

FINANCIAL AND ACCOUNTING INFORMATION

DISCLAIMER

This document presents a provisional version of the 2025 consolidated financial statements. The financial statements were approved by the Board of Directors on 17 March 2026. The joint statutory auditors have completed their procedures regarding the financial statements; however, they have not yet fully completed their review of the notes to the accounts. The final version of the financial statements, including the statutory auditors' report, will be included in the 2025 Universal Registration Document.

4.1 CONSOLIDATED FINANCIAL STATEMENTS FOR 2025

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

(in thousands of euros)	Notes	2025	2024
Revenue	4.1	478,545	373,062
Capitalized production		24,287	24,507
Inventories and work in progress		(1,260)	6,121
Other income from operations	4.2	26,088	23,836
Purchases and external charges		(244,184)	(197,163)
Personnel expenses	5.2	(176,461)	(152,453)
Payments in shares	3.1-5.4	(18,006)	(4,661)
Tax and duties		(5,108)	(3,853)
Depreciation, amortization, and provisions (net of reversals)	4.3	(32,564)	(28,304)
Amortization of intangible assets recognized at fair value	3.1-4.3	(18,300)	(18,323)
Other operating income and expenses		1,406	(236)
Other items of operating income	3.1	(2,786)	(4,456)
OPERATING INCOME		31,657	18,075
Interest on gross debt		(26,862)	(27,825)
Interest on cash and cash equivalents		2,115	446
Cost of net debt (A)	8.3	(24,747)	(27,379)
Other financial income (B)		1,861	1,503
Other financial expense (C)		(2,093)	(1,082)
Financial income and expenses (D = A + B + C)	8.3	(24,979)	(26,959)
Income tax	9.1.1	(773)	4,352
Net income from continuing operations		5,905	(4,532)
Net income from discontinued operations		-	-
CONSOLIDATED NET INCOME		5,905	(4,532)
Income attributable to parent company shareholders		2,980	(3,641)
Income attributable to non-controlling interests		2,925	(891)
Average number of shares	10.2	16,968	16,998
Earnings per share (in euros)	10.2	0.176	(0.214)
Diluted earnings per share (in euros)	10.2	0.176	(0.214)
Net earnings per share from continuing operations, in euros	10.2	0.176	(0.214)
Diluted net earnings per share from continuing operations, in euros	10.2	0.176	(0.214)

4.1.2 STATEMENT OF COMPREHENSIVE INCOME

(in thousands of euros)	2025	2024
NET INCOME	5,905	(4,532)
Currency translation	(183)	60
Tax relating to currency translation	-	-
Revaluation of hedging instruments	(1,649)	(3,082)
Tax on hedging instruments	412	771
Total gains and losses recognized in other comprehensive income and recyclable to profit or loss	(1,419)	(2,252)
Actuarial gains and losses on defined benefit plans	471	393
Tax relating to actuarial gains and losses on defined benefit plans	(118)	(98)
Financial assets measured at fair value	1,133	1,008
Taxes on financial assets measured at fair value	-	-
Total gains and losses recognized in other comprehensive income and not recyclable to profit or loss	1,486	1,303
COMPREHENSIVE INCOME	5,972	(5,481)
Comprehensive income attributable to parent company shareholders	3,295	(4,040)
Comprehensive income attributable to non-controlling interests	2,677	(1,441)

4.1.3 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

(in thousands of euros)	Notes	31/12/2025	31/12/2024 ⁽¹⁾
Non-current assets		578,443	519,115
Goodwill	6.1	145,964	145,964
Intangible assets	6.2	263,196	271,005
Property, plant and equipment	6.3	54,179	50,753
Rights of use	4.7.1	40,951	38,125
Non-current financial assets	8.1.4	72,991	11,391
Deferred tax assets	9.2	154	134
Other non-current assets	4.6	1,009	1,744
Current assets		694,593	312,714
Net inventories	4.4	80,308	78,820
Net trade receivables	4.5	60,907	64,285
Contract assets	4.5	160,799	63,151
Other current assets	4.6	39,345	30,914
Tax receivables payable	9.1.1	23,054	22,471
Current financial assets	8.1.3	1,750	2,796
Cash and cash equivalents	8.1.2	328,430	50,277
Assets held for sale		-	-
TOTAL ASSETS		1,273,036	831,829

(1) The consolidated statement of financial position at 31 December 2024 has been modified as explained in Note 1.3.

EQUITY AND LIABILITIES

(in thousands of euros)	Notes	31/12/2025	31/12/2024 ⁽³⁾
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		412,952	119,914
Share capital ⁽¹⁾	10.1	17,425	17,425
Share capital premiums ⁽¹⁾		12,171	12,171
Perpetual bonds		298,784	-
Retained earnings and consolidated net income ⁽²⁾		84,573	90,318
INTEREST ATTRIBUTABLE TO NON CONTROLLING INTERESTS		88,101	84,138
TOTAL EQUITY		501,053	204,052
Non-current liabilities		384,059	377,182
Long-term provisions	5.3	6,811	6,402
Long-term liabilities – portion due in more than one year	8.1.1	261,862	269,173
Lease liabilities – portion due in more than one year	4.7.2	34,369	32,422
Deferred tax liabilities	9.2	37,164	39,250
Commitments to purchase shares of non-controlling interests	8.2	40,424	26,276
Other non-current liabilities	4.6	3,429	3,659
Current liabilities		387,925	250,595
Short-term provisions	11	9,247	7,720
Long-term liabilities – portion due in less than one year	8.1.1	63,481	39,024
Lease liabilities – portion due in less than one year	4.7.2	8,517	8,075
Other current financial liabilities	8.1.3	1,344	2,927
Operating payables	4.6	68,449	49,292
Contract liabilities	4.5	139,203	61,418
Other current liabilities	4.6	97,407	81,932
Tax liabilities payable	9.1.1	277	208
Liabilities held for sale		-	-
TOTAL LIABILITIES		1,273,036	831,829

(1) Of the consolidating parent company.

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

(3) The consolidated statement of financial position at 31 December 2024 has been modified as explained in Note 1.3.

4.1.4 CONSOLIDATED STATEMENT OF CASH FLOWS

(in thousands of euros)	Notes	31/12/2025	31/12/2024
Net income from continuing operations		5,905	(4,532)
Accruals	7.1	62,571	48,026
Capital gains and losses on disposals	7.1	(359)	(700)
Cash flow from operating activities (before neutralization of the cost of net financial debt and taxes)	7.1	(68,117)	(42,794)
Net borrowing costs	8.3	24,747	27,379
Income tax	9.1.1	773	(4,352)
Cash flow from operations (after neutralization of the cost of net financial debt and taxes)		(93,636)	(65,822)
Tax paid		(1,784)	(1,840)
Change in working capital requirements	7.2	8,227	27,406
Net cash flow from operating activities (A)		(100,079)	(91,388)
Investing activities			
Payments/acquisition of intangible assets	6.2	(20,761)	(20,091)
Payments/acquisition of property, plant and equipment	6.3	(14,331)	(14,612)
Proceeds/disposal of property, plant and equipment and intangible assets		657	776
Financial investments net of disposals	7.3-10.1.4	(60,162)	(406)
Net cash inflow/outflow on the acquisition/disposal of subsidiaries	7.4	(399)	(2,071)
Net cash flow from investing activities (B)		(94,997)	(36,404)
Financing activities			
Capital increase or contributions		-	-
Dividends paid		(583)	(366)
Acquisitions and disposals of treasury shares	7.5	499	(821)
Change in non-controlling interests	7.6	(3,666)	(95)
Issuance of perpetual bonds	10.1.4	295,760	-
Bond coupons paid		-	-
Proceeds from borrowings	8.1.1	38,392	33,003
Repayment of borrowings	8.1.1	(35,407)	(37,738)
Repayment of lease liabilities	4.7.2	(9,254)	(8,219)
Cost of net debt		(10,462)	(14,553)
Other financing flows	7.7	(1,963)	(1,589)
Net cash flow from financing activities (C)		273,314	(30,378)
Cash flow generated by activities performed (D = A + B + C)		278,396	24,605
Cash flow generated by discontinued operations		-	-
Effects of exchange rate changes		(221)	93
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	8.1.2	50,236	25,538
Change in cash and cash equivalents		278,396	24,605
Flows with discontinued operations		-	-
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	8.1.2	328,411	50,236

4.1.5 CHANGE IN CONSOLIDATED EQUITY

(in thousands of euros)	Group share or owners of the parent company							Total equity
	Capital	Share capital premiums	Treasury shares	Perpetual bonds	Retained earnings and other reserves	Equity – attributable to parent company shareholders	Equity – attributable to non-controlling interests	
EQUITY AT THE START OF 2023	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 scope ⁽²⁾	-	-	-	-	5,199	5,198	5,977	11,175
2024 CLOSING EQUITY	17,425	12,171	(7,215)	-	97,534	119,914	84,138	204,052
Share capital transactions	-	-	-	-	-	-	-	-
Free share allocation plan and stock option plan	-	-	-	-	8,798	8,798	4,541	13,339
Treasury share transactions	-	-	382	-	(4,656)	(4,274)	(2,602)	(6,876)
Commitments to non-controlling interests ⁽¹⁾	-	-	-	-	(14,671)	(14,671)	523	(14,148)
Dividends	-	-	-	-	-	-	(583)	(583)
Perpetual bonds net of issuance costs ⁽³⁾	-	-	-	295,760	-	295,760	-	295,760
Perpetual bond coupons ⁽³⁾	-	-	-	3,025	(3,025)	-	-	-
Tax on perpetual bond coupons	-	-	-	-	-	-	-	-
Net income for the period	-	-	(351)	-	3,332	2,981	2,924	5,905
Gains and losses recognized directly in equity	-	-	-	-	314	314	(249)	66
Comprehensive income	-	-	(351)	-	3,646	3,295	2,676	5,972
Changes in scope ⁽²⁾	-	-	-	-	4,131	4,131	(592)	3,538
2025 CLOSING EQUITY	17,425	12,171	(7,185)	298,784	91,757	412,952	88,101	501,053

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

(2) In 2024, changes in non-controlling interests in EXAIL SAS (definitive acquisitions of shares at no cost and the exercise of EXAIL SAS stock options by employees, see Note 5.4 "Acquisition of EXAIL SAS shares from employees") and in EXAIL HOLDING (capital increase of EXAIL HOLDING and acquisition of EXAIL HOLDING shares from employees) as well as the inclusion of LEUKOS in the scope of consolidation. In 2025, employees acquired shares free of charge on a permanent basis and exercised EXAIL SAS stock options (see Note 5.4), and EXAIL SAS shares were acquired from employees; EXAIL TECHNOLOGIES also acquired EXAIL HOLDING shares from employees.

(3) Relates to the issue of ODIRNANE bonds (see Note 10.1.4).

4.1.6 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1 Accounting principles

The consolidated financial statements of EXAIL TECHNOLOGIES for the financial year ended 31 December 2025 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 2025 financial year were approved by the Board of Directors on 17 March 2026. 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 2025. These accounting standards are consistent with those used to prepare the annual consolidated financial statements for the financial year ended 31 December 2024, with the exception of the new standards, revised standards and interpretations whose application became mandatory as of 1 January 2025.

STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE EUROPEAN UNION AND WHOSE APPLICATION IS MANDATORY AS OF 1 JANUARY 2025

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 2025:

- Amendments to IAS 21 – The effects of changes in foreign exchange rates: lack of convertibility of a currency.

STANDARDS, INTERPRETATIONS AND AMENDMENTS NOT ADOPTED BY THE EUROPEAN UNION AS OF 31 DECEMBER 2025 OR ADOPTED BUT OPTIONAL AS OF 1 JANUARY 2025

- IFRS 18 – Presentation of financial statements and disclosures in the financial statements;
- Amendments to IFRS 7 – Financial instruments, and to IFRS 9 - Financial instruments: Information to be provided on the classification and measurement of financial instruments;
- Amendments to IFRS 7 - Financial instruments and to IFRS 9 - Financial instruments: Disclosures for electricity contracts dependent on natural factors;
- 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 2025 on the Group's consolidated financial statements is ongoing. At this stage of the analysis, impacts on the presentation of the income statement are expected under IFRS 18.

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 abovementioned assumptions mainly concern the calculation:

- of the recoverable amounts of assets;
- of income upon completion of work in progress;
- of pension and other post-employment benefit obligations (assumptions set out in Note 5.3);
- of expenses related to share-based payments (see Note 5.4);
- of research and development expense (see Notes 6.2 and 6.4);

- of commitments to buy back shares held by non-controlling shareholders (see Note 8.2);
- of the recoverable amount of deferred tax assets (see Note 9.2);
- of provisions for risks and charges (see Note 11).

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

IFRS 3R – Business Combinations requires that the finalisation of the fair value measurement of the assets and liabilities acquired be subject to retrospective adjustments, as if the changes had been made at the acquisition date. As part of the LEUKOS acquisition, which entered the scope on 31 December 2024, the calculations carried out in 2024 were provisional; they were finalized in 2025. The 2024 financial statements were therefore amended to include the finalization of this work.

The changes made to the statement of financial position when LEUKOS was introduced in the scope of consolidation are identified in the table below.

(in thousands of euros)	Provisional statement of financial position at 31/12/2024	Restatements at fair value	Final statement of financial position on entry into the scope
Intangible, tangible and financial assets	2,002	-	2,002
Rights of use	-	372	372
Deferred tax assets	-	11	11
Other assets	3,013	-	3,013
Provisions	-	(43)	(43)
Financial debt	(646)	-	(646)
Lease liabilities	-	(372)	(372)
Trade payables and other current liabilities	(1,786)	-	(1,786)
Deferred income	-	(220)	(220)
TOTAL	2,584	(252)	2,332

The consequences for the consolidated statement of financial position for 2024 are summarized below:

(in thousands of euros)	31/12/2024 published	Impacts related to the application of IFRS 3R	31/12/2024 restated
Non-current assets	518,906	209	519,115
<i>of which goodwill</i>	<i>145,755</i>	<i>209</i>	<i>145,964</i>
Current assets	312,714	-	312,714
TOTAL ASSETS	831,620	209	831,829

(in thousands of euros)	31/12/2024 published	Impacts related to the application of IFRS 3R	31/12/2024 restated
Equity attributable to owners of the parent	119,925	(11)	119,914
Interest attributable to non controlling interests	84,138	-	84,138
TOTAL EQUITY	204,063	(11)	204,052
Non-current liabilities	377,182	-	377,182
Current liabilities	250,375	220	250,595
<i>of which deferred income relating to the RTC</i>	<i>-</i>	<i>220</i>	<i>220</i>
TOTAL LIABILITIES	831,620	209	831,829

Throughout the notes, the information relating to 2025 is compared with the restated information for 2024 as explained above.

Note 2 Scope of consolidation

Note 2.1 Accounting principles related to the scope of consolidation

2.1.1 METHOD OF CONSOLIDATION

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 income;
- 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. If the Group previously held an interest in the entity, that interest must be remeasured at fair value through profit or loss at the time control is obtained. To determine goodwill on the date of obtaining control, the fair value of the consideration transferred (e.g. the price paid) is increased by the fair value of the interest previously held by the Group.

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.

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 Group scope

2.2.1 CHANGE IN SCOPE IN 2025

Changes in the percentage of the Group's interest in its subsidiaries EXAIL HOLDING and EXAIL SAS occurred in 2025, without any consequences in terms of the consolidation method. These changes were due to EXAIL TECHNOLOGIES' repurchase of EXAIL HOLDING shares in connection with employee departures, the definitive acquisition of EXAIL HOLDING ADP R preferred shares by Group employees, the exercise of stock options, and the definitive acquisition of bonus shares by employees of EXAIL SAS, as well as repurchases of EXAIL SAS shares by EXAIL HOLDING from employees, including in connection with the departure of certain employees.

At 31 December 2025, EXAIL HOLDING held 96.77% of EXAIL SAS (97.03% at the end of December 2024). The free share allocation and stock option plans are detailed in Note 5.4; 3,406,935 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 66.30% 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; ordinary shares and ADP Rs will vest in 2026 and 2027. Employees are not entitled to share buyback commitments from the Group regarding EXAIL SAS shares, but may receive cash under certain conditions (see Note 8.2).

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 HOLDING 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 (ADP PV) equal to 18.7% of the difference, if positive, between (i) the value of EXAIL HOLDING and (ii) the sum of the value of the ADP T shares (including capitalized interest) and the equity contributed by the other shareholders (the latter representing approximately €315 million), this difference corresponding to a contractual definition of a project capital gain. Furthermore, the value of the ADP PVs must be at least equal to the amount that would allow ICG to achieve a total multiple of 2 times its initial investment, when added to the bonds and ADP T, including their capitalized interest.

The ADP T preferred shares have a four-year lock-up period (until 30 September 2026); after this period the parties aim to ensure the liquidity of the bonds and ADP T shares at the same time.

Several measures have enabled employees to gain broad access to the share capital:

- 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 and November 2025 (second and third batches). In the event of a liquidation, ADP R shares provide holders with a preferential financial claim relative to common shares (a multiple higher than that which EXAIL TECHNOLOGIES would receive, and based on that multiple);
- since July 2025, all ADP R beneficiaries have been eligible for a free allocation of ADP R2 preferred shares, which will vest permanently in July 2026 and become transferable in July 2027. ADP R2s entitle holders to a preferential financial right, known as the ADP R2 Exit Right, which includes the value of the ordinary shares and ADP Rs already held by ADP R2 beneficiaries. This amount is equal to 8% of the value of EXAIL HOLDING, less the value of the ADP T shares (including their capitalized interest), the value of the ADP PV shares, and the equity contributed by the other shareholders (the latter amounting to approximately €315 million). It represents the sum of all the shares of the beneficiaries of the management package (ADP R2, ADP R and ordinary shares);
- 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 plan. A new EXAIL HOLDING free share allocation plan was set up in November 2025;
- EXAIL SAS employees have, every year since 2022 (the year the company joined the Group) acquired EXAIL SAS shares free of charge and have been 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).

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.

The agreement also specifies which decisions 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 favourable 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. Under no circumstances would this affect the majority of voting rights held by EXAIL TECHNOLOGIES SA at EXAIL HOLDING’s Shareholders’ Meeting, nor the majority of voting rights held by EXAIL TECHNOLOGIES on EXAIL HOLDING’s Supervisory Board (thanks to the Chairman’s casting vote).

At 31 December 2025, 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	114,775,846	-	-	114,775,846	66.30 %	114,775,846	87.15 %
ICG (VANADIUM INVEST)	-	55,239,852	-	55,239,852	31.91 %	13,809,963	10.49 %
Executive officers of EXAIL HOLDING	553,503	-	553,503	1,107,006	0.64 %	1,107,006	0.84 %
Management	867,777	-	867,777	1,735,554	1.00 %	1,735,554	1.32 %
Employees, Investors and Beneficiaries of AGAO	267,200	-	-	267,200	0.15 %	267,200	0.20 %
TOTAL	116,464,326	55,239,852	1,421,280	173,125,458	100 %	131,695,569	100 %

In view of the specific rights of ADP T shares, attached ADP PV shares, and ADP R shares, the capital allocation percentages do not correspond to the allocation that would be made of the value of EXAIL HOLDING. Existing dilutive instruments are detailed in Note 5.4.

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. The proceedings resumed in 2025 before the Economic Activities Tribunal to rule on claims not decided by the first judgment (see Note 12.2).

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, which was extended in the case of files under review. 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.

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 2025 they held 2.64% 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 from 2022 to 2024, 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 1.80% of the share capital as of 31 December 2025. These shareholders may receive new shares (see Note 5.4); the Group benefits from stock options under certain circumstances, and employees have access to liquidity options under certain circumstances (see Note 8.2).

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. In 2025, EXAIL SAS received €1.5 million in compensation in this respect, paid to IXCORE in the form of an earn-out recognized as an expense (see Notes 3.1 and 12.2).

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 fibres, 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 2025 and 2024 segment income statements are reconciled below with the Group’s consolidated financial statements. They were prepared in accordance with the Group’s operational reporting, in which IFRS 16 and IFRS 2 are not applied.

2025 FINANCIAL YEAR – SEGMENT INFORMATION

(in thousands of euros)	Navigation & Maritime Robotics	Advanced technologies	EXAIL TECHNOLOGIES structure	IFRS 16 and IFRS 2	Disposals	Consolidated
Backlog at start of period	n/c	n/c	n/c	n/c	n/c	708,392
Backlog at the end of the period	n/c	n/c	n/c	n/c	n/c	1,073,947
Revenue	373,008.64	117,951.47	1,169.00	- 0.30	- 13,584.10	478,545
CURRENT EBITDA	84,164.45	21,700.48	- 1,778.70	9,848.18	- 10,621.50	103,313
<i>% revenue</i>	22.6 %	18.4 %	n/a	n/a	n/a	21.6 %
Depreciation, amortization and provisions (net of reversals)	(18,114)	(5,402)	201	(9,247)	-	(32,564)
INCOME FROM ORDINARY ACTIVITIES	66,050	16,298	(1,579)	601	(10,622)	70,749
<i>% revenue</i>	17.7 %	13.8 %	n/a	n/a	n/a	14.8 %
Restructuring costs	(1,677)	(306)	-	-	-	(1,983)
Exceptional provisions	-	-	-	-	-	-
Other	93	-	(896)	-	-	(803)
Total other operating items	(1,584)	(306)	(896)	-	-	(2,786)
Payments in shares	-	-	-	(18,006)	-	(18,006)
Amort. of intangible assets recognized at FV during acquisitions	(16,100)	(2,200)	-	-	-	(18,300)
OPERATING INCOME	48,366	13,792	(2,475)	(17,405)	(10,622)	31,657
<i>% revenue</i>	13.0 %	11.7 %	n/a	n/a	n/a	6.6 %

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

In 2025, other operating items include €1.5 million in compensation received in the context of litigation (see Notes 2.3 and 12.2). These indemnities were paid as an earn-out for the acquisition of IXBLUE (IFRS 3R), this earn-out being recognized as an expense with no change in the value of the shares or goodwill, due to more than 12 months having passed since the acquisition of IXBLUE (IFRS 3R). The income and expense offset each other in other items of operating income.

2024 FINANCIAL YEAR – SEGMENT INFORMATION

(in thousands of euros)	Navigation & Maritime Robotics	Advanced technologies	EXAIL TECHNOLOGIES structure	IFRS 16 and IFRS 2	Disposals	Consolidated
Backlog at start of period	n/c	n/c	n/c	n/c	n/c	630,268
Backlog at the end of the period	n/c	n/c	n/c	n/c	n/c	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
<i>% revenue</i>	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
<i>% revenue</i>	15.4 %	11.8 %	n/a	n/a	n/a	12.2 %
Restructuring costs	- 1,057.30	- 3,417.30	-	-	-	- 4,474.60
Exceptional provisions	-	-	-	-	-	-
Acquisition/disposal costs	- 12.00	-	-	-	-	- 12.00
Other	-	-	31.00	-	-	31.00
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
<i>% revenue</i>	9.4 %	6.0 %	n/a	n/a	n/a	4.8 %

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:

2025 FINANCIAL YEAR

(in thousands of euros)	Navigation & Maritime Robotics	Advanced technologies	Net debt and financial commitments	Central functions and IFRS 16	Disposals	Consolidated
Segment assets	692,611	141,127	-	71,595	(615)	904,717
Other current financial assets	1,437	313	-	-	-	1,750
Deferred tax assets	148	3	-	2	-	154
Tax receivables payable	18,693	4,111	-	250	-	23,053
Other current and non-current assets	11,581	3,092	-	440	(181)	14,932
Cash and cash equivalents	-	-	328,430	-	-	328,430
TOTAL CONSOLIDATED ASSETS	724,470	148,645	328,430	72,287	(796)	1,273,036
Segment liabilities	230,163	51,161	-	1,867	(615)	282,575
Long-term provisions	5,466	1,343	-	2	-	6,811
Long-term debt	-	-	325,342	-	-	325,342
Lease liabilities	26,215	14,980	-	1,691	-	42,886
Financial instruments and commitments to non-controlling interests	-	-	41,768	-	-	41,768
Other current and non-current liabilities	27,284	7,782	-	275	(181)	35,160
Deferred tax liabilities	24,999	12,160	-	6	-	37,164
Tax liabilities payable	243	34	-	-	-	277
TOTAL CONSOLIDATED LIABILITIES⁽¹⁾	314,370	87,460	367,110	3,840	(796)	771,983

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

2024 FINANCIAL YEAR RESTATED

(in thousands of euros)	Navigation & Maritime Robotics	Advanced technologies	Net debt and financial commitments	Central functions and IFRS 16	Disposals	Consolidated
Segment assets	614,010	116,815	-	10,311	-	741,135
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	124,057	50,277	10,952	(417)	831,829
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	6,101	-	511	(417)	34,906
Deferred tax liabilities	31,613	7,632	-	6	-	39,250
Tax liabilities payable	181	27	-	-	-	208
TOTAL CONSOLIDATED LIABILITIES⁽¹⁾	217,410	70,257	337,400	3,127	(417)	627,776

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

Note 3.3 Revenue by geographical area

2025 FINANCIAL YEAR

(in thousands of euros)	France	Europe	Africa	Americas	Oceania	Asia	Total
TOTAL	101,417	225,163	1,720	41,363	1,933	106,948	478,545
In %	21 %	47 %	0 %	9 %	0 %	22 %	100 %

2024 FINANCIAL YEAR

(in thousands of euros)	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 %

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 (€110 million in 2025 and €89 million in 2024), the United States (€33 million in 2025 and €30 million in 2024), and in the United Kingdom (€22 million in 2025 and €21 million in 2024).

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 method for sales of products is to recognize income on the date of transfer of control of the goods to the customer.

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 €28.3 million (see Note 4.6).

(in thousands of euros)	2025	2024
Subsidies	5,962	6,176
Research tax credit	21,105	21,333
SUB-TOTALS OF SUBSIDIES AND RTC FOR THE PERIOD	27,068	27,509
Subsidies and research tax credit for previous financial years recognized in profit or loss over the period	3,810	2,856
Subsidies and research tax credit for the period recognized as deferred income	(4,790)	(6,529)
TOTAL OTHER INCOME FROM OPERATIONS	26,088	23,836

The research tax credit receivables 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 €21.8 million (see Note 9.1.1). RTC receivables sold (€20.1 million in 2025) are deconsolidated because they are sold with a transfer of virtually all the risks and benefits and with virtually no recourse, with a 5% holdback.

Note 4.3 Net depreciation, amortization and provisions

(in thousands of euros)	2025	2024
Depreciation, amortization and provisions		
Intangible assets, excluding intangible assets recognized at fair value ⁽¹⁾	(9,863)	(6,270)
Property, plant and equipment	(10,505)	(8,848)
Costs of obtaining and performing contracts	(256)	(448)
Rights of use	(9,247)	(8,156)
SUBTOTAL	(29,871)	(23,722)
Charges to provisions, net of reversals		
Inventory and work in progress	(434)	(2,899)
Trade receivables	474	(728)
Long-term and short-term provisions	(2,732)	(955)
SUBTOTAL	(2,692)	(4,583)
TOTAL DEPRECIATION, AMORTIZATION AND PROVISIONS	(32,564)	(28,304)
AMORTIZATION OF INTANGIBLE ASSETS RECOGNIZED AT FAIR VALUE⁽¹⁾	(18,300)	(18,323)

(1) To enhance the financial information, the Group includes the amortization of intangible assets recognized at fair value on acquisitions on a separate line.

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:

(in thousands of euros)	2025			2024		
	Gross value	Depreciation	Net value	Gross value	Depreciation	Net value
Raw materials	50,043	(7,945)	42,098	50,328	(10,063)	40,266
Work in progress	17,228	(1,528)	15,700	17,967	(1,528)	16,439
Semi-finished and finished goods	24,950	(2,458)	22,493	24,479	(2,386)	22,093
Goods	43	(26)	17	52	(30)	22
TOTAL INVENTORIES AND WORK IN PROGRESS	92,265	(11,957)	80,308	92,826	(14,006)	78,820

Over the period, the impairment net of reversals recognized in the income statement amounted to €2.0 million (€2.9 million in 2024).

Note 4.5 Trade receivables, contract assets and liabilities

Trade receivables are invoiced receivables that confer an unconditional right to payment.

(in thousands of euros)	2025	2024
Trade receivables	62,699	66,307
Provisions for expected losses	(1,792)	(2,022)
TRADE RECEIVABLES, NET VALUES	60,907	64,285

Trade receivables are impaired according to the simplified IFRS 9 model, as soon as there is a risk of non-recovery and for the amount of the expected losses over the 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.

Receivables benefiting from a COFACE guarantee are occasionally sold (€24 million at the end of 2025, zero in 2024) and deconsolidated because they are sold a transfer of virtually all the risks and benefits and with virtually no recourse, with a holdback representing approximately 1%.

In 2025, the top five customers represented 35.9% of the Group's revenue (compared to 30.9% for the top five customers in 2024). The top 15 customers represented 50.3% of the Group's 2025 revenue (compared to 41.9% for the top 15 in 2024).

There is only one significant customer at Group level, representing almost 20% of the Group's revenue (19.3% in 2025 and 20.8% in 2024).

For each of the top five customers in 2025, the percentage that they represented in 2024 revenue over 12 months is also indicated.

	2025	2024
• Customer A	19.3 %	20.8 %
• Customer B	5.7 %	5.0 %
• Customer C	4.3 %	1.2 %
• Customer D	4.0 %	1.5 %
• Customer E	2.8 %	-

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 relate to late payments and amount to €20.3 million. They break down as follows:

Delay compared to the maturity (in thousands of euros)	2025	(in %)
Trade receivables not yet due	40,606	67 %
< one month overdue	14,346	24 %
one-two months overdue	3,898	6 %
two-three months overdue	1,240	2 %
> three months overdue	816	1 %
NET TRADE RECEIVABLES	60,907	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.

(in thousands of euros)	2025	2024
Work in progress (A)	1,927	3,235
Receivables in progress (B)	214,724	94,950
Down-payments received (C)	47,133	26,292
Deferred income (D)	8,718	8,742
CONTRACT ASSETS (A) + (B) - (C) - (D)	160,799	63,151

(in thousands of euros)	2025	2024
Work in progress (A)	384	269
Receivables in progress (B)	6,927	13,460
Down-payments received (C)	66,722	30,390
Deferred income (D)	79,792	44,758
CONTRACT LIABILITIES (A) - (B) + (C) + (D)	139,203	61,418

Note 4.6 Other current and non-current assets and liabilities

(in thousands of euros)	2025			2024
	Gross value	Depreciation	Net value	Net value
Other non-current receivables ⁽¹⁾	4,598	(3,589)	1,009	1,744
TOTAL OTHER NON CURRENT RECEIVABLES	4,598	(3,589)	1,009	1,744
Advances and down-payments made	10,823	-	10,823	10,141
Other receivables ⁽²⁾	10,414	(6)	10,408	10,822
Social and tax receivables	14,599	-	14,599	7,501
Prepaid expenses	3,515	-	3,515	2,450
TOTAL OTHER CURRENT RECEIVABLES	39,351	(6)	39,345	30,914

(1) Receivable related to sub-leases treated in accordance with IFRS 16 for €1.0 million.

(2) Including subsidies and indemnities receivable for €4.3 million in 2025 and €6.5 million in 2024.

(in thousands of euros)	2025	2024
Suppliers	68,444	49,243
Fixed asset suppliers	6	49
TOTAL TRADE PAYABLES	68,449	49,292
Advances and down-payments received	218	1,296
Social security liabilities	46,887	37,210
Tax liabilities	18,577	12,227
Miscellaneous debts	2,110	1,667
Deferred income	29,616	29,531
TOTAL OTHER CURRENT LIABILITIES	97,407	81,932
Conditional advances	3,429	3,659
TOTAL OTHER NON-CURRENT LIABILITIES	3,429	3,659

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 (€28.3 million, see Note 4.2).

Note 4.7 Summary of leases

The standard on leases, IFRS 16, places more focus on controlling the use of 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.

The value of the lease liability is measured initially at the discounted value of future lease payments, as well as estimated payments at the end of the lease. Lease payments include fixed payments or variable payments based notably on an index. Variable lease payments that are not based on an index or a rate are recognized as expenses in the period in which the event or condition triggering the payment occurs. The value of the asset (right-of-use asset) is equal to the value of the lease liability plus the net lease payments (excluding benefits provided by the lessor), payments made prior to the asset's availability, initial direct costs, and costs of dismantling and restoration.

The lease term is defined on a lease-by-lease basis and corresponds to the fixed term of the commitment, taking into account any optional periods that are reasonably likely to be exercised. The Group determines the most likely time frame to perform its calculations. In the majority of cases, the duration chosen is the enforceable period, especially for real estate contracts. Unless the Group is reasonably certain to acquire ownership of the leased asset at the end of the lease term, right-of-use assets recognized are amortized using the straight-line method over the shorter of the estimated useful life of the underlying asset and the term of the lease.

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 new value (less than the euro equivalent of US\$5,000). 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 rates applied for the 2025 financial year range from 3.80% to 4.15%.

Leases entered into by the Group and falling within the scope of this standard concern primarily:

- property leases; the terms of these contracts vary depending on the country and local regulations. The main contracts are made in France under so-called 3-6-9 commercial leases;
- Vehicle and other equipment leases are generally subject to contracts with a duration of 3 to 6 years.

4.7.1 RIGHTS OF USE

Right-of-use assets can be broken down by type of underlying asset as follows:

(in thousands of euros)	Property	Other assets	Total
Gross value			
31 December 2024	57,684	2,269	59,953
Acquisitions	1,993	1,229	3,222
Changes in scope	-	-	-
Contract terminations	(2,513)	(328)	(2,841)
Contract revaluations	8,978	179	9,157
Other movements	-	-	-
Impact of changes in exchange rates	(301)	(1)	(302)
At 31 December 2025	65,840	3,348	69,188
Depreciation, amortization and impairment			
31 December 2024	20,418	1,411	21,829
Depreciation and amortization	8,498	749	9,247
Changes in scope	-	-	-
Impairment losses	-	-	-
Contract terminations	(2,376)	(325)	(2,702)
Contract revaluations	-	-	-
Other movements	(3)	3	(1)
Impact of changes in exchange rates	(136)	-	(136)
At 31 December 2025	26,399	1,838	28,237
Net value			
31 December 2024	37,267	858	38,125
AT 31 DECEMBER 2025	39,441	1,510	40,951

Acquisitions during the period correspond to new leases. Contract renewals primarily involve the renewal of existing real estate leases that are nearing expiration, as well as the expansion of existing sites. The lease of Couëron (44) and the lease of Bonneuil-sur-Marne (94) were renewed for a period of 10 years.

4.7.2 LEASE LIABILITIES

Lease liabilities valued according to IFRS 16 have changed as follows:

(in thousands of euros)	Lease liabilities
31 December 2024	40,497
New leases	3,222
Redemptions	(9,254)
Contract revaluations	8,733
Contract terminations	(138)
Other movements	-
Changes in scope	-
Impact of changes in exchange rates	(173)
AT 31 DECEMBER 2025	42,886

Acquisitions during the period correspond to new leases.

The line item for contract revaluations primarily relates to the renewal of existing real estate leases that are nearing expiration, as well as expansions of existing sites.

SCHEDULE OF LEASE LIABILITIES

(in thousands of euros)	31/12/2025	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
LIABILITIES UNDER IFRS 16	42,886	8,517	34,370	8,019	6,926	5,576	4,714	9,134

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:

(in thousands of euros)	Property	Other property, plant and equipment	Financial expense	Impact on the income statement
Cancellation of lease expenses	9,387	636	-	10,023
Impact of sub-leasing	(175)	-	-	(175)
IFRS 16 impact on current EBITDA	9,212	636	-	9,848
Amortization of rights of use	(8,498)	(749)	-	(9,247)
Impairment of right-of-use assets	-	-	-	-
IFRS 16 impact on operating income	714	(113)	-	601
Interest expenses ⁽¹⁾	-	-	(889)	(889)
Interest income from sub-leases	-	-	21	21
IMPACT OF IFRS 16 ON NET INCOME BEFORE TAX	714	(113)	(869)	(268)

(1) "Net borrowing costs" includes interest expenses on lease payments (see Note 8.3).

Note 4.8 Off-statement of financial position commitments related to operations

(in millions of euros)	2025	2024
Endorsements, security deposits and guarantees given	16	17
Other commitments given	-	-
TOTAL COMMITMENTS GIVEN	16	17
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 specifically concerns warranties provided by EXAIL TECHNOLOGIES SA to customers of BAUMERT, a subsidiary that was sold in 2022 without the warranties being 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	31/12/2025	31/12/2024
Workforce	2,259	2,005
Average workforce	2,116	1,840

At 31 December 2025, approximately 8% of the total workforce was based abroad.

Note 5.2 Personnel expenses

The employee benefits are estimated in accordance with the revised IAS 19.

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 other current liabilities and recorded in the expenses in the financial year in which the service is provided by the employee.

Employees also receive long-term benefits per two categories:

- 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)	2025	2024
Salaries and benefits	(117,012)	(103,034)
Social security contributions	(46,684)	(40,897)
Profit sharing and incentive schemes	(8,959)	(4,623)
Other ⁽¹⁾	(3,805)	(3,899)
TOTAL	(176,461)	(152,453)

(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 is presented under "Depreciation, amortization and provisions, net of reversals" and 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 3.96% (3.38% in 2024);
- average loading rate: differs from one entity to another and ranges between 30% and 49%;
- 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 the internal salary policies of each company;
- INSEE mortality table 2020-2022.

Change in the obligation (in thousands of euros)	2025	2024
At 1 January	6,368	6,417
Cost of services provided for the period	463	472
Interest on discounting	214	200
Cost of services provided	-	-
First consolidation/(deconsolidation)	-	43
Profit/(Loss) relating to liquidation or curtailment	-	-
Actuarial losses/(gains) generated on the obligation	(470)	(392)
Benefits paid	(375)	(371)
At 31 December	6,199	6,368

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 €308 thousand. An equivalent decline would increase the obligation by €333 thousand.

Other long-term benefits (during employment) mainly concern long service awards and represented €613 thousand for 2025.

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.

5.4.1 EXAIL HOLDING FREE PREFERRED SHARE ALLOCATION PLANS

In October 2022, a free preferred share allocation plan (ADP R) was set up for the benefit 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 a multiple of the current EBITDA and the net debt by applying a discount of 40% then 30%. ADP R shares entitle holders to a preferential financial claim over ordinary shares in the event of a liquidity event (a change of control at EXAIL HOLDING or the full liquidation of the financial instruments held by ICG). This preferential right is defined by an increased investment multiple, which itself is based on the overall multiple achieved by all EXAIL HOLDING shareholders, excluding ICG.

A second ADP R 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 ultimately vested in September 2024.

Lastly, a third ADP R 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 took place in November 2025.

A fourth preferred share plan, known as ADP R2, was set up in July 2025 for current managers benefiting from the ADP R plans mentioned above. The ADP R2s will be fully vested in July 2026. ADP R2s entitle holders to a preferential financial right, known as the ADP R2 Exit Right, which includes the value of the ordinary shares and ADP Rs already held by ADP R2 beneficiaries. This right is equal to 8% of the value of EXAIL HOLDING, minus the value of the ADP T (including capitalized interest), the value of the ADP PV, and the equity contributed by other shareholders (approximately €315 million). It represents the total value of all securities held by the beneficiaries of the management package (ADP R2, ADP R, and ordinary shares).

For each of these plans, a retention period is provided for after the one-year vesting period. Employees benefiting from ADP R may benefit from liquidity conditions, without the Group being committed to providing them with this liquidity (see Note 8.2). They also granted preliminary sales agreements in the event of their departure from the company.

Details of EXAIL HOLDING's free preferred share allocation plans (ADP R and ADP R2) are provided in the table below.

EXAIL HOLDING FPSA plan	FPSA 10-2022	FPSA 09-2023	FPSA 11-2024	FPSA R2 07-2025
Original number of recipients	4	34	13	39
Support share	EXAIL HOLDING	EXAIL HOLDING	EXAIL HOLDING	EXAIL HOLDING
Potential number of preferred shares	738,004	772,317	198,995	1,429,613
Final allocations in the year/cancellations	- / 184,501	- / 50,922	190,662 / 8,333	- / 8,333
Cumulative definitive acquisitions/cancellations	738,004 / 184,501	728,037 / 95,202	190,662 / 8,333	- / 8,333
Outstanding shares	553,503	677,115	190,662	-
Balance of shares to be acquired	-	-	-	1,421,280
Date of establishment	November 2022	August 2023	November 2024	July 2025
Start of the vesting period	November 2022	August 2023	November 2024	July 2025
End of the vesting period	November 2023	August 2024	November 2025	July 2026
End of the lock-up period	November 2028	August 2025	November 2031	November 2032
Expense recognized during the financial year ⁽¹⁾	-	-	621	8,650
Cumulative expense ⁽¹⁾	1,800	1,680	664	8,650
Value of the preferred shares yet to be vested⁽¹⁾	-	-	-	17,300

(1) In thousands of euros, excluding social security contributions. Calculations using the Monte Carlo, Cox, Ross & Rubinstein and Trinomial Tree statistical methods. These valuations may differ from the final value.

5.4.2 EXAIL SAS FREE SHARE ALLOCATION PLANS AND STOCK OPTIONS

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.

Employees who hold shares in EXAIL SAS are eligible for liquidity provisions (see Note 8.2) and have also agreed to sell their shares in the event they leave the company.

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	-/-	-/-	1,623,100 / -
Cumulative definitive acquisitions/cancellations	1,997,700 / 98,000	1,824,000 / 271,700	1,623,100 / 472,600
Balance of shares to be acquired	-	-	-
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	3,133
Expense recognized during the financial year ⁽³⁾	Not applicable	Not applicable	-
Cumulative expense ⁽³⁾	Not applicable	Not applicable	3,133
Value of the shares to be acquired⁽³⁾	Not applicable	Not applicable	-

(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	-/-	-/-	- / 49,450
Cumulative definitive acquisitions/cancellations	1,757,000 / 119,400	1,647,335 / 229,065	- / 348,465
Balance of shares to be acquired	-	-	1,527,935
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	2,932	2,084
Expense recognized during the financial year ⁽³⁾	Not applicable	-	315
Cumulative expense ⁽³⁾	Not applicable	2,932	2,399
Value of the shares to be acquired⁽³⁾	Not applicable	-	2,414

(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 / -	90,000 / -	- / 81,000
Cumulative definitive acquisitions/cancellations	2,050,000 / 58,000	1,960,000 / 148,000	- / 229,000
Balance of shares to be acquired	-	-	1,879,000
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	3,371	1,842
Expense recognized during the financial year ⁽³⁾	-	26	459
Cumulative expense ⁽³⁾	4,778	3,397	2,301
Value of the shares to be acquired⁽³⁾	-	3,397	2,781

(1) Formerly IXBLUE.

(2) Exercise period for the vesting options.

(3) In thousands of euros, excluding social security contributions.

As of 31 December 2025, 3,406,935 EXAIL SAS shares may still be vested under all plans currently in effect, it being specified that the EXAIL SAS share capital consists of 260,442,718 shares. Shares were vested in January 2026 (see Note 12.3).

5.4.3 EXAIL HOLDING FREE ORDINARY SHARE ALLOCATION PLANS

In November 2024, EXAIL HOLDING set up a free ordinary 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.

In November 2025, EXAIL HOLDING set up a second free ordinary share allocation plan for all employees of French entities. The details of this plan are presented 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 awarded 250 free shares. Lastly, a certain number of managers who did not benefit from the free allocation of ADP R preferred shares benefited from the allocation of a variable number of additional free shares.

For each of these two plans, there are no lock-up commitments. EXAIL HOLDING employee shareholders may benefit from liquidity conditions, without the Group being committed to providing them with this liquidity (see Note 8.2). They also granted preliminary sales agreements in the event of their departure from the company.

EXAIL HOLDING SAS plans	FSA 11-2024	FSA 11-2025
Original number of recipients	1,427	1,758
Support share	EXAIL HOLDING SAS	EXAIL HOLDING SAS
Potential number of shares	1,111,300	1,264,500
Final allocations in the year/cancellations	- / 34,050	- / 5,250
Cumulative definitive acquisitions/cancellations	- / 43,550	- / 5,250
Balance of shares to be acquired	1,067,750	1,259,250
Date of establishment	November 2024	November 2025
Start of the vesting period	November 2024	November 2025
End of the vesting period	November 2026	November 2027
End of the lock-up period	Not applicable	Not applicable
Previous cumulative expense ⁽¹⁾	151	-
Expense recognized during the financial year ⁽¹⁾	1,596	376
Cumulative expense ⁽¹⁾	1,747	376
Value of the shares to be acquired ⁽¹⁾	3,203	6,536

(1) In thousands of euros, excluding social security contributions.

A total of 2,327,000 EXAIL HOLDING shares could be issued to meet the needs of the two plans, it being specified that EXAIL HOLDING's share capital consists of 116,464,326 shares without preferential subscription rights.

Note 5.5 Remuneration of executives and related parties

5.5.1 EXECUTIVE COMPENSATION

In 2025, the members of the Board of Directors of EXAIL TECHNOLOGIES received remuneration totalling €57,500 in respect of their participation in the Board in 2024. 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 2025, EXAIL TECHNOLOGIES paid the Chairman and Chief Executive Officer total gross remuneration of €167,823 (€120,000 in fixed remuneration, €38,400 in variable and exceptional remuneration for 2024, and €9,423 in benefits in kind). Variable remuneration of €40,000 in respect of 2025 was set by the Board of Directors of EXAIL TECHNOLOGIES on 17 March 2026, 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	GORGÉ SA subsidiaries
2025 income statement			
Revenue	360	385	173
Other income	-	-	-
Purchases and external charges	(763)	(61)	(867)
Remuneration	-	-	-
Net financial income (expense)	-	-	-
2025 statement of financial position			
Trade accounts receivable	-	129	135
Debtors	-	5	-
Suppliers	628	38	331
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 was controlled by EXAIL TECHNOLOGIES until December 2021; today, EXAIL TECHNOLOGIES holds only 0.42% of the company's share capital. GORGÉ SA, chaired by Raphaël GORGÉ, is the reference shareholder of PRODWAYS GROUP with 23.88% of the share capital.

Note 6 Property, plant and equipment

Note 6.1 Goodwill

The goodwill is initially recognized at the time of a combination of businesses as described in Note 2.1.4.

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 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 2025 are described in Note 6.4.

Net value (in thousands of euros)	2025	2024
At 1 January	145,964	145,085
First consolidations ⁽¹⁾	-	879
Deconsolidated	-	-
AT 31 DECEMBER	145,964	145,964
Of which impairment	-	-

(1) Final goodwill relating to LEUKOS, acquired by EXAIL SAS in 2024 (see Note 1.3).

Goodwill breaks down as follows:

- Navigation and maritime robotics: €128.3 million;
- Advanced technologies: €17.7 million.

Note 6.2 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. Ongoing development costs that are not yet in service are tested annually.

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 on the statement of financial position upon inclusion in the scope of consolidation is €250 million, of which €177 million in technology included in the "Development Projects" column, as well as €70 million in customer relationships and €3 million in trademarks (the latter fully impaired in 2022) included in the "Other intangible assets" column.

(in thousands of euros)	Development projects	Costs of obtaining and performing contracts	Other intangible assets	Non-current assets in progress	Total
Gross value					
31 December 2024	295,160	3,151	87,163	1,275	386,749
Acquisitions	20,057	-	404	301	20,761
Changes in scope	-	-	-	-	-
Departures	-	-	(1,311)	-	(1,311)
Other movements	764	(7)	445	(1,048)	155
Impact of changes in exchange rates	-	-	-	-	-
At 31 December 2025	315,981	3,145	86,700	528	406,354
Depreciation, amortization and impairment					
31 December 2024	83,118	2,140	30,486	-	115,744
Depreciation and amortization	20,817	256	7,557	-	28,629
Changes in scope	-	-	-	-	-
Impairment losses	-	-	-	-	-
Departures	-	-	(1,217)	-	(1,217)
Other movements	-	(3)	4	-	1
Impact of changes in exchange rates	-	-	-	-	-
At 31 December 2025	103,935	2,393	36,830	-	143,158
Net value					
At 31 December 2024	212,042	1,012	56,677	1,275	271,005
AT 31 DECEMBER 2025	212,047	752	49,870	528	263,196

Intangible assets recognized at fair value in the context of acquisitions amounted to €187.5 million as of 31 December 2025 (€205.8 million in 2024), of which €138.6 million was allocated to development projects and €48.9 million to other intangible assets (customer relationships). 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:

- hardware and software to carry out mine countermeasure missions;
- the development of sonars for mine detection;
- high-performance inertial navigation systems;
- underwater positioning and navigation equipment;
- the development of high-performance quantum gravimeters.

The R&D expenses amounted to some €39.6 million in 2025. The R&D expenditures evolved as follows:

(in thousands of euros)	2025	2024
Capitalized Research and Development expenses	20,153	19,610
Research and development recognized as an expense	19,464	21,163
Total expenditure on research and development	39,617	40,773
Total research and development as % of revenue	8	11
Tax credits for the financial year	21,035	21,333
RESEARCH AND DEVELOPMENT NET OF TAX CREDITS	18,582	19,440

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".

(in thousands of euros)	Land and buildings	Fixtures and equipment	Non-current assets in progress	Advances and down-payments	Total
Gross value					
31 December 2024	26,035	105,257	6,998	940	139,230
Acquisitions ⁽¹⁾	833	8,593	4,862	-	14,288
Changes in scope	-	-	-	-	-
Departures	(313)	(2,400)	-	-	(2,713)
Other movements	910	5,261	(5,417)	(892)	(138)
Impact of changes in exchange rates	(18)	(120)	-	-	(137)
At 31 December 2025	27,447	116,592	6,443	48	150,530
Depreciation, amortization and impairment					
31 December 2024	9,787	78,690	-	-	88,477
Depreciation and amortization	1,297	9,209	-	-	10,506
Changes in scope	-	-	-	-	-
Impairment losses	-	-	-	-	-
Departures	(261)	(2,246)	-	-	(2,507)
Other movements	-	(2)	-	-	(2)
Impact of changes in exchange rates	(13)	(111)	-	-	(124)
At 31 December 2025	10,811	85,540	-	-	96,351
Net value					
31 December 2024	16,248	26,567	6,998	940	50,753
AT 31 DECEMBER 2025	16,636	31,052	6,443	48	54,179

(1) Acquisitions amounted to €14,288 thousand for the financial year; the statement of cash flows shows €14,331 thousand as a result of a €43 thousand payment relating to acquisitions in 2024.

Note 6.4 Impairment losses on non-current assets

Goodwill, intangible assets in progress, notably development projects, and intangible assets with an indefinite useful life, are not amortized and are tested for impairment at each reporting date. Goodwill impairment losses are irreversible.

Amortized intangible assets and depreciated property, plant, and equipment are tested for impairment whenever specific events or circumstances cast doubt on the recoverability of their carrying amount. The appearance of impairment factors specific to certain assets other than goodwill, and notably amortized R&D assets, may be a reason for a test and justify write-downs of these assets independently of an impairment test by the CGU to which they belonged until then. 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 assets that were impaired, the existence of any indicators—whether favourable or unfavourable—that might warrant a re-test is reviewed at each reporting date.

For the purpose of assessing impairment, assets are grouped into cash-generating units (CGUs), which represent the smallest group of assets generating cash flows that are independent of other assets.

Impairment is accounted for to match the surplus of the carrying amount over the recoverable amount of a CGU (or an asset). 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 Beta 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 for each segment 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 10% 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 9.3%. 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 Breakdown of cash flows

Note 7.1 Calculation of cash flow from operations

(in thousands of euros)	2025	2024
Net income from continuing operations	5,905	(4,532)
Allowances for/reversals of depreciation, amortization, provisions and impairment excluding IFRS 16	41,507	36,455
Allowances for/reversals of amortization and impairment of right-of-use assets	9,247	8,156
Expense calculated related to share-based payments and equivalent	12,041	3,271
Other calculated expenses	(225)	144
Total calculated expenses	62,571	48,025
Capital gains and losses on disposals ⁽¹⁾	(359)	(700)
CASH FLOW FROM OPERATING ACTIVITIES (BEFORE ELIMINATION OF NET BORROWING COSTS AND TAXES)	68,117	42,794

(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:

(in thousands of euros)	2025	2024
Current EBITDA	103,312	73,820
Expense calculated related to share-based payments and equivalent	(5,965)	(1,389)
Capital gains and losses on disposals ⁽¹⁾	(359)	(700)
Appropriations and reversals concerning current assets	2,518	(5,171)
Other operating items excluding charges and reversals	(5,378)	(1,423)
Net finance income (expense) excluding financial charges and reversals	(25,024)	(26,914)
Corporation tax	(773)	4,352
Other calculated expenses	(215)	220
CASH FLOW FROM OPERATING ACTIVITIES (BEFORE ELIMINATION OF NET BORROWING COSTS AND TAXES)	68,117	42,794

(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 ⁽¹⁾	Changes in scope	Change over the year	Other movements ⁽²⁾	Currency translation	Closing
Net inventories		78,820	-	1,491	-	(2)	80,308
Net receivables		64,285	-	(2,447)	-	(931)	60,907
Contract assets		63,151	-	97,715	-	(67)	160,799
Advances and down-payments		10,141	-	684	-	(2)	10,823
Prepaid expenses		2,345	-	1,187	(4)	(13)	3,515
Subtotal	A	218,742	-	98,631	(4)	(1,015)	316,353
Trade payables		49,243	-	19,234	(8)	(26)	68,444
Contract liabilities		61,418	-	78,278	-	(494)	139,203
Advances and down-payments		1,296	-	(1,078)	-	-	218
Deferred income related to operations		576	-	736	-	-	1,312
Subtotal	B	112,534	-	97,170	(8)	(519)	209,176
Working capital requirement	C = A - B	106,208	-	1,461	4	(496)	107,177
Social and tax receivables		28,820	-	7,627	-	(10)	36,438
Current accounts payable		1	-	(1)	-	-	-
Other receivables		10,674	-	(524)	-	(3)	10,147
Subtotal	D	39,495	-	7,103	-	(13)	46,585
Tax and social debts		49,437	-	16,102	-	(76)	65,464
Miscellaneous debts		4,758	-	1,339	(230)	(504)	5,364
Current accounts payable		4	-	-	-	-	4
Deferred income from subsidies and research tax credit		28,954	-	(650)	-	-	28,304
Subtotal	E	83,153	-	16,791	(230)	(580)	99,135
Other items of working capital requirement	F = D - E	(43,658)	-	(9,689)	230	566	(52,550)
WORKING CAPITAL REQUIREMENT	G = C + F	62,550	-	(8,228)	234	70	54,627

(1) Start of the period restated following the completion of the valuation of LEUKOS' assets and liabilities, see Note 1.3.

(2) The "Other movements" concerns flows that do not generate any cash flow or any reclassification from account to account.

Note 7.3 Net financial investments

The cash flows reported under the line item “net financial investments” in 2025 primarily relate to the establishment of an escrow account in the amount of €60 million, intended to guarantee the payment of interest on the bonds issued in September 2025 (see Note 10.1.4).

(in thousands of euros)	2025	2024
Escrow account	(60,000)	-
Deposits, loans and guarantees	(455)	(726)
Other	293	320
TOTAL	(60,162)	(406)

Note 7.4 Acquisitions/disposals of equity holdings

The cash flows reported under the line item “Acquisitions/disposals of equity holdings” relate to cash flows arising from the acquisition or disposal of shares in subsidiaries or from a change-of-control event.

(in thousands of euros)	2025	2024
Proceeds	-	250
Payments	(399)	(2,525)
Cash and cash equivalents of acquired and sold companies	-	204
TOTAL	(399)	(2,071)

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 by EXAIL SAS.

In 2025, the outflows related to earn-out payments paid to non-controlling shareholders as part of the acquisition of LEUKOS in 2024 (€0.4 million).

Note 7.5 Acquisitions and disposals of treasury shares

The cash flows recorded under "Acquisitions and disposals of treasury shares" relate to net acquisitions or disposals of EXAIL TECHNOLOGIES shares.

(in thousands of euros)	2025	2024
Proceeds	499	-
Payments	-	(821)
TOTAL	499	(821)

Note 7.6 Changes in non-controlling interests

The cash flows reported under the line item “changes in non-controlling interests” relate to the acquisition or disposal of equity interests in companies controlled by EXAIL TECHNOLOGIES (transactions that do not result in a change of control).

(in thousands of euros)	2025	2024
Proceeds	60	2,674
Payments	(3,726)	(2,769)
TOTAL	(3,666)	(95)

In 2024, EXAIL SAS received €1.2 million from the exercise of stock options, and EXAIL HOLDING received €1.4 million from a capital increase reserved for its employees. 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 shareholders leaving the Group.

In 2025, EXAIL SAS received €0.06 million as part of the exercise of options to acquire its shares. EXAIL HOLDING acquired €3.45 million of EXAIL SAS shares from employees. Lastly, EXAIL TECHNOLOGIES disbursed €0.3 million to acquire EXAIL HOLDING shares from employees leaving the Group.

Note 7.7 Other cash flows from financing activities

The cash flows recorded on the line "Other cash flows from financing activities" are as follows:

(in thousands of euros)	2025	2024
Interest rate hedging premium	(1,483)	(1,589)
Debt issuance costs	(500)	-
TOTAL	(1,983)	(1,589)

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 (see Note 2.2.2).

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 2025, the RCF renewable tranche had been used to the tune of €30 million; it had not been drawn down at the end of 2024. 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 subject to covenants (net debt excluding bonds to adjusted current EBITDA and net debt excluding bonds to equity) measured at the end of the year at the EXAIL HOLDING level, with the maximum leverage ratio decreasing over the term of the agreement. The bank margin applicable to the contract depends on the level of leverage observed at the end of the previous financial year. The margin can also be marginally adjusted upwards or downwards depending on whether or not ESG objectives have been achieved. All covenants were respected as of 31 December 2025.

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 (failure to repay at maturity) or in the event of a mandatory early redemption resulting from a change of control or the initial public offering of EXAIL HOLDING. 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. In 2025, new loans amounting to €8 million were taken out to finance investments.

CHANGES IN BORROWINGS AND FINANCIAL DEBT

(in thousands of euros)	Bond issues	Bank borrowings	Other borrowings	Financial debt	Bank overdrafts	Gross financial debt
31 December 2024	104,421	200,387	3,348	308,155	42	308,197
New loans	-	8,000	392	8,392	-	8,392
Changes in the use of the revolving credit line	-	30,000	-	30,000	-	30,000
Redemptions	-	(34,182)	(1,226)	(35,407)	(23)	(35,430)
Other changes ⁽¹⁾	13,634	317	233	14,184	-	14,184
First consolidations	-	-	-	-	-	-
AT 31 DECEMBER 2025	118,055	204,522	2,747	325,323	19	325,342

(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

(in thousands of euros)	31/12/2025	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	118,323	-	118,323	-	-	-	118,323	-
Bank borrowings	207,625	63,025	144,600	25,267	19,888	3,585	93,185	2,674
Other borrowings	2,747	436	2,310	1,394	393	101	33	390
Long-term debt	328,695	63,461	265,233	26,661	20,281	3,686	211,541	3,064
Bank overdrafts	19	19	-	-	-	-	-	-
Gross financial debt	328,714	63,480	265,233	26,661	20,281	3,686	211,541	3,064

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 transfer of cash from EXAIL HOLDING to EXAIL TECHNOLOGIES (whether as a dividend or a current account) is subject to the repayment of the senior debt and the ICG bond.

Cash includes the proceeds from the October 2025 issuance of the perpetual bond (a €300 million issuance before deduction of expenses; see Note 10.1.4), excluding €60 million, deposited in an escrow account for the payment of interest and classified under “non-current financial assets” (see Notes 8.1.4 and 10.1.4).

The calculation of net cash or net debt, as well as adjusted net cash (debt), including the escrow account and treasury shares, is presented below. 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.

(in thousands of euros)	31 December 2025	31 December 2024
Available cash and cash equivalents (A)	328,430	50,277
Bank overdrafts (B)	19	42
Available cash and cash equivalents appearing on the statement of cash flows (C) = (A) - (B)	328,411	50,236
Financial debt excluding bank overdrafts (D)	325,323	308,155
Net cash (net debt) (E) = (C) - (D)	3,088	(257,919)

(in thousands of euros)	31 December 2025	31 December 2024
Net cash (debt) (A)	3,088	(257,919)
Escrow account including accrued interest (B)	60,261	-
Adjusted net cash (debt) including escrow account (C) = (A) + (B)	63,349	(257,919)
EXAIL TECHNOLOGIES treasury shares	36,971	8,113
ADJUSTED NET CASH (NET DEBT) BEFORE IFRS 16	100,321	(249,806)

8.1.3 CURRENT FINANCIAL ASSETS

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 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 under other comprehensive income 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 a cap of 0.5% for an original nominal amount of €47.6 million. The hedge was recorded as an asset under "Current financial assets" and its fair value amounted to €0.4 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 €1.3 million debt relating to the spreading of the premium is shown as a liability under "Other current financial liabilities". This second hedge was valued at fair value for €0.6 million. The value of the two hedges was recorded as an asset for €1.6 million under "Other current financial assets".

"Current financial assets" also include costs that will be reclassified in 2026 as borrowing issue costs, as part of an ongoing debt refinancing project. These costs amounted to €0.5 million.

8.1.4 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)	2025	2024
Loans	1,542	1,521
Deposits and guarantees	3,184	2,991
Non-consolidated holdings	8,003	6,880
Cash held in escrow	60,262	-
NON-CURRENT ASSETS	72,991	11,391

A part of the proceeds from the issue of ODIRNANE (see Note 10.1.4) was paid into an escrow account and can only be released for the payment of interest on ODIRNANE. This approach was adopted to provide assurances to the bondholders, given that EXAIL TECHNOLOGIES' cash flow is irregular, notably in light of the cash transfer restrictions applicable to EXAIL HOLDING (see Note 8.1.2). The escrow is classified as a non-current financial asset because it involves cash that is not immediately available.

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 2025, the shares were positively revalued at fair value for €1.1 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:

(in thousands of euros)	% control	Start of the period	Entry	Result	Equity effect	Exit	Closing
PRODWAYS GROUP	0.4%	130	-	(10)	-	-	120
RYDER	15.0%	4,309	-	-	1,133	-	5,442
WANDERCRAFT	2.6%	2,441	-	-	-	-	2,441
TOTAL NON-CONSOLIDATED SECURITIES		6,880	-	(10)	1,133	-	8,003

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 has a call option or when the commitment is conditional on the occurrence of an event beyond its control.

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 13.

- 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 are measured at fair value, determined on a contractual basis using a multiple of 15 applied to EXAIL SAS's consolidated EBITDA, calculated excluding IFRS 16 and IAS 20, and then reduced by net debt. New commitments were recognized because employees received shares in 2025 under free share allocation or stock option plans, and as such benefit from the commitment. As of 31 December 2025, a commitment was recognized for 6,887,993 shares held by non-controlling shareholders. Employees are likely to acquire another 3,406,935 shares from 2026 to 2028.

- 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 measured at fair value, contractually defined on the basis of a multiple applied to EBITDA and net debt.

As regards the non-controlling shareholders in EXAIL HOLDING's share capital, no commitment was recorded to buy back their shares. Non-controlling shareholders or beneficiaries of free allocation plans do not benefit from put options. They may be subject to a joint exit obligation and benefit from a joint exit right in the event of a change of control of EXAIL HOLDING or in the event of a sale by ICG of all its shares (an "ICG liquidity event"). The Group has no commitment to ensure the liquidity of ICG itself, so the exit right of non-controlling shareholders does not constitute a commitment by the Group to buy back their shares. That being said, buying back the ICG shares is one option that the Group will study among all those available to it for the refinancing of EXAIL HOLDING, it being specified that in this case it may be forced to buy back the non-controlling interests wishing to benefit from the joint exit right. The ADP R2 beneficiaries are entitled to a total right (value of their ordinary shares combined with that of their ADP R preferred shares and that of their ADP R2 preferred shares) equal to 8% of the value of EXAIL HOLDING less the value of the ADP shares held by ICG and the equity contributed by shareholders excluding ICG at the outset (the latter representing €315 million). The method of determining the value of EXAIL HOLDING in the event of a change of control or the exit of ICG is not defined by any contract. In addition, 267,200 ordinary shares were held by employees at the end of 2025 (excluding those held by beneficiaries of ADP R2s) and 2,327,000 shares may be delivered to them under free share allocation plans (it being specified that EXAIL HOLDING's share capital comprises 116,464,326 shares with no preferential financial rights). The value of these shares would stem from the value of EXAIL HOLDING mentioned above.

(in thousands of euros)	Start of the period	New commitments	Options exercised	Changes in value	Closing
Non-controlling shareholders in the capital of MAURIC	1,206	-	-	(68)	1,138
Non-controlling shareholder in the capital of EXAIL SAS	23,840	6,693	(3,455)	10,978	38,056
Non-controlling shareholders in the capital of LEUKOS	1,230	-	-	-	1,230
COMMITMENTS TO PURCHASE SHARES OF NON-CONTROLLING INTERESTS	26,276	6,693	(3,455)	10,910	40,424

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.

(in thousands of euros)	2025	2024
Interest expense	(25,972)	(27,084)
Interest expenses on lease liabilities ⁽¹⁾	(889)	(741)
Income from other securities	2,106	438
Net profit (loss) on disposal of investment securities	9	8
Net borrowing costs	(24,747)	(27,379)
Other income	53	255
Other expenses	(519)	(171)
Net exchange gain or loss	189	380
Financial allowances net of reversals	44	(45)
TOTAL FINANCIAL INCOME AND EXPENSES	(24,979)	(26,959)

(1) See Note 4.7.3.

In 2025, "income from other securities" includes €1.4 million in compensation in cash from the issue of the ODIRNANes (see Note 10.1.4). Moreover, "Interest and similar expenses" include capitalized interest on ICG bonds for €12.4 million in 2025 and €11.1 million in 2024.

Note 8.4 Risk management policy

The management of credit risk is described in Note 4.5.

8.4.1 LIQUIDITY RISK

At 31 December 2025, the Group's cash amounted to €328.4 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 (in thousands of euros)	Rate	Initial nominal value	Share capital remaining due	Maturity
Bond issue	12	81,300	118,323	Capitalized interest, <i>In fine</i> January 2030
TA syndicated loan	E3M + margin	92,500	46,435	12 half-yearly instalments from January 2023
TB syndicated loan	E3M + margin	92,500	92,500	<i>In fine</i> January 2029
RCF syndicated loan	E period + margin	50,000	30,000	RCF line maturity January 2029
Bank 1	4.65	10,000	6,058	48 monthly payments starting in March 2024
Loans guaranteed by the French State	n/a	22,700	2,326	Various deadlines ending in 2026
Bank 2	E3M + margin	8,000	4,000	12 quarterly instalments from July 2024
Bank 3	1.65	8,000	5,989	2021 real estate financing, over 12 years
Bank 7	4.00	5,000	5,000	20 quarterly instalments from February 2026
Bank 4	5.11	5,000	4,167	12 quarterly instalments from September 2025
Bank 5	E3M + margin	5,000	3,007	12 quarterly instalments from July 2024
Bank 6	E3M + margin	5,000	2,167	12 quarterly instalments from July 2024
Bank 4	1.75	5,000	625	20 quarterly instalments from May 2021
Bank 1	3.65	3,000	3,000	20 quarterly instalments from March 2026
Bank 4	1.04	1,300	163	20 quarterly instalments 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:

(in thousands of euros)	DD to 1 year	1 to 5 years	Beyond
Financial liabilities ⁽¹⁾	51,399	131,536	-
Financial assets ⁽²⁾	-	-	60,000
Net position before management	51,399	131,536	(60,000)
Off-statement of financial position	-	-	-
Net position after management	51,399	131,536	(60,000)

(1) Not including financing that does not bear interest.

(2) Relating to the ODIRNANE loans and escrow accounts, but not including transferable securities and investments for €653 thousand.

Interest rate hedges were entered into in 2021 and 2022, as indicated in Note 8.1.3.

The net debt exposed to interest rate fluctuations amounted to approximately €183 million at 31 December 2025 (€252 million at 31 December 2024). An increase or decrease of 100 basis points (1%) of all rates would have an impact of about +/- €1.8 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 EXAIL SAS (formerly 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. This net position is hedged gradually over the course of the year through forward sales transactions. This requires an assessment of the risk of currency changes, which is issued by the Management advised by its banks.

Financial debt in foreign currencies is marginal; only a few foreign subsidiaries may have temporary bank overdrafts.

The Group's overall net exposure (on balance sheet positions) at 31 December 2025 is concentrated on the main currency, namely the dollar, and breaks down as follows:

(in thousands of USD (dollars))	2025	2024
Assets	27,965	19,066
Liabilities	16,497	13,904
Net position before management	11,468	5,161
Off-statement of financial position	-	-
Net position after management	11,468	5,161

A uniform 10% increase or decrease in the exchange rates of major currencies could have an impact of €1.0 million on the net position, assuming that assets and liabilities remain strictly unchanged.

8.4.4 MARKET RISK

Treasury shares are held by EXAIL TECHNOLOGIES (453,638 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 2025, the market value of the treasury shares amounted to €37 million.

In addition, EXAIL TECHNOLOGIES holds 0.42% of the share capital of PRODWAYS GROUP (216,440 shares) with a market value of €0.12 million at 31 December 2025.

A change of 10% in the share price of EXAIL TECHNOLOGIES could have an impact on equity of €3.7 million compared with the position at 31 December 2025. A 10% change in the share price of PRODWAYS GROUP would have an insignificant impact on income.

The rest of the cash is not exposed to a market risk.

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 2025 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 2025, EXAIL HOLDING had a revolving credit facility of €50 million, confirmed until January 2029. This credit facility had been used to the tune of €30 million at the reporting date. It is accompanied by a change of control clause and a financial covenant that has been complied with.

8.5.3 OTHER COMMITMENTS

No other pledges, guarantees or sureties existed at the close of the 2025 financial year.

Note 9 Income tax

Note 9.1 Breakdown 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 BREAKDOWN CORPORATE INCOME TAX

Breakdown of tax expense

(in thousands of euros)	2025	2024
Deferred taxes	691	5,415
Taxes payable	(1,464)	(1,063)
TAX EXPENSE	(773)	4,352

Since 2023, the EXAIL HOLDING subsidiary has implemented a tax consolidation with all of its eligible subsidiaries.

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

(in thousands of euros)	2025	2024
Tax receivables	23,054	22,471
Tax payable	277	208
NET TAX RECEIVABLE/(DUE)	22,776	22,263

The tax receivable is mainly made up of research tax credit receivables that could not be offset against the tax expense payable or that were not assigned (notably the tax credit for the 2025 financial year). These receivables amounted to €21.8 million at the end of 2025. The research tax credit receivables for the last few years were sold (€20.1 million in receivables in 2024 sold in 2025) and deconsolidated, the disposals entailing the transfer to the assignee of almost all the risks and benefits. A share of 5% of the value of the receivables transferred is not paid by the assignee until the receivable has been repaid to it by the Treasury.

9.1.2 ANALYSIS OF THE INCOME TAX EXPENSE

Pursuant to market practices and IAS 12 and IAS 20, research tax credits and other tax credits—such as those for corporate philanthropy—are classified as operating income, since they are neither components of taxable income, nor calculated based on taxable income, nor are they components of the tax liability or limited to the amount of the tax liability.

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.

(in thousands of euros)	2025	2024
Net income from continuing operations	5,905	(4,532)
Tax income/(expense)	(773)	4,351
Earnings before tax	6,678	(8,883)
<i>Tax rate</i>	-	-
Theoretical tax charge	(1,670)	2,221
Reconciliation items		
Uncapitalized tax losses incurred for the period	(3,339)	(6,183)
Use of uncapitalized tax losses	-	(127)
Reassessment of deferred tax assets	2,440	4,547
Differential rates France/Foreign countries and reduced rates	111	87
CVAE	(388)	(729)
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	5,411	5,727
Other permanent differences	(3,338)	(1,190)
ACTUAL NET TAX INCOME/(EXPENSE)	(773)	4,352

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)	2025	2024
Differences over time		
Retirement and related benefits	740	805
Development costs	(8,363)	(9,331)
Subsidies	239	293
IFRS 16 – Rights of use	321	260
Derivative financial instruments	(594)	383
IFRS 3 – Business combinations and fair value	(44,417)	(47,942)
IFRS 15 – Revenue from contracts with customers	(1,594)	2,600
Other	(3,474)	(3,609)
SUBTOTAL	(57,142)	(56,541)
Temporary differences and other restatements	1,480	1,182
Deficits carried forward	18,626	16,222
CVAE	26	21
TOTAL	(37,011)	(39,116)
DEFERRED TAX LIABILITIES	(37,164)	(39,250)
DEFERRED TAX ASSETS	154	134

The change in deferred taxes amounted to €2.1 million, of which €0.7 million recognized in profit or loss and €1.5 million in equity (notably 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)	2025	2024
Ordinary deficits	37,5	52,4
TOTAL	37,5	52,4

The uncapitalized tax losses are mainly tax loss carryforwards at the level of the tax integration of which EXAIL TECHNOLOGIES is the parent company (€33,3 million).

Note 10 Equity and earnings per share

Note 10.1 Equity

10.1.1 SHARE CAPITAL AND ISSUE PREMIUMS

At 31 December 2025, 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 6,637,196 with double voting rights.

CHANGES IN SHARE CAPITAL

	Cumulative number of shares	Amount of share capital (in euros)
Share capital at 31/12/2023	17,424,747	17,424,747
Share capital at 31/12/2024	17,424,747	17,424,747
Share capital at 31/12/2025	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

In 2021, an exceptional distribution of PRODWAYS GROUP shares took place in December, each EXAIL TECHNOLOGIES share (then known as GROUPE GORGÉ) received 1.5 PRODWAYS GROUP shares valued at €2.74 on the ex-dividend date, representing 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 €73,895 thousand, before appropriation of the 2025 net income. They amounted to €76,485 thousand at 31 December 2024.

10.1.3 TREASURY SHARES

Treasury shares are recognized as a deduction from equity at their acquisition cost. Subsequent disposals are recognized directly in other comprehensive income and do not result in the recognition of any profit or loss.

At 31 December 2025, EXAIL TECHNOLOGIES held 453,638 treasury shares, of which 3,242 were held under a liquidity contract and 450,396 under the buyback program. These shares were acquired for €7.2 million, and their market value (at the stock market price at 31 December 2025) was €37.0 million. At 31 December 2024, 467,346 treasury shares were held.

10.1.4 PERPETUAL BONDS REDEEMABLE IN CASH AND/OR IN NEW AND/OR EXISTING SHARES

On 24 September 2025, EXAIL TECHNOLOGIES announced the issue of perpetual bonds redeemable in cash and/or in new and/or existing shares for a total amount of €300 million (issue of 3,000 ODIRNANE bonds with a nominal value of €100,000). This issue represents a potential maximum dilution of approximately 16.2% of the current share capital, if the conversion/exchange right were exercised in respect of all the bonds and the company decided to issue only new shares upon exercise of the conversion/exchange right.

Key terms of the Obligations

The bonds issued are redeemable in cash, convertible into new shares and/or exchangeable for existing EXAIL TECHNOLOGIES shares. A fixed coupon at a rate of 4.00% per year is payable every six months in arrears on 1 October and 1 April of each year from 1 April 2026.

On any interest payment date, the Company may decide, by providing notice no later than 15 business days prior to the relevant interest payment date, not to pay interest on the bonds for that interest period, subject to certain conditions within its control.

Effective 1 October 2030, and thereafter, the Bonds will bear interest at a rate, expressed on an annual basis, equal to the annual swap rate for 5-year euro-denominated swap transactions plus 1,300 basis points, payable semi-annually in arrears on each interest payment date and, if applicable, for the first time on 1 April 2031, subject to any suspension of interest payments. This rate will then be reviewed every five years.

Recognition in equity

The bonds have no fixed maturity date, and the Group also has the option to suspend interest payments. The combination of these two factors means that a payment under the bonds is not mandatory and remains at the Group's discretion. This justifies the classification of bonds as equity,

since a financial instrument is considered an equity instrument if it does not include any contractual obligation to deliver cash. Issuance costs are deducted from the nominal value of the bonds; interest is also deducted from shareholders' equity and is not expensed.

Conversion/Exchange

A bondholder may exercise their conversion/exchange right at any time from the issue date (inclusive) up to and excluding the seventh business day preceding the earlier of the following two dates: 1 October 2030, or, as the case may be, the date set for any early redemption of the bonds.

Upon exercising their conversion or exchange rights, bondholders will receive, at the Company's discretion, either a cash payment, a combination of cash and new and/or existing Company shares, or only new and/or existing Company shares.

The conversion/exchange ratio for the bonds is set at the principal amount divided by the applicable conversion/exchange price, i.e. initially 941.1764 shares per bond, subject to standard adjustment provisions as described in the terms and conditions of the bonds.

Securities borrowing facility

A simultaneous offering of existing shares was conducted in conjunction with the bond issuance to enable certain bond subscribers to hedge their exposure to the shares underlying the bonds. GORGÉ SA, the parent company of EXAIL TECHNOLOGIES, provided a securities lending facility for 1 million shares. GORGÉ SA lost the double voting rights enjoyed by most of these shares and entered into a remuneration agreement with EXAIL TECHNOLOGIES for this facility.

Escrow agreement

As EXAIL TECHNOLOGIES does not benefit from regular cash flows, an escrow agreement was entered into to guarantee the possibility of payment of interest until 1 October 2030. A sum of €60 million was deposited into an escrow account, from which €6 million will be debited every six months if the Company decides not to defer interest payments. This escrow account is recorded under "non-current financial assets" rather than "cash", and appears on the "Net financial investments" line of the statement of cash flows (see Note 7.3).

In thousands of euros		Start of the period	Nominal issue	Issuance expenses	Nominal repayment	Interest paid	Accrued interest	Closing
Perpetual bonds convertible into new shares and/or exchangeable for new or existing shares	Nominal	-	300,000	(4,240)	-	-	-	295,760
	Coupons	-	-	-	-	-	3,025	3,025
TOTAL BONDS		-	300,000	(4,240)	-	-	3,025	298,784
TOTAL CASH FLOW		-	300,000	(4,240)	-	-	-	295,760

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.

	2025	2024
Weighted average number of shares	16,968,306	16,997,650
Dividend per share paid in respect of the financial year (in euros) ⁽¹⁾	ND	none
Earnings per share (in euros)	0.176	(0.214)
Earnings per share from ongoing activities (in euros)	0.176	(0.214)
Potentially dilutive shares ⁽²⁾	-	-
Diluted weighted average number of shares	16,968,306	16,997,650
Diluted earnings per share (in euros)	0.176	(0.214)
Diluted earnings per share from ongoing activities (in euros)	0.176	(0.214)

(1) There are no potentially dilutive shares at EXAIL TECHNOLOGIES.

Note 10.3 Pledges of the issuer's shares

In 2020 and 2023, GORGÉ SA pledged EXAIL TECHNOLOGIES shares to a bank as collateral for two loans. After a partial release in 2023, these pledges represented 1,750,000 shares.

In January 2026, amendments were signed with the bank to reduce the overall pledge to 750,000 shares.

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 a reliable manner. 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 (other than income tax) identified during local audits conducted by tax authorities, as well as financial risks, most of which relate to guarantees provided to third parties regarding 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 2024	377	5,616	1,143	29	554	7,720
Appropriations	541	1,908	636	-	389	3,473
Provisions used	(142)	(665)	(550)	-	(277)	(1,634)
Unused reversals	(34)	(76)	-	-	(202)	(312)
Impact on income for the period	365	1,166	86	-	(91)	1,527
Changes in scope	-	-	-	-	-	-
Other movements	-	-	-	-	-	-
Impact of changes in exchange rates	-	-	-	-	-	-
AT 31 DECEMBER 2025	742	6,782	1,230	29	463	9,247

Note 12 Other notes

Note 12.1 Statutory Auditors' fees

The fees invoiced to all Group companies by EXAIL TECHNOLOGIES SA's Statutory Auditors were as follows:

2025 (in thousands of euros)	PricewaterhouseCoopers Audit		RSM		Total	
Statutory Audits, review of financial statements	201	97.8 %	401	85.4 %	602	89.2 %
• Parent company	98	-	103	-	-	-
• Fully consolidated companies	103	-	298	-	402	-
Certification of information on sustainability	-	-	60	12.8 %	60	8.9 %
Services other than the certification of the financial statements and the information on sustainability	5	2.2 %	8	1.8 %	13	1.9 %
TOTAL	206	100.0 %	470	100.0 %	675	100.0 %

2024 (in thousands of euros)	PricewaterhouseCoopers Audit		RSM		Total	
Statutory Audits, review of financial statements	208	95.0 %	380	88.9 %	588	91.0 %
• Parent company	98	-	103	-	200	-
• Fully consolidated companies	111	-	277	-	388	-
Services other than certification of the financial statements	11	5.0 %	47	11.1 %	58	9.0 %
TOTAL	219	100.0 %	427	100.0 %	646	100.0 %

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 12.2 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). In the end, the company accepted an adjustment of less than €45 thousand.

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 continues to contest the failure to take two projects into account in the calculation of the RTC and therefore referred the matter to the RTC Advisory Committee in December 2025. However, the company accepted an adjustment of €160 thousand.

In June 2025, EXAIL ROBOTICS was summoned before the Commercial Court of Toulon by the company Up Technologies, which EXAIL ROBOTICS used to carry out a number of engineering services for its projects. Up Technologies accuses EXAIL ROBOTICS of poaching some of its employees and contractors, in violation of the terms of the contracts between the two companies, a claim that EXAIL ROBOTICS disputes. In total, Up Technologies is claiming cumulative compensation of €417 thousand from EXAIL ROBOTICS. The case is currently pending before the Commercial Court of Toulon.

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. As a result, IXCORE, EXAIL's former majority shareholder, will continue to handle these disputes. If the ruling is in EXAIL's favour, the Group must pay the sellers an additional purchase price; if EXAIL is found liable, IXCORE must indemnify EXAIL. Although this dispute has not been closed, EXAIL received compensation in 2025 and paid an earn-out to IXCORE in the amount of €1.5 million (see Notes 2.3 and 3.1).

Note 12.3 Subsequent events

In January 2026, 1,527,935 EXAIL SAS shares were definitively acquired by employees (0.59% of the share capital) as part of a free share allocation plan. EXAIL HOLDING also acquired, from January to early March 2026, 78,723 shares from non-controlling interests (i.e. 0.03% of the share capital of its subsidiary) for €0.34 million.

In early February 2026, EXAIL AEROSPACE received a letter of intent to acquire 100% of the share capital of its subsidiary EXAIL AUTOMATION. The acquisition is subject to several conditions precedent that make a possible disposal very uncertain.

On 13 January 2026, EXAIL TECHNOLOGIES announced an additional issue of perpetual bonds, redeemable in cash and/or in new and/or existing shares, similar to those issued in October 2025. The ODIRNANE bonds were issued in January 2026 for a nominal amount of €200 million, with a premium of 27%. Including accrued interest not yet due calculated since October 2025, the proceeds of the issue therefore amount to €256 million (before deduction of costs). The maximum potential dilution arising from this additional issue would represent approximately 10.8% of the Company's current share capital, if the conversion/exchange right were exercised in respect of all the bonds and the Company decided to issue only new shares upon exercise of that right.

A tax audit began in the first quarter of 2026 at EXAIL SAS, covering the years from 2022 to 2024 and notably relating to the RTC declarations.

No other significant events took place between 31 December 2025 and the date of the Board of Directors meeting that approved the consolidated financial statements.

Note 13 List of consolidated companies

Companies	Parent company at 31 December 2025	% control		% interest		Method	
		2025	2024	2025	2024	2025	2024
Consolidating company							
EXAIL TECHNOLOGIES SA		Top	Top	Top	Top	FC	FC
Structure							
SAS STONI	EXAIL TECHNOLOGIES	100.00	100.00	100.00	100.00	FC	FC
SCI DES CARRIÈRES ⁽¹⁾	EXAIL TECHNOLOGIES	100.00	100.00	100.00	100.00	FC	FC
GORGÉ NETHERLANDS (Netherlands) ⁽¹⁾	GORGÉ EUROPE INVESTMENT	90.58	90.58	90.58	90.58	FC	FC
BALISCO ⁽¹⁾	EXAIL TECHNOLOGIES	100.00	100.00	100.00	100.00	FC	FC
IROBOTICS (United States) ⁽¹⁾	EXAIL TECHNOLOGIES	29.89	29.89	81.00	81.00	EM	EM
EXAIL HOLDING group							
EXAIL HOLDING	EXAIL TECHNOLOGIES	87.15	87.21	66.30	66.35	FC	FC
ECA DEVI SAS ⁽¹⁾	EXAIL SAS	100.00	100.00	64.15	64.38	FC	FC
EXAIL AEROSPACE	EXAIL SAS	100.00	100.00	64.15	64.38	FC	FC
EXAIL AUTOMATION	EXAIL AEROSPACE	100.00	100.00	64.15	64.38	FC	FC
EXAIL ROBOTICS	EXAIL SAS	100.00	100.00	64.15	64.38	FC	FC
EXAIL ROBOTICS BELGIUM (Belgium)	EXAIL ROBOTICS	100.00	100.00	64.15	64.38	FC	FC
EXAIL-GROUP ASIA Pte Ltd (Singapore)	EXAIL SAS	100.00	100.00	64.15	64.38	FC	FC
EXAIL ROBOTICS Australia Pty Ltd (Australia)	EXAIL ROBOTICS	100.00	100.00	64.15	64.38	FC	FC
EXAIL SAS	EXAIL HOLDING	96.77	97.03	64.15	64.38	FC	FC
EXAIL Systems Defense Inc. (United States)	EXAIL SAS	100.00	100.00	64.15	64.38	FC	FC
EXAIL Inc. (United States)	EXAIL SAS	100.00	100.00	64.15	64.38	FC	FC
EXAIL SDN BHD (Malaysia)	EXAIL SAS	100.00	100.00	64.15	64.38	FC	FC
EXAIL BV (Netherlands)	EXAIL SAS	100.00	100.00	64.15	64.38	FC	FC
EXAIL GmbH (Germany)	EXAIL SAS	100.00	100.00	64.15	64.38	FC	FC
IXBLUE DMCEST (Dubai)	EXAIL SAS	100.00	100.00	64.15	64.38	FC	FC
EXAIL Ltd (Great Britain)	EXAIL SAS	100.00	100.00	64.15	64.38	FC	FC
EXAIL LTDA (Brazil)	EXAIL SAS	100.00	100.00	64.15	64.38	FC	FC
EXAIL PTE (Singapore)	EXAIL SAS	100.00	100.00	64.15	64.38	FC	FC
EXAIL Norway (Norway)	EXAIL SAS	100.00	100.00	64.15	64.38	FC	FC
LEUKOS	EXAIL SAS	95.00	95.00	60.95	61.16	FC	FC
MAURIC	EXAIL SAS	79.28	79.28	50.86	51.04	FC	FC
MAURIC BELGIUM (Belgium)	MAURIC	100.00	100.00	50.86	51.04	FC	FC

(1) Companies with no activities.