required to include the aforementioned information in a separate section of the Group's management report. This information was prepared in a context of first-time application of the aforementioned articles characterized by uncertainties as to the interpretation of the texts, the use of significant estimates, the absence of established practices and framework, in particular for the analysis of double materiality, and by an evolving internal control system. The information makes it possible to understand the impacts of the Group's activity on sustainability issues, as well as the way in which these issues influence the evolution of the Group's business, its results and its situation. Sustainability issues include environmental, social and corporate governance issues.

Pursuant to II of article L.821-54 of the aforementioned code, our mission is to carry out the work necessary to issue an opinion, expressing limited assurance, on:

- compliance with the sustainability reporting standards adopted pursuant to article 29c of Directive (EU) 2013/34 of the European Parliament and of the Council of 14 December 2022 (hereinafter ESRS, for European Sustainability Reporting Standards) of the process implemented by Exail Technologies SA to determine the information published, and compliance with the obligation to consult the Social and Economic Committee provided for in the sixth paragraph of article L.2312-17 of the French Labor Code;
- the compliance of the sustainability-related information included in the Group's sustainability report with the requirements of article L.233-28-4 of the French Commercial Code, including with the ESRS; and
- the compliance with the disclosure requirements of article 8 of Regulation (EU) 2020/852.

This mission is carried out in accordance with the ethical rules, including independence, and the quality rules prescribed by the French Commercial Code.

It is also governed by the guidelines of the High Audit Authority "Certification of sustainability-related information and control of the disclosure requirements of information provided for in article 8 of Regulation (EU) 2020/852".

In the three separate parts of the report that follow, we present, for each of the areas of our mission, the nature of the verifications that we carried out, the conclusions that we drew from them, and, in support of these conclusions, the items which were the subject of particular attention on our part and the procedures we carried out in respect of these items. We draw your attention to the fact that we do not express a conclusion on these items taken in isolation and that the procedures explained must be considered as part of the overall context of the formation of the conclusions issued on each of the three areas of our mission.

Lastly, when we believe it necessary to draw your attention to one or more items of sustainability-related information provided by Exail Technologies SA in the Group's management report, we provide a section of observations.

LIMITS OF OUR MISSION

As our mission aims to provide limited assurance, the nature (choice of control techniques) of the work, its scope (scope) and its duration are less than those necessary to obtain reasonable assurance.

Furthermore, this mission does not consist in guaranteeing the viability or quality of the management of Exail Technologies SA, in particular in making an assessment that would exceed the compliance with the information requirements of the ESRS on the relevance of the choices made by Exail Technologies SA in terms of action plans, targets, policies, scenario analyses and transition plans.

However, it does make it possible to express conclusions regarding the process for determining the sustainability-related information published, the information itself, and the information published pursuant to article 8 of Regulation (EU) 2020/852, and regarding the absence of identification or, on the contrary, identification of errors, omissions or inconsistencies of such importance as to be likely to influence the decisions that could be taken by readers of the information subject to our verifications.

Our mission does not cover any comparative data.





Compliance with the ESRS of the process implemented by Exail Technologies SA to determine the information published, and compliance with the obligation to consult the Social and Economic Committee provided for in the sixth paragraph of article L.2312-17 of the French Labor Code

NATURE OF THE VERIFICATIONS CARRIED OUT

Our work consisted in verifying that:

- the process defined and implemented by Exail Technologies SA enabled it, in accordance with the ESRS, to identify and assess its impacts, risks and opportunities related to sustainability issues, and to identify those of these material impacts, risks and opportunities that led to the publication of the sustainability-related information in the Group's sustainability report; and
- the information provided on this process is also compliant with the ESRS.

In addition, we verified the compliance with the obligation to consult the Social and Economic Committee.

CONCLUSION OF THE VERIFICATIONS CARRIED OUT

On the basis of the verifications that we carried out, we did not identify any significant errors, omissions or inconsistencies concerning the compliance of the process implemented by Exail Technologies SA with the ESRS.

With regard to the consultation of the Social and Economic Committee provided for in the sixth paragraph of article L.2312-17 of the French Labor Code, we hereby inform you that this obligation has been complied with.

ITEMS THAT RECEIVED SPECIAL ATTENTION

We present below the items that were the subject of special attention on our part concerning the compliance with the ESRS of the process implemented by Exail Technologies SA to determine the information published.

Concerning the identification of stakeholders

Information relating to the identification of stakeholders is mentioned in Section 6.1.6 "Exail's stakeholders" of the Group's sustainability report.

We reviewed the analysis carried out by Exail Technologies SA to identify:

- the stakeholders, who may affect the entities in the scope of information or may be affected by them, by their activities and direct or indirect business relationships in the value chain;
- the main users of the sustainability statements (including the main users of the financial statements).

We interviewed management and other persons we deemed appropriate and inspected the available documentation. Our work consisted in:

- assessing the consistency of the main stakeholders identified by Exail Technologies SA with the nature of its activities and its geographical locations, taking into account its business relationships and its value chain;
- exercising our critical mindset to assess the representative nature of the stakeholders identified by Exail Technologies SA;
- assessing the appropriateness of the description given in Section 6.1.8 "Procedure for managing IROs and double materiality" of the Group's sustainability report, in particular with regard to the methods for collecting the points of view of stakeholders put in place by Exail Technologies SA as well as the commitments made by Exail Technologies SA to these stakeholders as part of its CSR approach.

Concerning the identification of impacts, risks and opportunities ("IRO")

Information relating to the identification of impacts, risks and opportunities is mentioned in Section 6.1.8 "Procedure for managing IROs and double materiality" of the Group's sustainability report.

We have taken note of the process implemented by Exail Technologies SA concerning the identification of impacts (negative or positive), risks and opportunities ("IRO"), actual or potential, in connection with the sustainability issues mentioned in paragraph AR 16 of the "Application requirements" of ESRS 1 and, where applicable, those specific to Exail Technologies SA, as presented in Section 6.1.8 "Procedure for managing IROs and double materiality" of the Group's sustainability report.

In particular, we assessed the approach implemented by Exail Technologies SA to determine its impacts and dependencies, which may be a source of risks or opportunities, in particular the dialogue implemented, where appropriate, with stakeholders.

We also assessed the completeness of the activities included in the scope selected for the identification of IROs.

We took note of the mapping carried out by Exail Technologies SA of the identified IROs, including in particular the description of their distribution in the own activities and the value chain, as well as their time horizon (short, medium or long term), and assessed the consistency of this mapping with our knowledge of Exail Technologies SA and, where applicable, with the risk analyses carried out by the Group's entities.

We have:

- assessed the way in which Exail Technologies SA considered the list of sustainability issues listed by ESRS 1 (AR 16) in its analysis;
- assessed the consistency of the actual and potential impacts, risks and opportunities identified by Exail Technologies SA with the available sector analyses;
- assessed the consistency of the current and potential impacts, risks and opportunities identified by Exail Technologies SA, in particular those specific to it, as not covered or insufficiently covered by the ESRS, with our knowledge of Exail Technologies SA;
- assessed how Exail Technologies SA took into consideration the different time horizons, particularly with regard to climate issues;
- assessed whether Exail Technologies SA has taken into account the risks and opportunities that may arise from both past and future events as a result of its own activities or business relationships, including the actions taken to manage certain impacts or risks;
- assessed whether Exail Technologies SA has taken into account its dependencies on natural, human and/or social resources when identifying risks and opportunities.

Regarding the assessment of impact materiality and financial materiality

The information relating to the assessment of impact materiality and financial materiality is mentioned in Section 6.1.8 "Procedure for managing IROs and double materiality" of the Group's sustainability report.

We took note, through interviews with management and inspection of the available documentation, of the impact and financial materiality assessment process implemented by Exail Technologies SA, and assessed its compliance with the criteria defined by ESRS 1.

In particular, we assessed the way in which Exail Technologies SA established and applied the materiality criteria defined by ESRS 1, including those relating to the setting of thresholds, to determine the material information published:

- for the metrics relating to the material IROs identified in accordance with the relevant thematic ESRS;
- for the information specific to Exail Technologies SA.

Compliance of the sustainability-related information included in the Group's sustainability report with the requirements of article L.233-28-4 of the French Commercial Code, including with the ESRS

NATURE OF THE VERIFICATIONS CARRIED OUT

Our work consisted in verifying that, in accordance with legal and regulatory requirements, including the ESRS:

- the information provided makes it possible to understand the methods for preparing and governing the sustainability-related information included in the Group's sustainability report, including the methods used to determine the value chain information and the disclosure exemptions used;
- the presentation of this information ensures readability and comprehensibility;
- the scope used by Exail Technologies SA in relation to this information is appropriate; and
- on the basis of a selection, based on our analysis of the risks of non-compliance of the information provided and the expectations of its users, that this information is free of errors, omissions and material inconsistencies, i.e. likely to influence the judgment or decisions of users of this information.

CONCLUSION OF THE VERIFICATIONS CARRIED OUT

On the basis of our verifications, we did not identify any material errors, omissions or inconsistencies concerning the compliance of the sustainability-related information, included in the Group's sustainability report, with the requirements of article L.233-28-4 of the French Commercial Code, including with the ESRS.





OBSERVATIONS

Without calling into question the conclusion expressed above, we draw your attention to the information contained:

- on the one hand, in Section 6.2.1 "Climate change (ESRS E1)" of the Group's sustainability report which specifies in the paragraphs "Carbon assessment, climate strategy and transition plan" and "Uncertainties of Scope 3 data of the carbon assessment" the uncertainties of the Scope 3 data of the carbon assessment and the action plan to make the data more reliable;
- on the other hand, in Section 6.3.2 "Suppliers and partners of EXAIL (ESRS S2)" of the Group's sustainability report which specifies in the paragraph "Policy on standard payment terms with suppliers" the difficulties encountered for the 2024 financial year to collect the information and the action plan to remedy the situation.

ITEMS THAT RECEIVED SPECIAL ATTENTION

We present below the items that have been the subject of special attention on our part concerning the compliance of the sustainability-related information, included in the Group's sustainability report, with the requirements of article L.233-28-4 of the French Commercial Code, including with the ESRS.

Information provided in accordance with environmental standards (ESRS E1 to E5)

The information published in respect of climate change (ESRS E1) is mentioned in Section 6.2.1 "Climate change" (ESRS E1) of the Group's sustainability report.

We present below the items that have been the subject of special attention on our part concerning the compliance with the ESRS of this information.

Our work consisted in:

- on the basis of interviews conducted with the management or persons concerned, assessing whether the description of the policies, actions and targets implemented by Exail Technologies SA cover the following areas: climate change mitigation, climate change adaptation, energy efficiency, renewable energies;
- assessing the appropriateness of the information presented in Section 6.2.1 "Climate change (ESRS E1)" of the environmental part of the sustainability-related information included in the Group's sustainability report and its overall consistency with our knowledge of Exail Technologies SA.

Regarding the information published in respect of the greenhouse gas emissions assessment:

- we obtained an understanding of the internal control and risk management procedures implemented by Exail Technologies SA to ensure the compliance of the information published;
- we assessed the consistency of the scope considered for the assessment of the greenhouse gas emissions with the scope of the consolidated financial statements, the activities under operational control, and the upstream and downstream value chain;
- we took note of the protocol for establishing the greenhouse gas emissions inventory used by Exail Technologies SA to establish the greenhouse gas emissions assessment and assessed its application methods, based on a selection of emission categories and sites, on Scope 1 and Scope 2;
- concerning the Scope 3 emissions, we assessed:
 - the justification of the inclusions and exclusions of the various categories and the transparency of the information given in this respect;
 - the information collection process;
 - we assessed the appropriateness of the emission factors used and the calculation of the related conversions as well as the calculation and extrapolation assumptions, given the inherent uncertainty in the state of scientific or economic knowledge and the quality of the external data used;
 - we held discussions with management to understand the main changes in the activities of the financial year that could have an impact on the greenhouse gas emissions assessment;
 - for physical data (such as energy consumption), we reconciled, on the basis of sampling, the underlying data used to prepare the greenhouse gas emissions assessment with the supporting documents;
 - we implemented analytical procedures;
 - with regard to the estimates that we considered structuring used by Exail Technologies SA for the preparation of its greenhouse gas emissions assessment:
 - through interviews with management, we obtained an understanding of the methodology used to calculate the estimated data and of the sources of information on which these estimates are based;
 - we assessed whether the methods were applied consistently or whether there were any changes since the previous period, and whether these changes are appropriate;
 - we verified the arithmetical accuracy of the calculations used to establish this information.

Compliance with the disclosure requirements of article 8 of Regulation (EU) 2020/852

NATURE OF THE VERIFICATIONS CARRIED OUT

Our work consisted in verifying the process implemented by Exail Technologies SA to determine the eligible and aligned nature of the activities of the entities included in the consolidation.

They also consisted in verifying the information published pursuant to article 8 of Regulation (EU) 2020/852, which involves verifying:

- the compliance with the rules governing the presentation of this information, which guarantee its readability and comprehensibility;
- on the basis of a selection, the absence of errors, omissions, material inconsistencies in the information provided, i.e. likely to influence the judgment or decisions of the users of this information.

CONCLUSION OF THE VERIFICATIONS CARRIED OUT

On the basis of the verifications that we carried out, we did not identify any significant errors, omissions or inconsistencies regarding compliance with the requirements of article 8 of Regulation (EU) 2020/852.

ITEMS THAT RECEIVED SPECIAL ATTENTION

We determined that there were no such items to disclose in our report.

Done in Paris on 17 April 2025

The Statutory Auditor

RSM Paris

Sébastien Martineau

Partner





INFORMATION ON THE COMBINED SHAREHOLDERS' MEETING OF 25 JUNE 2025

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7.1 REPORT OF THE BOARD OF DIRECTORS PRESENTING THE RESOLUTIONS SUBMITTED TO THE COMBINED SHAREHOLDERS' MEETING OF 25 JUNE 2025

Approval of the separate and consolidated financial statements for the financial year ended 31 December 2024 – Approval of the non-tax-deductible expenses and charges (first and second resolutions)

We ask you to approve the separate financial statements for the financial year ended 31 December 2024, which show a loss of €153,165.50, as well as the consolidated financial statements for the financial year ended 31 December 2024, as presented, which show a loss for the period attributable to the owners of the parent of -€3,641 thousand.

We will ask you to approve the total amount of the expenses and charges referred to in point 4 of article 39 of the French General Tax Code, i.e. the amount of €4,298 and the corresponding theoretical tax of €1,075.

Appropriation of income for the financial year (third resolution)

We propose that you appropriate the net loss for the financial year, which amounts to €153,165.50, in full to retained earnings:

- origin:
 - loss for the financial year: -€153,165.50;
- appropriation:
 - retained earnings: -€153,165.50.

The appropriation of the Company's income that we are proposing complies with the law and our bylaws.

The Board of Directors proposes to the next Shareholders' Meeting not to pay a dividend.

In accordance with the provisions of article 243 bis of the French General Tax Code, we remind you that the income and dividend distribution in the three last financial years were as follows:

During the financial year	Income eligible for reduction		Income not eligible for reduction
	Dividends	Other distributed income	
2022	-	-	-
2023	-	Distribution in kind of PRODWAYS GROUP shares (€4,726,728.36 or €0.278 per share) ⁽¹⁾	-
2024	-	-	-

(1) The amount of the distribution was deducted from the reserves.

No new related-party agreements to be approved (fourth resolution)

No new agreement of the type referred to in article L.225-38 of the French Commercial Code was entered into during the 2024 financial year. We ask you to take cognizance of this.

Approval of the information referred to in I of article L.22-10-9 of the French Commercial Code (fifth resolution)

Pursuant to article L.22-10-34 of the French Commercial Code, we ask you to approve the information referred to in I of article L.22-10-9 of said Code mentioned in the corporate governance report found in Section 3.3 of the Universal Registration Document.

Approval of the fixed, variable and exceptional items making up the total remuneration and benefits of any kind paid during the past financial year or allocated for the same financial year to Mr. Raphaël GORGÉ, Chairman and Chief Executive Officer (sixth resolution)

Pursuant to article L.22-10-34 of the French Commercial Code, we ask you to approve the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid or allocated for the financial year ended to Mr. Raphaël GORGÉ, Chairman and Chief Executive Officer, presented in the corporate governance report included in Section 3.4.1 of the Universal Registration Document.

Remuneration policy for the Chairman and Chief Executive Officer, the Deputy Chief Executive Officer and the Directors (seventh to ninth resolutions)

Pursuant to article L.22-10-8 of the French Commercial Code, we ask you to approve the remuneration policy for the Chairman and Chief Executive Officer, the other executive corporate officer(s), and the Directors. These policies are presented in the corporate governance report included in Section 3.2 of the Universal Registration Document.

Proposal to renew the authorization to implement the share buyback program (tenth resolution) and the authorization to cancel treasury shares (eleventh resolution)

We propose that, pursuant to the 10th resolution, you authorize the Board of Directors, for a period of 18 months, to purchase shares of the Company, on one or more occasions, at the times it will determine, within the limit of 10% of the number of shares comprising the share capital, adjusted where appropriate in order to take account of any increase or reduction of capital that may occur during the term of the program.

This authorization would terminate the authorization given to the Board of Directors by the Shareholders' Meeting of 18 June 2024 in its 14th ordinary resolution.

Acquisitions may be made to:

- stimulate the secondary market or the liquidity of EXAIL TECHNOLOGIES shares through the intermediary of an investment service provider under a liquidity contract that complies with the practices permitted by the regulations in effect (if any). It should be noted that in this context, the number of shares taken into account for the calculation of

the aforementioned limit corresponds to the number of shares purchased, after deduction of the number of shares resold;

- retain the purchased shares and subsequently use them in payment or exchange in potential external growth transactions;
- provide coverage for stock option plans and/or free share allotments (or similar plans) for Group employees and/or corporate officers as well as all share allotments to Group or Company savings plans (or similar plans), under profit-sharing schemes and/or all other forms of share allotment to Group employees and/or corporate officers;
- provide coverage for transferable securities giving entitlement to the assignment of shares in the Company under the regulations in force;
- possibly cancel the acquired shares, in accordance with the authorization granted or to be granted by the Extraordinary Shareholders' Meeting; and
- more generally, carry out any objective authorized by law or any market practice approved by market authorities.

These share purchases may be carried out by any means, including by acquisition of blocks of shares, and at times that the Board might deem appropriate.

The maximum amount of shares that may be acquired by the Board of Directors may not exceed 10% of the total number of shares comprising the share capital, it being specified that the Company may not hold at any time more than 10% of the shares comprising the share capital and that the limit is 5% in the event of the acquisition of shares with a view to their subsequent delivery as payment or in exchange in the context of a merger, spin-off or contribution.

The Company reserves the right to use option mechanisms or derivatives in line with the applicable regulations.

The Board of Directors may not, without the prior authorization of the Shareholders' Meeting, use the delegation of authority as from the filing by a third party of a draft public offer for the Company's shares, until the end of the offer period.

In view of the recent increase in the share price, we propose that you increase the maximum purchase price to €70 per share and consequently the maximum theoretical amount of the transaction to €121,973,180 (corresponding to 10% of the share capital on 24 March 2025, at a maximum price of €70 per share).

As a result of the cancellation objective, we ask you to authorize the Board of Directors, for a period of 24 months, to cancel, solely on its decision, at one or more occasions, within a limit of 10% of the share capital, calculated on the date of the cancellation decision, less any shares canceled during the preceding 24 months, the shares that the Company holds or may hold as a result of buybacks carried out within the framework of its buyback program and to reduce the share capital accordingly in accordance with the legal and regulatory provisions in force. The Board of Directors would therefore have the necessary powers to take action in such matters.



Financial delegations (twelfth to nineteenth resolutions)

The authorizations allowing the Board to grant stock options and free shares favoring individual employee shareholding expired in 2024. The Board is not requesting their renewal in view of the employee capital incentive plans already set up at the levels of EXAIL HOLDING and EXAIL SAS, subsidiaries of EXAIL TECHNOLOGIES.

Most of the financial delegations allowing the Board of Directors to carry out share capital increases will expire in 2025. No delegations in force have been used. The Board of Directors requests their renewal in order to have the powers to proceed, if it deems it useful, with any issues that may prove necessary in the context of the development of the Company's activities.

As is now permitted by the new provisions of Law no. 2024-537 of 13 June 2024, known as the "Attractiveness Law", you are requested to grant the Board of Directors a new delegation of authority with regard to the issuance of shares and/or securities giving access to the share capital, with cancellation of the preferential subscription right in favor of one or more persons designated by name, in order to take into account the new provisions resulting from the Attractiveness Law.

The purpose of these delegations is to give the Board of Directors, with the option of subdelegation, full discretion to issue, at the time of its choice, ordinary shares and/or equity securities giving access to other equity securities or granting entitlement to the allocation of debt securities and/or securities giving access to equity securities to be issued during a period of 26 months (with the exception of the delegation in favor of one or more persons designated by name, granted for 18 months).

In accordance with the law, the securities to be issued can give access to ordinary shares of any company that owns, directly or indirectly, more than half of the Company's share capital or of any company in which the Company owns, directly or indirectly, more than half of the share capital.

Delegation of authority to increase the share capital by incorporation of reserves, profits and/or premiums (twelfth resolution)

We ask you to grant to the Board of Directors, for a period of 26 months, the authority to increase the share capital by incorporation into the share capital of reserves, profits, premiums or other sums whose capitalization would be permitted, through the issue and the allocation of free shares or by increasing the par value of existing ordinary shares, or a combination of these two methods.

The amount of the capital increase resulting from the issues carried out under this delegation may not exceed the nominal amount of €5,000,000. This amount would not include the total nominal value of any additional ordinary shares to be issued to preserve, in accordance with the law, the rights of holders of securities giving entitlement to shares. This ceiling would be independent of all the ceilings provided for in the other resolutions of this Meeting.

This delegation would cancel the previous delegation with the same purpose.

Delegation of authority to be granted to the Board of Directors to issue ordinary shares and/or equity securities giving access to other equity securities or giving entitlement to the allocation of debt securities and/or securities giving access equity securities to be issued with preferential subscription rights (thirteenth resolution)

We propose that you set the maximum total nominal amount of the shares that may be issued under this delegation at €5,000,000. This ceiling would include the nominal amount of the capital increases that may be carried out pursuant to the 14th, 15th, 16th and 18th resolutions. To this ceiling would be added, where applicable, the par value of the ordinary shares to be issued to preserve, in accordance with the law and, where applicable, the contractual provisions providing for other cases of adjustment, the rights of holders of securities giving access to the Company's share capital.

The nominal amount of the debt securities on the Company that may be issued under this delegation may not exceed €50,000,000. This ceiling would include the nominal amount of the transferable securities representing receivables that may be issued under the 14th and 15th resolutions.

Under this delegation, the issues would be carried out while maintaining the shareholders' preferential subscription right.

If the subscriptions on an irreducible basis, and where applicable on a reducible basis, have not absorbed the entire issue, the Board of Directors may use the following options:

- limit the amount of the issue to the amount of the subscriptions, where applicable within the limits provided for by the regulations;
- freely distribute all or some of the unsubscribed shares;
- offer all or part of the unsubscribed shares to the public.

This new delegation would cancel the previous delegation with the same purpose.

Delegation of authority to issue ordinary shares and/or securities giving access to the share capital and/or ordinary shares giving entitlement to the allocation of debt securities, with cancellation of the preferential subscription right, by public offering (fourteenth resolution)

Under this delegation, the issues would be carried out through a public offering (excluding the offers referred to in 1 of Article L.411-2 of the French Monetary and Financial Code) and/or in consideration of securities in the context of a public exchange offer.

The preferential subscription right of shareholders to the ordinary shares and/or securities giving access to the share capital would be canceled, with the option for the Board of Directors to grant shareholders the option of subscribing as a priority.

The total nominal amount of the shares that may be issued may not exceed €5,000,000. To this ceiling would be added, where applicable, the par value of the ordinary shares to be issued to preserve, in accordance with the law and, where applicable, the contractual provisions providing for other cases of adjustment, the rights of holders of securities giving access to the Company's share capital.

This amount would be deducted from the capital increase ceiling provided for in the 13th resolution.

The nominal amount of the debt securities on the Company that may be issued may not exceed €50,000,000.

This amount would be deducted from the ceiling of the nominal amount of the debt securities that may be issued pursuant to the 13th resolution.

The Shareholders' Meeting would delegate to the Board of Directors all powers to freely set the issue price of the equity securities that may be issued under this delegation of authority in accordance with article L.22-10-52 of the French Commercial Code.

In the event of the issue of securities intended to remunerate securities contributed under a public exchange offer, the Board of Directors would have, within the limits set above, the powers necessary to draw up the list of securities tendered to the exchange, set the issue conditions and exchange ratio and, where applicable, the amount of the cash balance to be paid, and determine the issue terms and conditions.

If the subscriptions have not absorbed the entire issue, the Board of Directors may use the following options:

- limit the amount of the issue to the amount of the subscriptions, where applicable within the limits provided for by the regulations;
- freely distribute all or part of the unsubscribed shares.

This delegation cancels any unused portion of any previous delegation with the same purpose.

This new delegation would cancel the previous delegation with the same purpose.

Delegation of authority to be granted to the Board of Directors to issue ordinary shares and/or equity securities giving access to the share capital and/or ordinary shares giving entitlement to the allocation of debt securities, with cancellation of the preferential subscription right, through an offer referred to in 1 of article L.411-2 of the French Monetary and Financial Code (fifteenth resolution)

Under this delegation, the issues would be performed by an offer referred to in 1 of article L.411-2 of the French Monetary and Financial Code (private placement).

Shareholders' preferential subscription rights to ordinary shares and/or securities giving access to the share capital would be canceled.

The total nominal amount of the shares that may be issued may not exceed €3,000,000, it being specified that it would also be limited to 30% of the share capital per year.

To this ceiling would be added, where applicable, the par value of the ordinary shares to be issued to preserve, in accordance with the law and, where applicable, the contractual provisions providing for other cases of adjustment, the rights of holders of securities giving access to the Company's share capital.

This amount would be deducted from the capital increase ceiling provided for in the 13th resolution.

The nominal amount of the debt securities on the Company that may be issued may not exceed €30,000,000.

This amount would be deducted from the ceiling of the nominal amount of the debt securities that may be issued pursuant to the 13th resolution.

The Shareholders' Meeting would delegate to the Board of Directors all powers to freely set the issue price of the equity securities that may be issued under this delegation of authority in accordance with article L.22-10-52 of the French Commercial Code.

If the subscriptions have not absorbed the entire issue, the Board of Directors may use the following options:

- limit the amount of the issue to the amount of the subscriptions, where applicable within the limits provided for by the regulations;
- freely distribute all or part of the unsubscribed shares.

This new delegation would cancel the previous delegation with the same purpose.



Delegation of authority to be granted to the Board of Directors to issue ordinary shares and/or securities giving access to the share capital and/or debt securities, with cancellation of the preferential subscription right in favor of one or more persons designated by name (sixteenth resolution)

Law no. 2024-537 of 13 June 2024, known as the "Attractiveness Law", established the possibility for the Extraordinary Shareholders' Meeting to delegate a capital increase to the Board of Directors, up to a limit of 30% of the share capital per year, in favor of persons designated by name, and to entrust the latter with the task of designating the beneficiaries of the cancellation of the preferential subscription right.

The Board of Directors would be able to proceed, on one or more occasions, in the proportions and at the times that it deems appropriate, on the French and/or international market, with cancellation of the preferential subscription right in favor of one or more persons designated by name, to the issue of ordinary shares and/or securities giving access to the share capital and/or debt securities.

The period of validity of this delegation would be set at 18 months from the date of the Meeting.

The preferential subscription right of shareholders to the securities covered by this resolution would be canceled in favor of one or more persons designated by name.

You are asked to delegate the designation of these persons to the Board of Directors.

The total nominal amount of the capital increases that may be made under this delegation may not exceed €5,000,000, it being specified that it will also be limited to 30% of the share capital per year. To this amount will be added, where applicable, the nominal amount of the capital increase necessary to preserve, in accordance with the law and, where applicable, the contractual provisions providing for other preservation methods, the rights of the holders of the rights or securities giving access to the Company's share capital. This ceiling would be deducted from the ceiling provided for in the 13th resolution.

In accordance with the provisions of article L.22-10-52-1 of the French Commercial Code, the issue price of the shares issued under this delegation of powers would be set by the Board of Directors in accordance with the terms and conditions provided for by the regulatory provisions applicable on the date of use of this delegation. As of the date of this report, the decree has not yet been published.

Authorization to increase the amount of issues in the event of excess demand (seventeenth resolution)

We propose, under the aforementioned delegations with maintenance and cancellation of preferential subscription rights (13th to 16th resolutions), that you grant the Board of Directors the option to increase, under the conditions provided for by articles L.225-135-1 and R.225-118 of the French Commercial Code, and within the limit of the ceilings set by the Meeting, the number of shares provided for in the initial issue.

Thus, the number of securities could be increased within 30 days of the closing of the subscription up to a limit of 15% of the initial issue and at the same price as the initial issue, within the ceilings set by the Meeting.

Delegation of authority to increase the share capital in order to remunerate contributions in kind of securities (eighteenth resolution)

To facilitate external growth transactions, we ask you to renew the delegation in favor of the Board of Directors to increase the share capital by issuing ordinary shares or securities giving access to the share capital in order to remunerate any contributions in kind granted to the Company and consisting of equity securities or securities giving access to the share capital.

This delegation would be granted for a period of 26 months.

The total nominal amount of the ordinary shares that may be issued under this delegation may not exceed 20% of the share capital, excluding the nominal value of the ordinary shares to be issued to preserve, in accordance with the law and, where applicable, the contractual provisions providing for other cases of adjustment, the rights of holders of securities giving access to the Company's share capital. The total nominal amount of the capital increase resulting from the issues carried out under this delegation would be deducted from the capital increase ceiling of the 13th resolution.

This new delegation would cancel the previous delegation with the same purpose.

Delegation of authority to increase the share capital for the benefit of members of a company savings plan (nineteenth resolution)

We submit this resolution to your vote, in order to comply with the provisions of article L.225-129-6 of the French Commercial Code, under the terms of which the Extraordinary Shareholders' Meeting is called to approve delegations that may generate share capital increases in cash immediately or in the future, it must also approve a delegation for the benefit of the members of a company savings plan.

Under this delegation, you are asked to delegate to the Board of Directors, for a period of 26 months, your authority to increase the share capital on one or more occasions by issuing ordinary shares or securities giving access to equity securities to be issued by the Company for the benefit of members of one or more company or group savings plans established by the Company and/or French or foreign companies related to it in the conditions of article L.225-180 of the French Commercial Code and article L.3344-1 of the French Labor Code.

In accordance with the law, the Shareholders' Meeting would cancel shareholders' preferential subscription rights.

The maximum nominal amount of the increase(s) that may be carried out using this delegation would be limited to 3% of the amount of share capital reached at the time of the Board's decision to carry out this increase, this amount being independent of any other ceiling provided for in terms of delegation of capital increases. To this amount would be added, where applicable, the nominal amount of the capital increase which is necessary to preserve, in accordance with the law and, where applicable, the contractual provisions providing for other preservation methods, the rights of the holders of the rights or securities giving access to the Company's share capital.

It is specified that, in accordance with the provisions of article L.3332-19 of the French Labor Code, the price of the shares to be issued under this delegation may not be less than 30%, or 40% when the lock-up period provided for by the plan in application of articles L.3332-25 and L.3332-26 of the French Labor Code is greater than or equal to ten years, of the average of the first listed prices of the share during the last 20 years of trading sessions preceding the decision setting the opening date of the subscription, nor higher than this average.

Pursuant to the provisions of article L.3332-21 of the French Labor Code, the Board of Directors may provide for the allocation to the beneficiaries, free of charge, of shares to be issued or already issued or other securities giving access to the Company's share capital to be issued or already issued, in respect of (i) the matching contribution that may be paid pursuant to the regulations of company or group savings plans, and/or (ii), where applicable, the discount and could decide, in the event of the issue of new shares in respect of the discount and/or the matching contribution, to incorporate into the share capital the reserves, profits or issue premiums necessary for the payment of said shares.

Amendment to the bylaws in order to relax the terms and conditions of participation in the meetings of the Board of Directors (twentieth resolution)

We ask you, in order to take into account the changes and relaxations made by Law no. 2024-537 of 13 June 2024, known as the "Attractiveness Law", to the rules governing participation in meetings of boards of directors of public limited companies, to modify article 15 "Deliberations of the Board" of the Company's bylaws by:

extending the option of written consultation to all types of Board decisions, including by electronic means, while specifying the applicable terms and conditions;

removing the reference to the internal regulations as a condition for using videoconferencing or telecommunication means for meetings of the Board of Directors, including for meetings whose purpose is the adoption of decisions relating to the approval of the separate and consolidated financial statements, and to the preparation of the parent company and consolidated management reports; and

providing Directors with the option to vote by mail.

Powers (twenty-first resolution)

The meeting grants all powers to carry out the formalities made necessary by the above decisions.

The Board of Directors asks you to approve by your vote the texts of the resolutions proposed to you.

24 March 2025

The Board of Directors



7.2 TEXT OF THE RESOLUTIONS SUBMITTED TO THE COMBINED SHAREHOLDERS' MEETING OF 25 JUNE 2025

Agenda

Ordinary resolutions

1. Approval of the annual financial statements for the financial year ended 31 December 2024 – Approval of the non-tax-deductible expenses and charges
2. Approval of the consolidated financial statements for the financial year ended 31 December 2024
3. Appropriation of income for the financial year
4. Statutory Auditors' special report on related-party agreements and commitments – No new agreement to be approved
5. Approval of the information referred to in I of article L.22-10-9 of the French Commercial Code
6. Approval of the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid during or allocated in respect of the financial year ended to Mr. Raphaël GORGÉ, Chairman and Chief Executive Officer
7. Approval of the remuneration policy for the Chairman and Chief Executive Officer
8. Approval of the remuneration policy for the Deputy Chief Executive Officer
9. Approval of the remuneration policy for the Directors
10. Authorization to be granted to the Board of Directors for the Company to buy its own shares in accordance with article L.22-10-62 of the French Commercial Code

Extraordinary resolutions

11. Authorization to be granted to the Board of Directors to cancel the shares repurchased by the Company under the provisions of article L.22-10-62 of the French Commercial Code
12. Delegation of authority to be granted to the Board of Directors to increase the share capital by incorporation of reserves, profits and/or premiums
13. Delegation of authority to be granted to the Board of Directors to issue ordinary shares and/or equity securities giving access to other equity securities or giving entitlement to the allocation of debt securities and/or securities giving access equity securities (of the Company or of a Group company) to be issued, with preferential subscription rights
14. Delegation of authority to be granted to the Board of Directors to issue ordinary shares and/or equity securities giving access to other equity securities or to the allocation of debt securities and/or securities (of the Company or of a Group company) and/or securities giving access to equity securities (of the Company or of a Group company) to be issued, with cancellation of the preferential subscription right, by public offering (excluding the offers referred to in 1 of article L.411-2 of the French Monetary and Financial Code) and/or in consideration of securities in the context of a public exchange offer
15. Delegation of authority to be granted to the Board of Directors to issue ordinary shares and/or equity securities giving access to other equity securities or to the allocation of debt securities (of the Company or of a Group company) and/or securities giving access to equity securities (of the Company or of a Group company) to be issued, with cancellation of the preferential subscription right, by a public offering (to the exclusion of the offers referred to in 1 of article L.411-2 of the French Monetary and Financial Code)
16. Delegation of authority to be granted to the Board of Directors to decide on the issue of ordinary shares and/or securities giving access to the share capital and/or debt securities, with cancellation of the preferential subscription right in favor of one or more persons designated by name
17. Authorization to increase the amount of issues in the event of excess demand
18. Delegation of authority to be granted to the Board of Directors to increase the share capital by issuing ordinary shares and/or transferable securities giving access to the share capital up to a limit of 20% of the share capital in order to remunerate contributions in kind of shares or transferable securities giving access to the share capital
19. Delegation of authority to be granted to the Board of Directors to increase the share capital by issuing ordinary shares and/or securities giving access to the share capital, with cancellation of the preferential subscription right for the benefit of the members of a company savings plan in application of articles L.3332-18 et seq. of the French Labor Code
20. Amendment of article 15 of the bylaws in order to relax the conditions for participation in meetings of the Board of Directors, by telecommunication, written consultation or postal vote
21. Powers for formalities

Draft resolutions

Ordinary resolutions

First resolution – Approval of the annual financial statements for the financial year ended 31 December 2024 – Approval of the non-tax-deductible expenses and charges

The Shareholders' Meeting, ruling under the *quorum* and majority conditions for Ordinary Shareholders' Meetings, having taken note of the reports of the Board of Directors and the Statutory Auditors for the financial year ended 31 December 2024, approves, as they were presented, the annual financial statements as of this date, showing a loss of €153,165.50.

The Shareholders' Meeting specifically approves the overall total, amounting to €4,298, of the expenses and charges referred to in 4 of article 39 of the French General Tax Code, as well as the corresponding theoretical tax.

Second resolution – Approval of the consolidated financial statements for the financial year ended 31 December 2024

The Shareholders' Meeting, ruling under the *quorum* and majority conditions for Ordinary Shareholders' Meetings,

having taken note of the reports of the Board of Directors and Statutory Auditors on the consolidated financial statements as at 31 December 2024, approves these financial statements as they were presented, returning a loss for the period attributable to the owners of the parent of -€3,641 thousand.

Third resolution – Appropriation of income for the financial year

The Shareholders' Meeting, ruling under the *quorum* and majority conditions for Ordinary Shareholders' Meetings, on the proposal of the Board of Directors, decides to appropriate the income for the financial year ended 31 December 2024 as follows:

- origin:
 - loss for the financial year: -€153,165.50;
- appropriation:
 - retained earnings: -€153,165.50.

In accordance with the provisions of article 243 *bis* of the French General Tax Code, the Shareholders' Meeting notes that it has been reminded that the dividends paid in the last three financial years were as follows:

During the financial year	Income eligible for reduction		Income not eligible for reduction
	Dividends	Other distributed income	
2022	-	-	-
2023	-	Distribution in kind of PRODWAYS GROUP shares (€4,726,728.36 or €0.278 per share) ⁽¹⁾	-
2024	-	-	-

(1) The amount of the distribution was deducted from the reserves.

Fourth resolution – Statutory Auditors' special report on related-party agreements and commitments - No new agreement to be approved

The Shareholders' Meeting, ruling under the *quorum* and majority conditions for Ordinary Shareholders' Meetings, after having reviewed the Statutory Auditors' special report noting the absence of any new and not already previously approved related-party agreements and commitments referred to in article L.225-38 of the French Commercial Code, purely and simply takes note of this fact.

Fifth resolution – Approval of the information referred to in I of article L.22-10-9 of the French Commercial Code

The Shareholders' Meeting, ruling under the conditions of *quorum* and majority required for Ordinary Shareholders' Meetings, and pursuant to article L.22-10-34 of the French Commercial Code, approves the disclosures referred to in I of article L.22-10-9 of the French Commercial Code mentioned in the corporate governance report included in Section 3.3 of the Universal Registration Document.

Sixth resolution – Approval of the fixed, variable and exceptional components of the total remuneration and benefits of any kind paid during the past financial year or allocated in respect of the same financial year to Mr. Raphaël GORGÉ, Chairman and Chief Executive Officer

The Shareholders' Meeting, ruling under the conditions of *quorum* and majority required for Ordinary Shareholders' Meetings, and pursuant to article L.22-10-34 of the French Commercial Code, approves the fixed, variable and exceptional components of the total remuneration and benefits of all kinds paid or allocated for the financial year ended to Mr. Raphaël GORGÉ, Chairman and Chief Executive

Officer, presented in the corporate governance report included in Section 3.4.1 of the Universal Registration Document.

Seventh resolution – Approval of the remuneration policy for the Chairman and Chief Executive Officer

The Shareholders' Meeting, ruling under the conditions of *quorum* and majority required for Ordinary Shareholders' Meetings, and pursuant to article L.22-10-8 of the French Commercial Code, approves the remuneration policy for the Chairman and Chief Executive Officer and/or any other executive corporate officer, presented in the corporate governance report included in Section 3.2.1 of the Universal Registration Document.

Eighth resolution – Approval of the remuneration policy for the Deputy Chief Executive Officer

The Shareholders' Meeting, ruling under the conditions of *quorum* and majority required for Ordinary Shareholders' Meetings, and pursuant to article L.22-10-8 of the French Commercial Code, approves the remuneration policy for the Deputy CEO, if any, presented in the corporate governance report included in Section 3.2.2 of the Universal Registration Document.

Ninth resolution – Approval of the remuneration policy for the Directors

The Shareholders' Meeting, ruling under the conditions of *quorum* and majority required for Ordinary Shareholders' Meetings, and pursuant to article L.22-10-8 of the French Commercial Code, approves the remuneration policy for the Directors, presented in the corporate governance report included in Section 3.2.4 of the Universal Registration Document.





Tenth resolution – Authorization to be granted to the Board of Directors for the Company to buy its own shares in accordance with article L.22-10-62 of the French Commercial Code

The Shareholders' Meeting, ruling under the *quorum* and majority conditions for Ordinary Shareholders' Meetings, noting the report of the Board of Directors, authorizes the latter, for a period of 18 months, in accordance with articles L.22-10-62 et seq. of the French Commercial Code, to purchase, on one or more occasions, at times it will determine, shares in the Company, up to a maximum of 10% of the number of shares comprising the share capital, adjusted where appropriate to take account of any capital increase or reduction that may occur during the term of the program.

This authorization terminates the authorization given to the Board of Directors by the Shareholders' Meeting of 18 June 2024 in its 14th ordinary resolution.

Acquisitions may be made to:

- stimulate the secondary market or the liquidity of EXAIL TECHNOLOGIES shares through the intermediary of an investment service provider under a liquidity contract that complies with the practices permitted by the regulations in effect (if any). It should be noted that in this context, the number of shares taken into account for the calculation of the aforementioned limit corresponds to the number of shares purchased, after deduction of the number of shares resold;
- retain the purchased shares and subsequently use them in payment or exchange in potential external growth transactions;
- provide coverage for stock option plans and/or free share allotments (or similar plans) for Group employees and/or corporate officers as well as all share allotments to Group or Company savings plans (or similar plans), under profit-sharing schemes and/or all other forms of share allotment to Group employees and/or corporate officers;
- provide coverage for transferable securities giving entitlement to the assignment of shares in the Company under the regulations in force;
- possibly cancel the acquired shares, in accordance with the authorization granted or to be granted by the Extraordinary Shareholders' Meeting.

And more generally, carry out any objective authorized by law or any market practice approved by market authorities.

These share purchases may be carried out by any means, including by acquisition of blocks of shares, and at times that the Board shall deem appropriate.

The Company reserves the right to use option mechanisms or derivatives in line with the applicable regulations.

The maximum purchase price is set at €70 per share. In case of operations on the capital, including division or grouping of shares or a free allocation of shares, the aforementioned amount will be adjusted in the same proportions (multiplier coefficient equal to the ratio of the number of shares composing the capital before the operation and the number of shares after the operation).

The Board of Directors may not, without the prior authorization of the Shareholders' Meeting, use the delegation of authority as from the filing by a third party of a draft public offer for the Company's shares, until the end of the offer period.

The maximum theoretical amount of the transaction is set at €121,973,180 (corresponding to 10% of the share capital on 24 March 2025, at a maximum price of €70 per share).

The Shareholders' Meeting grants all powers to the Board of Directors for the purpose of carrying out these operations, to approve the terms and conditions, to conclude all agreements and execute all formalities.

EXTRAORDINARY RESOLUTIONS

Eleventh resolution – Authorization to be granted to the Board of Directors to cancel the shares repurchased by the Company under the provisions of article L.22-10-62 of the French Commercial Code

The Shareholders' Meeting, voting in accordance with the *quorum* and majority requirements for Extraordinary Shareholders' Meetings, having reviewed the Board of Directors' report and the Statutory Auditors' report:

- 1) authorizes the Board of Directors to cancel, on its sole decision, on one or more occasions, up to a limit of 10% of the share capital calculated on the date of the cancellation decision, less any shares canceled during the previous 24 months, the shares that the Company holds or may hold as a result of buybacks carried out in accordance with article L.22-10-62 of the French Commercial Code as well as to reduce the share capital accordingly in accordance with the current legal and regulatory provisions;
- 2) sets the period of validity of this authorization at 24 months from the date of this Meeting;
- 3) grants full powers to the Board of Directors to carry out the operations required for such cancellations and the corresponding reductions in the share capital, to amend the Company's bylaws accordingly and to carry out all required formalities.

Twelfth resolution – Delegation of authority to be granted to the Board of Directors to increase the share capital by incorporation of reserves, profits and/or premiums

The Shareholders' Meeting, ruling under the *quorum* and majority conditions for Extraordinary Shareholders' Meetings, having reviewed the report of the Board of Directors, and in accordance with the provisions of articles L.225-129-2, L.225-130 and L.22-10-49 et seq. of the French Commercial Code:

- 1) delegates to the Board of Directors its authority to increase the share capital, on one or more occasions, at the times and in the manner it determines, by capitalizing reserves, profits, premiums or other amounts that may be capitalized through the issue and allocation of free shares or by increasing the par value of existing ordinary shares, or a combination of these two methods;
- 2) decides that in the event of use by the Board of Directors of this delegation, in accordance with the provisions of article L.22-10-50 of the French Commercial Code, in the event of a capital increase in the form of an allocation of bonus shares, rights forming fractional shares will not be negotiable or transferable and the corresponding equity securities will be sold; the sums from the sale will be

INFORMATION ON THE COMBINED SHAREHOLDERS' MEETING OF 25 JUNE 2025
TEXT OF THE RESOLUTIONS SUBMITTED TO THE COMBINED SHAREHOLDERS' MEETING OF 25 JUNE 2025

allocated to the rights holders within the timeframe provided for by the regulations;

- 3) sets the period of validity of this delegation at 26 months, from the date of this Meeting;
- 4) decides that the amount of the capital increase resulting from the issues carried out under this resolution may not exceed the nominal amount of €5,000,000, excluding, where applicable, the amount necessary to preserve, in accordance with the law, the rights of holders of securities giving entitlement to shares.
- 5) This ceiling is independent of all the ceilings provided for in the other resolutions of this Meeting;
- 6) grants the Board of Directors full powers to implement this resolution and, generally, to take all measures and carry out all formalities required for the successful completion of each capital increase, to record its completion and amend the bylaws accordingly;
- 7) notes that this delegation cancels, as of this date, any unused portion of any previous delegation having the same purpose.

Thirteenth resolution – Delegation of authority to be granted to the Board of Directors to issue ordinary shares giving and/or equity securities giving access to other equity securities or giving entitlement to the allocation of debt securities and/or securities giving access equity securities (of the Company or of a Group company) to be issued, with preferential subscription rights

The Shareholders' Meeting, having reviewed the report of the Board of Directors and the special report of the Statutory Auditors and in accordance with the provisions of the French Commercial Code, in particular its articles L.225-129-2, L.22-10-39, L.228-92 and L.225-132 et seq.:

- 1) delegates to the Board of Directors its authority to proceed with the issue, on one or more occasions, in the proportions and at the times it sees fit, either in euros, in foreign currencies or in any other unit of account established by reference a set of currencies:
 - ordinary shares, and/or
 - equity securities giving access to other equity securities or giving entitlement to the allocation of debt securities, and/or
 - securities giving access to equity securities to be issued.

In accordance with article L.228-93 of the French Commercial Code, the securities to be issued can give access to equity securities to be issued by the Company and/or any company that owns, directly or indirectly, more than half of its share capital or in which it owns, directly or indirectly, more than half of the share capital;

- 2) sets the period of validity of this delegation at 26 months, from the date of this Meeting;

- 3) decides to set, as follows, the limits of the amounts of the authorized issues in the event that the Board of Directors uses this delegation of authority:

- the total nominal amount of the shares that may be issued under this delegation may not exceed €5,000,000, it being specified that this ceiling will include the nominal amount of the share capital increases that may be carried out pursuant to the 14th, 15th, 16th and 18th resolutions,
- to this ceiling would be added, where applicable, the par value of the ordinary shares to be issued to preserve, in accordance with the law and, where applicable, the contractual provisions providing for other cases of adjustment, the rights of holders of securities giving access to the Company's share capital,
- the nominal amount of the debt securities on the Company that may be issued under this delegation may not exceed €50,000,000, it being specified that this ceiling will include the nominal amount of the debt securities that may be issued pursuant to the 14th and 15th resolutions;

- 4) in the event that the Board of Directors uses this delegation of authority in the context of the issues referred to in 1) above:

decides that the issue(s) of ordinary shares or securities giving access to the share capital shall be reserved by preference for shareholders who may subscribe on an irreducible basis,

decides that if the subscriptions on an irreducible basis, and where applicable on a reducible basis, have not absorbed the entire issue referred to in 1), the Board of Directors may use the following options:

- limit the amount of the issue to the amount of subscriptions, where applicable within the limits provided for by the regulations,
- freely distribute all or part of the unsubscribed shares,
- offer all or part of the unsubscribed shares to the public;

- 5) decides that the Board of Directors will have, within the limits set above, the necessary powers to set the conditions of the issue(s) and determine the issue price, if applicable, record the completion of the resulting capital increases, amend the bylaws accordingly, deduct at its sole initiative the costs of the capital increases from the amount of the related premiums, and deduct from this amount the sums necessary to increase the legal reserve to one tenth of the new share capital after each increase and, more generally, take the necessary steps in such matters;

- 6) notes that this delegation cancels any previous delegation with the same purpose.



Fourteenth resolution – Delegation of authority to be granted to the Board of Directors to issue ordinary shares and/or equity securities giving access to other equity securities or to the allocation of debt securities and/or securities (of the Company or of a Group company) and/or securities giving access to equity securities (of the Company or of a Group company) to be issued, with cancellation of the preferential subscription right, by public offering (excluding the offers referred to in 1 of article L.411-2 of the French Monetary and Financial Code) and/or in consideration of securities in the context of a public exchange offer

The Shareholders' Meeting, ruling under the *quorum* and majority conditions for Extraordinary Shareholders' Meetings, having reviewed the report of the Board of Directors and the special report of the Statutory Auditors, and in accordance with the provisions of the French Commercial Code and in particular its articles L.225-129-2, L.225-136, L.22-10-49, L.22-10-52, L.22-10-54 and L.228-92:

- 1) delegates to the Board of Directors its authority to proceed with the issue, on one or more occasions, in the proportions and at the times it deems appropriate, on the French and/or international market, by way of a public offering excluding the offers referred to in 1 of article L.411-2 of the French Monetary and Financial Code, either in euros, in foreign currencies or in any other unit of account established by reference to a set of currencies:
 - ordinary shares, and/or
 - equity securities giving access to other equity securities or giving entitlement to the allocation of debt securities, and/or
 - securities giving access to equity securities to be issued.

These securities may be issued in order to remunerate securities that would be contributed to the Company as part of a public exchange offer for securities meeting the conditions set by article L.22-10-54 of the French Commercial Code.

In accordance with article L.228-93 of the French Commercial Code, the securities to be issued can give access to equity securities to be issued by the Company and/or any company that owns, directly or indirectly, more than half of its share capital or in which it owns, directly or indirectly, more than half of the share capital;

- 2) sets the period of validity of this delegation at 26 months, from the date of this Meeting;
- 3) the total nominal amount of the ordinary shares that may be issued under this delegation may not exceed €5,000,000.

To this ceiling will be added, where applicable, the nominal amount of the capital increase necessary to preserve, in accordance with the law and, where applicable, the contractual provisions providing for other preservation methods, the rights of the holders of rights or securities giving access to the Company's share capital.

This amount is deducted from the maximum nominal amount of ordinary shares that may be issued under the 13th extraordinary resolution of this Shareholders' Meeting or any subsequent resolution.

The nominal amount of the debt securities on the Company that may be issued under this delegation may not exceed €50,000,000.

This amount is deducted from the ceiling of the nominal amount of the debt securities provided for in the 13th extraordinary resolution of this Shareholders' Meeting or any subsequent resolution;

- 4) decides to cancel the shareholders' preferential subscription right to ordinary shares and securities giving access to the share capital and/or debt securities covered by this resolution, while leaving the Board of Directors the option to grant a priority right to the shareholders, in accordance with the law;
- 5) decides to delegate to the Board of Directors all powers to freely set the issue price of the equity securities that may be issued under this delegation of authority in accordance with article L.22-10-52 of the French Commercial Code;
- 6) decides, in the event of the issue of securities intended to remunerate securities contributed under a public exchange offer, that the Board of Directors will have, under the conditions set out in article L.22-10-54 of the French Commercial Code and within the limits set above, the powers necessary to approve the list of securities tendered to the exchange, to set the conditions of issue, the exchange ratio and, where applicable, the amount of the cash balance to be paid, and to determine the issue terms and conditions;
- 7) decides that if the subscriptions have not absorbed the entire issue referred to in 1), the Board of Directors may use the following options:
 - limit the amount of the issue to the amount of subscriptions, where applicable within the limits provided for by the regulations,
 - freely distribute all or some of the unsubscribed shares;
- 8) decides that the Board of Directors will have, within the limits set above, the necessary powers in particular to set the conditions of the issue(s), if applicable, to record the completion of the resulting capital increases, to carry out the corresponding modification to the bylaws, to deduct, at its sole initiative, the costs of the capital increases from the amount of the related premiums and to deduct from this amount the sums necessary to increase the legal reserve to one tenth of the new capital after each increase, and more generally do whatever is necessary in such matters;
- 9) notes that this delegation cancels any unused portion of any previous delegation with the same purpose.

Fifteenth resolution – Delegation of authority to be granted to the Board of Directors to issue ordinary shares and/or equity securities giving access to other equity securities or to the allocation of debt securities (of the Company or of a Group company) and/or securities giving access to equity securities (of the Company or of a Group company) to be issued, with cancellation of the preferential subscription right, by a public offering to the exclusion of the offers referred to in 1 of article L.411-2 of the French Monetary and Financial Code.

The Shareholders' Meeting, ruling under the *quorum* and majority conditions for Extraordinary Shareholders' Meetings, having reviewed the report of the Board of Directors and the special report of the Statutory Auditors, and in accordance with the provisions of the French Commercial Code and in particular its articles L.225-129-2, L.225-136, L.22-10-49, L.22-10-52 and L.228-92:

- 1) delegates to the Board of Directors its authority to carry out the issue, on one or more occasions, in the proportions and at the times it deems appropriate, on the French and/or international market, by an offer referred to in the 1^o of article L.411-2 of the French Monetary and Financial Code, either in euros, in foreign currencies or in any other unit of account established by reference to a set of currencies:
 - ordinary shares, and/or
 - equity securities giving access to other equity securities or giving entitlement to the allocation of debt securities, and/or
 - securities giving access to equity securities to be issued.

In accordance with article L.228-93 of the French Commercial Code, the securities to be issued can give access to equity securities to be issued by the Company and/or any company that owns, directly or indirectly, more than half of its share capital or in which it owns, directly or indirectly, more than half of the share capital;

- 2) sets the period of validity of this delegation at 26 months, from the date of this Meeting;
- 3) the total nominal amount of the ordinary shares that may be issued under this delegation may not exceed €3,000,000, it being specified that it may not exceed the limits provided for in the applicable regulations (for information purposes, on 24 March 2025, this ceiling was 30% of the share capital per year).

To this ceiling will be added, where applicable, the nominal amount of the capital increase necessary to preserve, in accordance with the law and, where applicable, the contractual provisions providing for other preservation methods, the rights of the holders of rights or securities giving access to the Company's share capital.

This amount is deducted from the maximum par value of the ordinary shares that may be issued under the 13th extraordinary resolution of this Shareholders' Meeting or any subsequent resolution.

The nominal amount of the debt securities on the Company that may be issued under this delegation may not exceed €30,000,000.

This amount is deducted from the ceiling of the nominal amount of the debt securities provided for in the 13th extraordinary resolution of this Shareholders' Meeting or any subsequent resolution;

- 6) decides to cancel the shareholders' preferential subscription rights to ordinary shares and to securities giving access to the share capital and/or debt securities covered by this resolution;
- 7) decides to delegate to the Board of Directors all powers to freely set the issue price of the equity securities that may be issued under this delegation of authority in accordance with article L.22-10-52 of the French Commercial Code;
- 8) decides that if the subscriptions have not absorbed the entire issue referred to in 1), the Board of Directors may use the following options:
 - limit the amount of the issue to the amount of subscriptions, where applicable within the limits provided for by the regulations,
 - freely distribute all or some of the unsubscribed shares;
- 9) decides that the Board of Directors will have, within the limits set above, the necessary powers in particular to set the conditions of the issue(s), if applicable, to record the completion of the resulting capital increases, to carry out the corresponding modification to the bylaws, to deduct, at its sole initiative, the costs of the capital increases from the amount of the related premiums and to deduct from this amount the sums necessary to increase the legal reserve to one tenth of the new capital after each increase, and more generally do whatever is necessary in such matters;
- 10) notes that this delegation cancels any unused portion of any previous delegation with the same purpose.

Sixteenth resolution – Delegation of authority to be granted to the Board of Directors to decide on the issue of ordinary shares and/or securities giving access to the share capital and/or debt securities, with cancellation of the preferential subscription right in favor of one or more persons designated by name

The Shareholders' Meeting, ruling under the *quorum* and majority conditions for Extraordinary Shareholders' Meetings, having reviewed the report of the Board of Directors and the special report of the Statutory Auditors, and in accordance with the provisions of the French Commercial Code, in particular its articles L.225-129-2, L.22-10-49, L.22-10-52-1 and L.228-92:

- 1) delegates to the Board of Directors its authority to proceed, on one or more occasions, in the proportions and at the times it deems appropriate, on the French and/or international market, either in euros or in foreign currencies or in any other unit of account established by reference to a set of currencies, with cancellation of the preferential subscription right in favor of one or more persons designated by name, with the issue:
 - of ordinary shares, and/or
 - securities giving access to the capital and/or debt securities.In accordance with article L.228-93 of the French Commercial Code, the securities to be issued can give access to equity securities to be issued by the Company and/or any company that owns, directly or indirectly, more than half of its share capital or in which it owns, directly or indirectly, more than half of the share capital;



- 2) sets the period of validity of this delegation at 18 months, from the date of this Meeting;
- 3) the total nominal amount of the ordinary shares that may be issued under this delegation may not exceed €5,000,000, it being specified that it will also be limited to 30% of the share capital per year in accordance with the law.

To this ceiling will be added, where applicable, the nominal amount of the capital increase necessary to preserve, in accordance with the law and, where applicable, the contractual provisions providing for other preservation methods, the rights of the holders of rights or securities giving access to the Company's share capital.

This amount is deducted from the maximum nominal amount of ordinary shares that may be issued under the 13th extraordinary resolution of this Shareholders' Meeting or any subsequent resolution;

- 1) decides to cancel the preferential subscription rights of shareholders to the securities covered by this resolution in favor of one or more persons designated by name and to delegate to the Board of Directors the power to designate this or these persons;
- 2) decides, in accordance with the provisions of article L.22-10-52-1 of the French Commercial Code, that the issue price of the ordinary shares that may be issued under this delegation of authority will be set by the Board of Directors in accordance with the regulatory provisions applicable at the date of use of this delegation;
- 3) decides that if the subscriptions have not absorbed the entire issue referred to in 1, the Board of Directors may limit the amount of the issue to the amount of the subscriptions, where applicable within the limits provided for by the regulations;
- 4) decides that the Board of Directors shall have, within the limits set above, with the option of subdelegation, the powers necessary in particular to set the conditions of the issue(s), appoint the person(s) on whose behalf the issue(s) is (are) reserved, determine the number of securities to be allocated to each beneficiary, decide on the amount to be issued, the issue price as well as the amount of the premium that may be requested on issue, determine the dates and the terms and conditions of the issue, the nature, form and characteristics of the securities to be created, determine the method of payment of the shares and/or securities issued or to be issued, possibly suspend the exercise of the rights attached to the securities issued for a maximum time period of three months, record the completion of the resulting capital increases, make the corresponding amendment to the bylaws, charge, at its sole initiative, the costs of the capital increases from the amount of the related premiums and deduct from this amount the sums necessary to bring the legal reserve to one tenth of the new share capital after each increase, and more generally to take the necessary measures in such matters.

Seventeenth resolution – Authorization to increase the amount of issues in the event of excess demand

The Shareholders' Meeting, after having considered the report of the Board of Directors and the report of the Statutory Auditors, decides that for each of the issues of ordinary shares or securities giving access to the share capital decided pursuant to the 13th to 16th resolutions, the number of securities to be issued may be increased under the conditions provided for by articles L.225-135-1 and R.225-118 of the French Commercial Code and within the limit of the ceilings set by the Meeting, when the Board of Directors notes a surplus of demand.

The period of validity of this authorization is set to 26 months from the date of this Meeting.

Eighteenth resolution – Delegation of authority to be granted to the Board of Directors to increase the share capital by issuing ordinary shares and/or transferable securities giving access to the share capital up to a limit of 20% of the share capital in order to remunerate contributions in kind of shares or transferable securities giving access to the share capital

The Shareholders' Meeting, having reviewed the reports of the Board of Directors and the Statutory Auditors, and in accordance with articles L.225-147, L.22-10-49, L.22-10-53 and L.228-92 of the French Commercial Code:

- 1) authorizes the Board of Directors, on the report of the Contributions Auditor, to issue ordinary shares or securities giving access to ordinary shares in order to compensate contributions in kind granted to the Company and consisting of equity securities or securities giving access to the share capital when the provisions of article L.22-10-54 of the French Commercial Code are not applicable;
- 2) sets the period of validity of this delegation at 26 months, from the date of this Meeting;
- 3) decides that the total nominal amount of the ordinary shares that may be issued under this delegation may not exceed 20% of the share capital on the date of this Meeting, excluding the nominal amount of the capital increase required to preserve, in accordance with the law and, where applicable, the contractual provisions providing for other cases of adjustment, the rights of the holders of rights or securities giving access to the Company's share capital. The total nominal amount of the capital increase resulting from the issues carried out under this delegation will be included in the capital increase ceiling set by the 13th resolution;
- 4) delegates all powers to the Board of Directors to approve the valuation of the contributions, decide on the resulting capital increase, record its implementation, and deduct, where applicable, all costs and fees incurred by the capital increase from the contribution premium, deduct from the contribution premium the sums necessary to increase the legal reserve to one tenth of the new share capital after each increase, make the corresponding amendment to the bylaws, and take the necessary steps in such matters;
- 5) notes that this delegation cancels any unused portion of any previous delegation with the same purpose.

Nineteenth resolution – Delegation of authority to be granted to the Board of Directors to increase the share capital by issuing ordinary shares and/or securities giving access to the share capital with cancellation of the preferential subscription right for the benefit of the members of a company savings plan in application of articles L.3332-18 et seq. of the French Labor Code

The Shareholders' Meeting, having reviewed the Board of Directors' report and the Statutory Auditors' special report, ruling pursuant to articles L.225-129-6, L.225-138-1 and L.228-92 of the French Commercial Code and L.3332-18 et seq. of the French Labor Code:

- 1) delegates its authority to the Board of Directors to increase the share capital on one or more occasions, if it deems it appropriate, on its sole decisions, by issuing ordinary shares or securities giving access equity securities to be issued by the Company for the benefit of members of one or more company or group savings plans established by the Company and/or French or foreign companies related to it under the conditions of article L.225-180 of the French Commercial Code and article L.3344-1 of the French Labor Code;
- 2) cancels in favor of these persons the preferential subscription rights to the shares that may be issued under this delegation;
- 3) sets the period of validity of this delegation at 26 months from the date of this Meeting;
- 4) limits the maximum nominal amount of the increase(s) that may be carried out using this delegation to 3% of the amount of share capital reached at the time of the Board's decision to carry out this increase, this amount being independent of any other ceiling provided for in terms of delegation of capital increases. To this amount will be added, where applicable, the nominal amount of the capital increase necessary to preserve, in accordance with the law and, where applicable, the contractual provisions providing for other preservation methods, the rights of the holders of the rights or securities giving access to the Company's share capital;
- 5) decides that the price of the shares to be issued, pursuant to paragraph 1) of this delegation, may not be less than 30%, or less than 40% when the lock-up period provided for by the plan pursuant to articles L.3332-25 and L.3332-26 of the French Labor Code is greater than or equal to ten years, of the average of the first quoted prices of the share during the 20 trading sessions preceding the decision setting the opening date of the subscription, nor be higher than this average;
- 6) decides, in accordance with the provisions of article L.3332-21 of the French Labor Code, that the Board of Directors may grant to the beneficiaries defined in the first paragraph above, free of charge, shares to be issued or previously issued or other securities giving access to the Company's share capital to be issued or already issued, in respect of (i) the matching contribution that may be paid pursuant to the regulations of company or group savings plans, and/or (ii), where applicable, the discount and can decide, in the event of the issue of new shares in respect of the discount and/or the matching contribution, to incorporate into the share capital the reserves, profits or issue premiums necessary for the payment of said shares.

The Board of Directors may or may not implement this delegation, take all necessary measures and carry out all necessary formalities.

Twentieth resolution – Amendment of article 15 of the bylaws in order to relax the conditions for participation in meetings of the Board of Directors, by telecommunication, written consultation or postal vote

The Shareholders' Meeting, ruling under the *quorum* and majority conditions for Extraordinary Shareholders' Meetings, having reviewed the Board of Directors' report and the changes and relaxations made by the "Attractiveness Law" of 13 June 2024 to the rules governing participation in meetings of boards of directors of public limited companies, decides to amend article 15 of the bylaws as follows:

"Article 15 – Deliberations of the Board

The Board of Directors meets as often as the interests of the Company require, when convened by its Chairman. Where it has not met for more than two months, at least one third of the Directors, or the Chief Executive Officer, may ask the Chairman, who is bound by this request, to convene the Board of Directors to deliberate on a specific agenda.

Notices of meetings are made by any means and even verbally.

Decisions are taken by a majority vote of the members present or represented.

Directors who participate in the meeting by telecommunication means in accordance with the regulations in force are deemed to be present for the calculation of the quorum and the majority.

In the event of a tie, the Chairman of the meeting has the casting vote.

The Board of Directors may also take decisions by written consultation of the Directors, including by any electronic means, under the conditions provided for by the regulations in force, at the initiative of the Chairman, and provided that there is no opposition from one of the members of the Board of Directors against this method. In this case, at the request of the Chairman of the Board of Directors, the Directors are asked to give their opinion by any written means (including electronic means) on the decision sent to them, within three business days (or less depending on the time limit provided for in the request) following receipt thereof. A member of the Board of Directors may object to this method being used by the same means by formally notifying the Chairman of the Board of Directors within 48 hours. Independently of an opposition to use the written consultation, in the absence of having responded in writing to the Chairman of the Board of Directors within the required time frame and in accordance with the terms and conditions provided for in the request, any Director who has not answered will be deemed to be absent and to not have participated in the decision.

Directors may also vote by mail using a form under the conditions provided for by the regulations in force."

Twenty-first resolution – Powers for formalities

The Shareholders' Meeting grants all powers to the bearer of an example, a copy or an extract of these minutes in order to accomplish all filing and publicity formalities required by law.



7.3 STATUTORY AUDITORS' REPORTS ON THE RESOLUTIONS PRESENTED TO THE COMBINED SHAREHOLDERS' MEETING OF 25 JUNE 2025

Statutory auditors' report on regulated agreements and commitments

See Section 3.72 of the Universal Registration Document.

Statutory Auditors' reports on the 2024 financial statements

See Sections 4.17 and 4.2.5 of the Universal Registration Document.

Statutory Auditors' report on the issue of shares and/or various securities with maintenance and/or cancellation of the preferential subscription right

Shareholders' Meeting of 25 June 2025 – 13th to 18th resolutions

To the Shareholders of EXAIL TECHNOLOGIES,

In our capacity as Statutory Auditors of your company (the "Company") and in execution of the mission provided for by articles L.228-92, L.225-135 et seq., and L.22-10-52 of the French Commercial Code, we hereby present to you our report on the proposals to delegate to the Board of Directors various issues of shares and/or securities, transactions on which you are asked to vote.

Your Board of Directors proposes, on the basis of its report:

- to delegate to it, for a period of 26 months, the authority to decide on the following transactions and to set the final terms of these issues and proposes, where applicable, to cancel your preferential subscription right:
- issue with preferential subscription rights (13th resolution) of ordinary shares and/or equity securities giving access to other equity securities or giving entitlement to the allocation of debt securities and/or securities giving access to other equity securities to be issued, it being specified that:
 - in accordance with article L.228-93-1 of the French Commercial Code, the securities to be issued can give access to equity securities to be issued by the Company and/or by any company that owns, directly or indirectly, more than half of its share capital or in which it owns, directly or indirectly, more than half of the share capital;
- issue with cancellation of the preferential subscription right by way of public offerings other than those referred to in 1 of article L.411-2 of the French Monetary and Financial Code (14th resolution) of ordinary shares and/or equity securities giving access to other equity securities or giving entitlement to the allocation of debt securities and/or securities giving access to equity securities to be issued, it being specified that:
 - these securities may be issued in order to remunerate securities that would be contributed to the Company as part of a public exchange offer for securities meeting the conditions set by article L.22-10-54 of the French Commercial Code;
 - in accordance with article L.228-93-1 of the French Commercial Code, the securities to be issued can give access to equity securities to be issued by the Company and/or by any company that owns, directly or indirectly, more than half of its share capital or in which it owns, directly or indirectly, more than half of the share capital;
 - in accordance with article L.22-10-52-1 of the French Commercial Code, your Board of Directors proposes that you authorize it to freely set the issue price of the equity securities to be issued;
- issue with cancellation of the preferential subscription right by way of public offers referred to in 1 of Article L. 411-2 of the French Monetary and Financial Code and up to a limit of 30% of the share capital per year (15th resolution) of ordinary shares and/or equity securities giving access to other equity securities or giving entitlement to the allocation of debt securities and/or securities giving access to equity securities to be issued:
 - it being specified that, in accordance with article L.228-93-1 of the French Commercial Code, the securities to be issued can give access to equity securities to be issued by the Company and/or by any company that owns, directly or indirectly, more than half of its share capital or in which it owns, directly or indirectly, more than half of the share capital;
 - in accordance with article L.22-10-52-1 of the French Commercial Code, your Board of Directors proposes that you authorize it to freely set the issue price of the equity securities to be issued;
- to delegate to it, for a period of 26 months, the powers necessary to issue ordinary shares and/or securities giving access to the share capital, in order to remunerate contributions in kind granted to the Company and consisting of equity securities or securities giving access to the share capital (18th resolution), up to a limit of 20% of the share capital, when the provisions of article L.22-10-54 of the French Commercial Code are not applicable;
- to delegate to it, for a period of 18 months, all powers to issue ordinary shares and/or securities giving access to the share capital and/or debt securities with cancellation of the preferential subscription right for the benefit of named persons and to name these persons in accordance with article L.22-10-52-1 of the French Commercial Code, up to a limit of 30% of the share capital per year (16th resolution).



The total nominal amount of the capital increases that may be carried out immediately or in the future may not, according to the 13th resolution, exceed €5,000,000 under the 13th, 14th, 15th, 16th and 18th resolutions, it being specified that the nominal amount of the capital increases likely to be carried out, immediately or in the future, may not exceed:

- €5,000,000 for the 13th and 14th resolutions,
- €3,000,000 for the 15th resolution, up to a limit of 30% of the share capital per year,
- €5,000,000 limited in any event to 30% of the share capital per year for the 16th resolution,
- 20% of the share capital for the 18th resolution.

According to the 13th resolution, the total nominal amount of the debt securities that may be issued may not exceed €50,000,000 under the 13th, 14th and 15th resolutions, it being specified that the nominal amount of the debt securities that may be issued may not exceed €50,000,000 for each of the 13th and 14th resolutions or €30,000,000 for the 15th resolution.

It is the responsibility of the Board of Directors to prepare a report in accordance with articles R.225-113 et seq. of the French Commercial Code. It is our responsibility to give our opinion on the fairness of the quantified information taken from the financial statements, on the proposed cancellation of the pre-emptive subscription rights and on certain other information concerning these transactions, given in this report.

We have 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 assignment. These procedures consisted in verifying the content of the Board of Directors' report on these transactions and the methods used to determine the issue price of the equity securities to be issued.

Subject to a subsequent review of the conditions of the issues that would be decided, and as this report does not specify the methods for determining the issue price of the equity securities to be issued in the context of the implementation of the 14th and 15th resolutions, in accordance with the option offered by the provisions of the new article L.22-10-52-1 of the French Commercial Code to let the Board of Directors freely set the price, we have no matters to report on the terms of these delegations.

In addition, as this report does not specify the methods for determining the issue price of the equity securities to be issued in the context of the implementation of the 13th and 18th resolutions, or in the context of the implementation of the 16th resolution, in the absence of publication to date of the decree referred to in the new article L.22-10-51-1 of the French Commercial Code, we are not in a position to comment on the choice of the items used to calculate this issue price.

As the final conditions under which the issues would be carried out have not been set, we do not express an opinion on them or, consequently, on the proposal to cancel the preferential subscription right that is made to you in the 14th, 15th and 16th resolutions.

In accordance with article R.225-116 of the French Commercial Code, we will prepare an additional report, where applicable, when these delegations are used by your Board of Directors, in the event of the issue of securities that are equity securities giving access to other equity securities or giving entitlement to the allocation of debt securities, in the event of the issue of securities giving access to equity securities to be issued and in the event of the issue of ordinary shares with cancellation of the preferential subscription right.

Done in Paris on 17 April 2025

The Statutory Auditors

PricewaterhouseCoopers Audit

Christophe Drieu
Partner

RSM Paris

Sébastien MARTINEAU
Partner

Statutory Auditors' report on the issue of ordinary shares and/or securities of the Company, reserved for members of a company savings plan

Shareholders' Meeting of 25 June 2025 – 19th resolution

To the Shareholders of EXAIL TECHNOLOGIES,

In our capacity as Statutory Auditors of your company and in execution of the mission provided for by articles L.228-92 and L.225-135 et seq., we hereby present to you our report on the proposal to delegate to the Board of Directors the authority to decide on the issue of ordinary shares or securities giving access to equity securities to be issued by the Company with cancellation of the preferential subscription right, reserved for the following category of persons:

- members of one or more company or group savings plans established by the Company and/or French or foreign companies related to it under the conditions of article L.225-180 of the French Commercial Code and article L.3344-1 of the French Labor Code,

for a maximum nominal amount of 3% of the amount of share capital reached at the time of the Board of Directors' decision to carry out this increase, a transaction on which you are asked to vote.

This issue is submitted for your approval in accordance with the provisions of articles L.225-129-6 of the French Commercial Code and L.3332-18 et seq. of the French Labor Code.

Your Board of Directors proposes, on the basis of its report, that you delegate to it, for a period of 24 months, the authority to decide on one issue and to cancel your preferential subscription right to the securities to be issued. Where applicable, it will be responsible for setting the final issue conditions for this transaction.

It is the responsibility of the Board of Directors to prepare a report in accordance with articles R.225-113 et seq. of the French Commercial Code. It is our responsibility to give our opinion on the fairness of the quantified information taken from the financial statements, on the proposed cancellation of the preferential subscription rights and on certain other information concerning the issue, given in this report.

We have 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 assignment. These procedures consisted in verifying the content of the Board of Directors' report on this transaction and the methods used to determine the issue price of the equity securities to be issued.

Subject to a subsequent review of the terms and conditions of any issue decided, we have no matters to report on the methods used to determine the issue price of the equity securities to be issued, as given in the Board of Director's report.

As the final conditions under which the issue would be carried out have not been set, we do not express an opinion on them and, consequently, on the proposal made to you to cancel the preferential subscription right.

In accordance with article R.225-116 of the French Commercial Code, we will prepare an additional report, where applicable, when this delegation is used by your Board of Directors.

Done in Paris on 17 April 2025

The Statutory Auditors

PricewaterhouseCoopers Audit

Christophe Drieu

Partner

RSM Paris

Sébastien MARTINEAU

Partner





Statutory Auditors' report on the capital reduction

Shareholders' Meeting of 25 June 2025 – 11th resolution

To the Shareholders of EXAIL TECHNOLOGIES,

In our capacity as Statutory Auditors of your company and in execution of the mission provided for in article L.22-10-62 of the French Commercial Code, in the event of a capital reduction by cancellation of purchased shares, we have prepared this report intended to inform you of our assessment of the causes and conditions of the planned capital reduction.

Your Board of Directors proposes that you delegate to it, for a period of 24 months from the date of this Meeting, all powers to cancel, up to a limit of 10% of its share capital, per period of 24 months, the shares purchased under the implementation of an authorization by your Company to purchase its own shares in accordance with the provisions of the aforementioned article.

We have 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 assignment. These procedures lead to an examination of whether the causes and conditions of the proposed capital reduction, which are not likely to affect the equality of Shareholders, are lawful.

We have no matters to report as to the causes and conditions of the proposed capital reduction.

Done in Paris on 17 April 2025

The Statutory Auditors

PricewaterhouseCoopers Audit

Christophe Drieu

Partner

RSM Paris

Sébastien MARTINEAU

Partner

7.4 OTHER REPORTS OF THE BOARD OF DIRECTORS PRESENTED TO THE COMBINED SHAREHOLDERS' MEETING OF 25 JUNE 2025

7.4.1 Management report

See the cross-reference table in Section 8.3.3 of the Universal Registration Document.

7.4.2 Report of the Board of Directors prepared in accordance with articles L.225-37 et seq. of the French Commercial Code

See the cross-reference table in Section 8.3.4 of the Universal Registration Document.

7.4.3 Information on free share allocation and acquisition option plans in subsidiaries

In 2022, 2023 and 2024, EXAIL HOLDING SAS, a direct subsidiary of EXAIL TECHNOLOGIES, set up free share allocation and stock option plans for its employees and managers.

Over the past few years (2018, 2020, 2021), EXAIL SAS, an indirect subsidiary of EXAIL TECHNOLOGIES, has set up free share allocation and stock option plans for its employees and managers.

In accordance with articles L.225-180, L.225-184, L.225-197-4 and L.225-197-5 of the French Commercial Code, we invite you to read the information relating to these free share allocation and stock option plans in force within EXAIL SAS and EXAIL HOLDING SAS provided in Note 5.4 to the consolidated financial statements (Section 4.1 of this document).



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ADDITIONAL INFORMATION

8.1 Information on the Statutory Auditors of the financial statements and of the sustainability-related information	228	8.3 Cross-reference tables	229
8.1.1 Principal Statutory Auditors	228	8.3.1 Cross-reference table of the Universal Registration Document (Appendices I and II of Delegated European Regulation no. 2019/980)	229
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8.2 Person responsible for the information	228	8.3.3 Cross-reference table for the consolidated management report (to which the corporate governance report and sustainability information are attached)	233
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8.2.2 Statement by the person responsible for the Universal Registration Document	228		

8.1 INFORMATION ON THE STATUTORY AUDITORS OF THE FINANCIAL STATEMENTS AND OF THE SUSTAINABILITY-RELATED INFORMATION

8.1.1 PRINCIPAL STATUTORY AUDITORS

PRICEWATERHOUSECOOPERS AUDIT

Member of the Versailles regional association of statutory auditors

Represented by Mr. Christophe DRIEU

63 rue de Villiers – 92200 Neuilly-sur-Seine

Statutory auditor of the Company appointed for the first time by the Combined Shareholders' Meeting of 17 June 2015. The term of office was renewed by the Shareholders' Meeting of 18 June 2021 (second term of office). It will expire after the Shareholders' Meeting called to approve the financial statements for the financial year ending 31 December 2026.

RSM Paris

Member of the Paris regional association of statutory auditors

Represented by Mr. Sébastien MARTINEAU

26 rue Cambacérès – 75008 Paris

Statutory Auditor of the Company appointed by the Combined Shareholders' Meeting of 13 June 2018. The term of office was renewed by the Shareholders' Meeting of 18 June 2024 (second term of office). It will expire after the Shareholders' Meeting called to approve the financial statements for the financial year ending 31 December 2029.

8.1.2 SUSTAINABILITY INFORMATION AUDITOR

RSM Paris

Member of the Paris regional association of statutory auditors

Represented by Mr. Sébastien MARTINEAU

26 rue Cambacérès – 75008 Paris

Sustainability Statutory Auditor of the Company appointed by the Combined Shareholders' Meeting of 18 June 2024 for a term of three financial years, i.e. until the end of the Shareholders' Meeting called to approve the financial statements for the financial year ending 31 December 2026.

8.2 PERSON RESPONSIBLE FOR THE INFORMATION

8.2.1 PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT CONTAINING THE ANNUAL FINANCIAL REPORT

Mr. Raphaël GORGÉ as Chairman and Chief Executive Officer of EXAIL TECHNOLOGIES SA.

8.2.2 STATEMENT BY THE PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

"I hereby certify that the information contained in this Universal Registration Document is, to the best of my knowledge, consistent with the facts and does not contain any omissions likely to alter its scope.

I certify, to the best of my knowledge, that the annual and consolidated financial statements were prepared in accordance with the applicable accounting standards and give a true and fair view of the assets and liabilities, the financial position and the profits or losses of the Company and of all the companies included in the consolidation, and that the Group's management report (included in this document by reference, according to the cross-reference table in Section 8.3.3) presents a true and fair view of the changes and results of the Company and the financial position of the Company and of all the companies included in the consolidation, as well as a description of the main risks and uncertainties to which they are exposed, and that said report was established in accordance with the applicable sustainability reporting standards."

Done in Paris on 17 April 2025
Chairman and Chief Executive Officer

8.3 CROSS-REFERENCE TABLES

8.3.1 CROSS-REFERENCE TABLE OF THE UNIVERSAL REGISTRATION DOCUMENT (APPENDICES I AND II OF DELEGATED EUROPEAN REGULATION NO. 2019/980)

In order to facilitate the reading of this Universal Registration Document, the cross-reference table presented below makes it possible to identify the main information required by Appendices I and II of European Delegated Regulation no. 2019/980 of 14 March 2019:

URD references	Headings	Section/Chapter	Page
Chapter 1	Persons responsible, information from third parties, expert reports and approval by the competent authority		
Section 1.1	Persons responsible for the information	8.2.1	228
Section 1.2	Statement by the persons responsible for the document	8.2.2	228
Section 1.3	Expert statement	N/A	-
Section 1.4	Other statements in case of information from third parties	N/A	-
Section 1.5	Statement regarding the approval of the document	AMF insert	1
Chapter 2	Statutory auditors		
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Chapter 3	Risk factors	2	33 et s.
Chapter 4	Information about the issuer		
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Section 4.3	Date of incorporation and duration	5.1.1	144
Section 4.4	Head office – legal form – applicable legislation – website – other	5.1.1	144
Chapter 5	Business overview		
Section 5.1	<i>Main activities</i>	1.2	11 et s.
Section 5.1.1	<i>Nature of operations and main activities</i>	1.2	11 et s.
Section 5.1.2	<i>New products and/or services</i>	1.2	11 et s.
Section 5.2	Main markets	1.2.2	12 et s.
Section 5.3	Significant events	Introduction, 1.2.4, 1.3.4, Note 13.2 and Note 13.3 to the consolidated financial statements, Note 7.1 / Exceptional events and litigation	2 et s., 19, 23, 121 - 136
Section 5.4	Financial and non-financial strategy and objectives	1.3, 1.4, 6	20 et s., 24 et s., 155 et s.
Section 5.5	Degree of dependency	2.2, Note 3.3 and Note 4.5 to the consolidated financial statements	36, 92, 94
Section 5.6	Competitive position	1.2.2	12 et s.
Section 5.7	Investments	1.3.3, Note 6 to the consolidated financial statements	22, 103 et s.
Section 5.7.1	<i>Significant investments made</i>	1.3.3	22,
Section 5.7.2	<i>Significant ongoing investments or firm commitments</i>	1.3.3	22
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Section 5.7.4	<i>Environmental impact of the use of property, plant and equipment</i>	1.3.3, 6.2 / Environmental information	23, 167 et s.

URD references	Headings	Section/Chapter	Page
Chapter 6	Organizational structure		
Section 6.1	Brief description of the Group/Organizational chart	Introduction, 1.2, 1.5.1	2 et s., 11 et s., 27
Section 6.2	List of significant subsidiaries	1.2.3, Note 2.2 and Note 14 to the consolidated financial statements, Note 6 to the separate financial statements	18, 86, 123, 136
Section 7	Review of the financial position and results		
Section 7.1	Financial position	1.1, 1.4, 1.5	10, 24 et s., 27 et s.
Section 7.1.1	Statement of changes and results of operations	1.1, 1.4, 1.5	10, 24 et s., 27 et s.
Section 7.1.2	Future developments and activities in research and development	1.3	20 et s.
Section 7.2	Operating results	4.1.1, 4.2.1	76, 128
Section 7.2.1	Significant factors affecting operating revenue	1.2.4, 1.4, 4.1, 4.2	19, 24 et s., 76 et s., 128 et s.
Section 7.2.2	Significant changes in net sales or net income	1.4, 4.1	24 et s., 76 et s.
Chapter 8	Cash and cash equivalents and capital		
Section 8.1	Issuer's capital	1.4, Note 10 Equity and earnings per share to the consolidated financial statements, Note 3 to the separate financial statements	24 et s., 118, 132 et s.
Section 8.2	Cash flow	1.4, 2.3.4, Note 7 and Note 8 to the consolidated financial statements, Note 3 and Note 5 to the separate financial statements	24 et s., 39, 107, 109 et s., 132, 136 et s.
Section 8.3	Financing requirements and financing structure	1.4.2, Note 2.2.2 to the consolidated financial statements, 2.3.4, Note 7, Note 8 and Note 13.3 to the consolidated statements, Note 3.5, Note 3.6, Note 5.3 and Note 5 to the separate financial statements	26, 91, 39, 107, 109 et s., 122, 136 et s.
Section 8.4	Restriction on use of capital	Note 8 to the consolidated financial statements and Note 5.3 to the separate financial statements	109 et s., 136
Section 8.5	Expected sources of funding	1.4.2, Note 8 and Note 12 to the consolidated financial statements	26, 109 et s., 120
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Section 11.1	Current profit forecast or estimate	N/A	-
Section 11.2	Main assumptions	N/A	-
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Chapter 12	Administrative, management and supervisory bodies and Executive Management		
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URD references	Headings	Section/Chapter	Page
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Chapter 13	Remuneration and benefits		
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Section 13.2	Provisions for retirement and other	Note 5.3 to the consolidated financial statements, Note 5.6 to the separate financial statements	98, 136
Chapter 14	Functioning of the administrative and management bodies		
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Section 14.3	Committees	3.1.1, 3.1.8, 3.1.9, 3.1.10	46, 55, 56,
Section 14.4	Compliance with corporate governance rules	3.5	67
Section 14.5	Potential significant impacts and future governance changes	3.1	46 et s.
Section 15	Employees		
Section 15.1	Breakdown of employees	1.1.3, Note 5.1 to the consolidated financial statements, Note 2.3 to the separate financial statements, 6.3.1	10, 98, 131, 173 et s.
Section 15.2	Equity investments and stock options	Note 5.2 and Note 5.4 to the consolidated financial statements, 5.3.5, 6.3.1	98, 99, 150, 173 et s.
Section 15.3	Employee shareholding agreement	see Section 15.2 above	-
Chapter 16	Main shareholders		
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Section 16.2	Different voting rights	5.3.2	150
Section 16.3	Control of the issuer	5.3.1	150
Section 16.4	Shareholder agreement	N/A	-
Chapter 17	Transactions with related parties		
Section 17.1	Details of transactions	1.5.1, 3.7.1, Note 5.5 to the consolidated financial statements, Note 4 to the separate financial statements	27, 68, 102, 135
Chapter 18	Financial information concerning the assets and liabilities, financial position and results of the issuer		
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Section 18.1.1	Audited historical financial information	4.1, 4.2	76 et s., 128 et s.
Section 18.1.2	Change of accounting reference date	N/A	-
Section 18.1.3	Accounting standards	4.1 (Note 1), 4.2 (Note 1)	76 et s.
Section 18.1.4	Change in accounting standards	4.1 (Note 1), 4.2 (Note 1)	76 et s.
Section 18.1.5	Minimum content of audited financial information	4.1, 4.2	76 et s., 128 et s.
Section 18.1.6	Consolidated financial statements	4.1	76 et s.
Section 18.1.7	Date of latest financial information	4.1, 5.4.1	76 et s., 151
Item 18.2	Interim and other financial information	N/A	-
Section 18.2.1	Quarterly or half-yearly financial information	N/A	-
Section 18.3	Audit of historical annual financial information	4.2.5, 4.1.7	137 et s., 124 et s.
Section 18.3.1	Audit report	4.2.5, 4.1.7	137 et s., 124 et s.
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Section 18.4	Pro forma financial information	N/A	N/A
Section 18.4.1	Description of the pro forma financial information	N/A	-

URD references	Headings	Section/Chapter	Page
Section 18.5	Dividend policy	5.4.2	151
Section 18.5.1	Description	5.4.2	151
Section 18.5.2	Dividend per share	1.5.3, 71	28, 206
Section 18.6	Legal and arbitration proceedings	Note 13.2 to the consolidated financial statements, Note 7.1 to the separate financial statements	121, 136
Section 18.6.1	Significant procedures	see Section 18.6 above	-
Section 18.7	Significant change in the issuer's financial position	1.2.4, 1.3.4, Note 8 and Note 2.2.2 to the consolidated financial statements and Note 3.5 to the separate financial statements	19, 23, 91, 109, 134
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Chapter 19	Additional information		
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Section 19.1.2	Shares not representing capital	N/A	-
Section 19.1.3	Treasury shares	5.2.2	145
Section 19.1.4	Securities	5.2.1	145
Section 19.1.5	Acquisition rights conditions and/or any obligation	5.2.1, 5.2.3	145, 147
Section 19.1.6	Option or agreement	N/A	-
Section 19.1.7	History of share capital	5.2.3	147
Section 19.2	Corporate charter and bylaws	5.1.2	144
Section 19.2.1	Registration in the register and corporate purpose	5.1.1, 5.1.2	144
Section 19.2.2	Existing share classes	5.2	145
Section 19.2.3	Provisions impacting a change of control	5.3.4	150
Chapter 20	Major contracts	Note 2.2.2 to the consolidated financial statements	41
Chapter 21	Available documents		
Section 21.1	Statement on searchable documents	5.4.3	152

8.3.2 CROSS-REFERENCE TABLE – ANNUAL FINANCIAL REPORT

This Universal Registration Document includes all sections of the annual financial report listed under article L.451-1-2 of the French Monetary and Financial Code, as well as articles 222-3 and 222-9 of the General Regulations of the French Financial Markets Authority (Autorité des Marchés Financiers – AMF). The documents referred to in article 222-3 of the aforementioned regulation and the corresponding sections of this Universal Registration Document are specified below:

	Annual financial report	Chapter/Section	Page
1.	Annual financial statements	4.2	128 et s.
2.	Consolidated financial statements	4.1	76 et s.
3.	Management report (information within the meaning of article 222-3 of the AMF General Regulation)	See cross-reference table in Section 8.3.3 below	-
4.	Statement by the person responsible for the annual financial report	8.2.2	228
5.	Statutory auditors' report on the separate financial statement	4.2.5	137 et s.
6.	Statutory auditors' report on the consolidated financial statements	4.1.7	124 et s.
7.	Statutory auditors' report on regulated agreements and commitments	3.7.2	69
8.	Board of Directors' corporate governance report (article L.225-37 of the French Commercial Code)	See cross-reference table in Section 8.3.4 below	-
9.	Certification report on sustainability-related information	6	156 et s.

8.3.3 CROSS-REFERENCE TABLE FOR THE CONSOLIDATED MANAGEMENT REPORT (TO WHICH THE CORPORATE GOVERNANCE REPORT AND SUSTAINABILITY INFORMATION ARE ATTACHED)

This Universal Registration Document includes the items from the management report referred to in articles L.225-100 et seq. and L.232-1 of the French Commercial Code and the corporate governance report pursuant to articles L.225-37 et seq. of the French Commercial Code.

	Consolidated management report	Chapter/Section	Page
1.	Business market		
1.1	Position and activity of the Company over the past year	1.5, 4.2	27, 128 et s.
1.2	Results of the activity of the Company, its subsidiaries, and companies under its control	1.1, 1.4, 4.1	10, 24 et s., 76 et s.
1.3	Key financial performance indicators	1.1	10
1.4	Key non-financial performance indicators	1.1 and 6	10, 155 et s.
1.5	Analysis of changes to the business its results and financial position	1.4	24
1.6	Significant events occurring between the closing of the financial year and the date the management report was drawn up	1.3.2, 1.3.4, Note 13.3 to the consolidated financial statements and Note 7.2 to the annual financial statements	20, 23, 136
1.7	Foreseeable development and outlook	Message from the Chairman, 1.3.2	2, 20
1.8	Research and development activities	1.2.2, 1.3, Note 6 to the consolidated financial statements	12 et s., 20 et s., 103 et s.
1.9	Significant new shareholdings controlling interests acquired during the year in companies with head offices on French territory	1.2.1, 1.2.3, 1.2.4, Note 2.2 to the consolidated financial statements	11, 18, 19, 86
1.10	Statement of existing branches	N/A	-
2.	Risk factors – Internal control and risk management procedures		
2.1	Description of the main risks and uncertainties facing the Group	2	33 et s.
2.2	Main characteristics of the internal control and risk management procedures implemented by the Company and the Group relating to the preparation and processing of accounting and financial information	3.8	72 et s.
2.3	Information on financial risks relating to the effects of climate change and presentation of the steps taken to mitigate such risks through a low-carbon strategy	2, 6.2	33 et s., 167 et s.
2.4	Information on the use of financial instruments (policy and hedging)	Note 8 to the consolidated financial statements, Note 5.7 to the annual financial statements	109 et s., 136
2.5	Anti-corruption system	6.4	188 et s.
3.	Shareholders and share capital		
3.1	Shareholder structure and changes occurring during the financial year, crossing of ownership thresholds	5.2, 5.3	145 et s., 150
3.2	Employee share ownership statement	5.3.5	150
3.3	Repurchase and resale by the Company of its treasury shares	5.2.2	145 - 150
3.4	Names of controlled entities and interests held	Note 14 to the consolidated financial statements	123
3.5	Transfers of shares to regularize cross-shareholdings, possible adjustments for securities giving access to the capital in the event of share buybacks or financial transactions	N/A	-
3.6	Trading on Company shares by senior managers and persons with close ties to them	3.1.4	54
3.7	Information on stock option plans granted to corporate officers and employees	3.3 (Tables 4 to 10), 5.2.1	61 et s., 145

	Consolidated management report	Chapter/Section	Page
3.8	Information on free shares allocated to corporate officers and employees	3.3 (Tables 4 to 10), 5.2.1, Note 5.4 and Note 5.5 to the consolidated financial statements	61 et s., 145, 136
4.	Corporate governance report (articles L.225-37 and L.22-10-9 of the French Commercial Code)	See cross-reference table - in Section 8.3.4 below	
5.	Sustainability-related information	6	156 et s.
6.	Other information		
6.1	Non-tax-deductible expenses and expenses added back following tax adjustment	1.5.2	27
6.2	Table of financial results for the past five financial years	1.5.5	29
6.3	Total dividends and other income paid out over the previous three financial years	1.5.3, 5.4.2, 7.1	28, 151, 206
6.4	Orders or financial penalties for anti-competitive practices	N/A	-
6.5	Amount of intercompany loans granted under article L.511-6-3 bis of the French Monetary and Financial Code	N/A	-
6.6	Works council opinion on changes to the Company's financial and legal structure	N/A	-
6.7	Payment times for trade receivables and payables	1.5.4, Note 3.6 to the separate financial statements	28, 135

8.3.4 CROSS-REFERENCE TABLE OF THE CORPORATE GOVERNANCE REPORT PURSUANT TO ARTICLES L.225-37 AND L.22-10-9 OF THE FRENCH COMMERCIAL CODE

	Corporate governance report	Chapter/Section	Page
1.	Information regarding the composition, operation and powers of the Board of Directors		
1.1	Composition of the Board of Directors	3.1	46
1.2	Presentation of the members of the Board of Directors, list of their offices and positions	3.1	46
1.3	Conditions for the preparation and organization of the Board of Directors' work	3.1.7	54
1.4	Gender balance on the Board of Directors	3.1.3	54
1.5	Diversity policy applied to Board members	3.1.1	46 et s.
1.6	Parity within the committee established by Executive Management	N/A	-
1.7	Diversity for the 10 positions with the highest responsibility	N/A	-
1.8	Forms of Executive Management	3.1.6	54
1.9	Limitations of CEO powers	3.1.6	54
1.10	Reference to a Corporate Governance Code	3.5	67
1.11	Summary table of delegations granted by the Shareholders' Meeting for capital increases that are still valid	5.2.3	147
1.12	Assessment procedure for current agreements signed under normal term and conditions	3.7.1	68
2.	Information on remuneration		
2.1	Corporate officer remuneration policy	3.2	56
2.2	Information referred to in I of article L.225-10-9 of the French Commercial Code	3.3	61
2.3	Individual remuneration of the executive corporate officers for the past financial year	3.4	66
2.4	Agreements entered into between corporate officer or a significant shareholder and subsidiary	3.7.1, 1.5.1	68 et s., 27
2.5	Holding modalities by corporate officers of the free shares granted and/or shares from the exercise of stock options	N/A	-
3.	Information on factors liable to have an impact in the event of an IPO		
3.1	Structure of the Company's share capital	5.2	145
3.2	Statutory restrictions on the exercise of voting rights and the transfer of shares or clauses in agreements brought to the Company's knowledge in application of article L.233-11 of the French Commercial Code regarding capital increases	5.1.2, 5.3.4	144, 150
3.3	Direct or indirect investments in its share capital that the Company is aware of pursuant to articles L.233-7 and L.233-12 of the French Commercial Code	5.3.1	150
3.4	List of bearers of all securities with special control rights and description of these rights	5.3.1, 5.3.4	150, 150
3.5	Control mechanisms provided for by any employee shareholding system, when the control rights are not exercised by the system	5.3.5	150
3.6	Shareholder agreements known to the Company that may lead to restrictions on the transfer of shares and the exercise of voting rights	N/A	-
3.7	Rules applicable to the appointment and renewal of members of the Board of Directors and amendments to the Company's bylaws	3.1.1, 5.1.2	46, 144
3.8	Agreements that end in the event of a change of control	N/A	-
4.	Special arrangements for shareholder participation in Shareholders' Meetings	3.6	68





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