



**GROUPE AIRWELL SA**

Public limited company with a board of directors  
Head office: 10 rue du Fort Saint-Cyr, 78180 Montigny Le Bretonneux  
824 596 795 Versailles Company Registry  
(Hereafter "AIRWELL", the "Group" or the "Company")  
<https://www.airwell.com/fr/>

**ANNUAL FINANCIAL REPORT AS  
OF 31 DECEMBER 2023**



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**A. MANAGEMENT REPORT FOR  
ACTIVITIES FOR THE YEAR ENDED 31  
DECEMBER 2023**

**GROUPE AIRWELL**  
**Société anonyme au capital de 304.177,10 Euros**  
**Siège Social : 10 rue du Fort de Saint Cyr – 78180 Montigny-le-Bretonneux**  
**RCS VERSAILLES 824 596 795**  
**(Hereafter the « Company »)**

**ANNUAL GENERAL MEETING OF SHAREHOLDERS DATED 26 JUNE 2024**

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**MANAGEMENT REPORT ON ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2023**

Dear Shareholders,

We were convened to the annual general meeting of shareholders in compliance with the by-laws of the Company and the law governing commercial companies to present the activities of the Company over the year ended 31 December 2023, the results of its activity and outlook and to submit for your approval the balance sheet and annual financial statements for said year.

These financial statements are attached to this report.

**I – SITUATION AND ACTIVITY OF THE COMPANY OVER THE PAST YEAR**

**I.1- Activity of the company**

**I.1-a) From a technical and commercial perspective**

In 2023, Groupe Airwell continued to develop its activity with an increase in its turnover of around 15%.

This progression was accompanied by the subscription, in January 2023, of a bond loan of €5,000,000 from the “France Economie Réelle” fund managed by Delta Alternative Management. This loan expires on 06/30/2028 and was concluded with repayment in fine.

Subsequently, the Airwell Group company, already listed on Euronext Access+ since July 2021, carried out a capital increase of €6.1M at the end of June 2023, followed by the transfer of the shares to Euronext Growth Paris. This capital increase resulted in the subscription of 1,210,000 new shares with a nominal value of €0.05, at a price of €5 per share, i.e. the nominal value plus an issue premium of €4.95.

At the same time, on June 28, 2023, Airwell Group acquired the assets of the business of the company Amzair Industrie, designer and manufacturer of 100% French heat pumps, for residential and small tertiary sectors. Based in Plabennec in Finistère, Amzair Industrie becomes Airwell Industrie, which employs 25 employees.

On the technical side, the projects undertaken on intelligent eco-thermal solutions for the residential and tertiary sectors continue to develop, notably this year with a partnership established with LACROIX, French leader in industrial IoT solutions.

## **I.1-b) From a legal and capital perspective**

The 2023 financial year was marked by the following numerous legal and capital decisions :

**I.1-b.1.** On 20 April 2023, the Board of Directors of the company made the following decisions :

- Examination and closing of the corporate accounts for the financial year ending 31 December 2022 ;
- Examination and closing of the consolidated financial statements for the financial year ending 31 December 2022 ;
- Decisions to be taken for the preparation and convening of the annual general meeting of shareholders called to rule in particular on said corporate and consolidated accounts ;
- Project to transfer the listing of the Company's securities to the Euronext Growth Paris market ;
- Details regarding « 12.22 warrants » ;
- Various questions ;

**I.1-b.2.** On 2 June 2023, the Board of Directors of the company made the following decisions :

- Approval of the minutes of the council meeting of 20 April 2023 ;
- Information point on the activity (Operations) and Governance of the company ; Financial information point and the Company's Product and Services strategy ;
- Information point on human resources and Innovation matters of the Company ;
- Capital increase in cash, carried out with removal of preferential subscription rights, by way of public offering followed by a transfer on Euronext Growth par by way of public offering; Authorization to the President to proceed to the repurchase of the Company AMZAIR ;
- Various questions.

**I.1-b.3.** As of June 13, 2023, the Chairman and CEO of the Company making use of the sub-delegation of authority conferred on him by the Board of Directors during its meeting of June 2, 2023 for the purpose of deciding the launch of a capital increase in cash of a maximum amount of 5,200,000 euros (issue premium included) by issuing a maximum number of 1,000,000 new shares with a par value of 5 cents (0.05 euro) each.

**I.1-b.4.** The shareholders of the Company meeting at the ordinary General Meeting of Shareholders of 24 June 2023 to deliberate on the following agenda :

### On an ordinary basis :

- Reading of the management report of the Board of Directors ;
- Reading of the statutory auditors report on the financial statements for the year ended 31 December 2022 ;
- Reading of the special report of the Statutory Auditors on agreements covered by Article L. 225-38 et seq of the French Commercial Code and approval of the contents of said report ;
- Approval of the annual accounts for the financial year ends 31 December 2022 and discharge to the directors ;
- Approval of the consolidated financial statement for the year ended 31 December 2022 ;
- Allocation of earnings ;
- Approval of the special report of the statutory auditors on the agreements covered by Article L. 225-38 seq of the French Commercial Code ;
- Appointment a new member of the Board of Directors ;
- Determination of the remuneration of the members of the Board of Directors ;
- Renewal of the appointments of statutory auditors and alternate;

- Authorization granted to the Board of Directors with a view to implementing a repurchase program by the Company on its own shares.

On an extraordinary basis :

- Authorization granted to the Board of Directors to reduce the share capital by canceling treasury shares following the implementation of the Company's repurchase program of its own shares;
- Delegation of authority conferred on the Board of Directors for the purpose of increasing the share capital through the issue of ordinary shares and any other securities giving, immediately and/or deferred, access to the capital or giving rights to the allocation of debt securities of the Company, with elimination of shareholders' preferential subscription rights and as part of a public offering other than those referred to in Article L. 411-2 of the Monetary and Financial Code;
- Delegation of authority conferred on the Board of Directors for the purpose of increasing the share capital through the issue of ordinary shares and any other securities giving, immediately and/or deferred, access to the capital or giving rights to the allocation of debt securities of the Company, with removal of shareholders' preferential subscription rights and as part of a public offering referred to in 1° of Article L. 411-2 of the Monetary and Financial Code ( private placement);
- Delegation of authority conferred on the Board of Directors for the purpose of increasing the share capital through the issue of ordinary shares and any other securities giving, immediately and/or deferred, access to the capital or giving rights the allocation of debt securities of the Company, with elimination of shareholders' preferential subscription rights for the benefit of a category of institutional investors;
- Delegation of authority conferred on the Board of Directors for the purpose of increasing the share capital through the issue of ordinary shares and any other securities giving, immediately and/or deferred, access to the capital or giving rights to the allocation of debt securities of the Company, with elimination of shareholders' preferential subscription rights for the benefit of one or more categories of persons;
- Delegation of authority conferred on the Board of Directors for the purpose of increasing the share capital through the issue of ordinary shares and any other securities giving, immediately and/or deferred, access to the capital or giving rights to the allocation of debt securities of the Company, with elimination of the preferential subscription rights of shareholders for the benefit of the Company's creditors;
- Delegation of authority conferred on the Board of Directors for the purpose of increasing the share capital through the issue of ordinary shares and any other securities giving, immediately and/or deferred, access to the capital or giving rights to the allocation of debt securities of the Company, with maintenance of the preferential subscription rights of shareholders
- Delegation of authority conferred on the Board of Directors for the purpose of increasing the number of securities to be issued, within the framework of issues carried out with maintenance or elimination of the preferential subscription rights of shareholders, within the limit of 15% of initial issuance in the event of excess requests;
- Authorization granted to the Board of Directors to proceed with the free allocation of shares for the benefit of eligible employees or corporate officers of the Company and/or related companies;
- Authorization granted to the Board of Directors to grant share subscription or purchase options to eligible employees or corporate officers of the Company and/or related companies;
- Delegation of authority to be granted to the Board of Directors for the purpose of issuing and allocating 2023 share subscription warrants with removal of the preferential subscription rights of shareholders for the benefit of categories of persons;
- Delegation of authority granted to the Board of Directors for the purpose of issuing ordinary shares as part of an issue reserved for employees who are members of a company savings plan, with removal of the preferential subscription rights of shareholders to the profit from the latter;
- Authorization of the proposed transfer of the Company's securities from Euronext Access + to Euronext Growth Paris and powers conferred on the Board of Directors to carry out this transfer;

On an ordinary basis :

- Power to complete formalities.

**I.1-b.5.** On 22 June 2023, the Board of Directors of the Company made the following decisions :

- Increase in the share capital by an amount of €60,500 to bring it to €304,177.10 through the issue, carried out with elimination of the preferential subscription rights of shareholders by way of public offering, of 1,210,000 new shares of 'a nominal value of €0.05 each, at a unit price of €5.00, i.e. a total amount, including issue premium, of €6,050,000.

**I.1-b.6.** On 17 October 2023, the Board of Directors of the Company made the following decisions:

- Examination and approval of the internal regulations of the Board of Directors ;
- Use of the delegation granted to the Board of Directors by the combined general meeting of June 14, 2023 for the purpose of issuing and allocating 2023 share subscription warrants, with removal of the preferential subscription right for shareholders for the benefit of categories of people
- Setting the distribution between the members of the Board of Directors of the amount of remuneration decided by the combined general meeting of June 14, 2023
- Repurchase program by the Company of its own shares, authorized by the combined general meeting of June 14, 2023
- Modification of the conditions of approval of a sublease agreement;
- Presentation of various operationals and organizational projects by General Management ;
- Various questions ;
- Powers.

**I.1-b.7.** On 8 November 2023, the Board of Directors met to deliberate on the following agenda :

- Setting the price of the 2023 warrants following the use of the delegation granted to the Board of Directors by the combined general meeting of June 14, 2023 for the purpose of issuing and allocating 2023 share subscription warrants, with elimination of the preferential subscription rights of shareholders for the benefit of categories of people;
- Various questions ;
- Powers.

**I.1-b.8.** On 21 December 2023, the Board of Directors met to deliberate on the following agenda :

- Use of the delegation granted to the Board of Directors by the combined general meeting of June 14, 2023 for the purpose of increasing the share capital through the issue of transferable securities giving, immediately and/or deferred, access to the capital in the form of share subscription warrants, with elimination of shareholders' preferential subscription rights and as part of a public offering referred to in 1° of Article L. 411-2 of the Monetary and Financial Code ( private placement)
- Information and validation of the project of transferring all assets from Airwell Residential SAS to Groupe Airwell SA ;
- Examination and validation of 2024 Budget ;
- Powers to complete formalities.

### **I.3- Research and development activities and external growth**

During 2023, Groupe Airwell continued to develop innovative eco-thermal solutions in order to have an offer adapted to the needs of end customers.

The amount allocated during the financial year to research and development of our solutions amount to 452K€.

In June 2023, Airwell Group acquired Amzair Industrie and created Airwell Industrie to integrate production into its value chain. With 25 employees, AMZAIR Industrie, which becomes AIRWELL Industrie, will enrich and complete the AIRWELL GROUP ecosystem in the design and manufacture of 100% French and connected heat pumps. The alliance of the commercial forces of the two groups will promote the strengthening of their presence in the West of France and allows them to rely on the commercial strength of the AIRWELL GROUP both in France and export through its presence in more than 80 countries.

#### **I.4- Anticipated development and outlook**

For 2024, the outlook for the Airwell Group is most encouraging. Indeed, we see on the one hand a significant underlying market, notably driven by very favorable French and European environmental policies, but above all an innovative and clear group strategy, based on a wide range of products and associated services.

#### **I.5- Subsequent events since the closing of the fiscal year**

##### **I.5-a) From a commercial and technical perspective**

In March 2024, Groupe Airwell took a minority stake in the capital of the company Synerpod, an innovative start-up based in Pays de Loire, in France, which aims to consolidate the energy renovation of collective and individual housing in fuel poverty. The holding percentage amounts to 13.04%.

Synerpod markets a prefabricated outdoor module intended for social landlords. This module integrates, among other things, a silent dual-service heat pump supplied by Airwell.

A first project relating to the energy of 400 houses is already underway.

##### **I.5-b) From a legal and capital perspective**

None.

#### **I.6- Risks and/or uncertainties faced by the company**

We do not identify any risk nor uncertainties to report.

## **II - PRESENTATION OF THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR AND ALLOCATION OF EARNINGS**

### **II.1.a – Presentation of the highlights of GROUPE AIRWELL**

For the year ended 31 December 2023, the company reported the following results :

- Revenue amounting to €63,537,137 versus €55,442,665 for the previous year ;
- Total operating income of €63,686,239 versus €55,906,406 for the previous year ;



- Operating expenses of €62,245,338 versus €55,089,259 for the previous year ;
- Operating income amounted to €1,440,900 versus €817 146 for the previous year ;

Owing to a financial expense of €858,370 (versus a financial expense of €312,126 for the previous year) and exceptional expenses of €63,997 (versus €63,897€ for the previous year), income for the year stood at €411,538 (versus income of €403,653 for the previous year).

At 31 December 2023, the Company's balance sheet total stood at €47,709,910, versus €39,222,301 for the previous year.

Lastly, we note that the Company's share capital is positive to the extent of €9,210,098 at 31 December 2023.

### II.1.b – Consolidated numbers for the year to 31 December 2023

The consolidated numbers for the year to 31 December 2023 were drawn up in accordance with the presentation and valuation rules provided for the the regulations in force. (French accounting principles)

The company benefits from an exemption from publishing consolidated accounts but consolidated accounts have nevertheless been drawn up on a voluntary basis to provide better information to our stakeholders. These consolidated accounts drawn up on a voluntary basis have been certified by our Statutory Auditor.

For the year to 31 December 2023, the Company reported the following results:

- Revenue amounting to €65,037,043
- Total operating income amounting €65,434,282
- Operating income €2,762,724
- Net consolidated income €1,381,456

Lastly, we note that the Company's share capital is positive to the extent of €10,695,230 at 31 December 2023.

**II.1.c** – In accordance with Article R. 225-102 of the French Commercial Code, we present hereafter the results of the past five fiscal years for the company's accounts:

	2023	2022	2021	2020	2019
<b>I. – Financial situation at year-end</b>					
a) Share Capital.	304.177,10	242 361,30	217 361,30	200 000	200 000
b) Number of shares issued.	6 083 542	4 847 226	4 347 226	20 000	20 000
<b>II. – Comprehensive income from business activities</b>					
a) revenue excluding tax.	63 537 137	55 442 665	18 440 490	15 325 999	15 171 290
b) Earnings before tax, amortisation and provisions.	2 802 777	1 388 730	744 952	274 685	-40 079
c) Income tax.	106 995	37 470	0	0	0

d) Profit (loss) after tax, amortisation and provisions.	411 538	403 653	246 105	81 932	23 096
e) Amount of dividends pay out.	None	None	None	None	None

### III. – Income from operations per share

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a) earnings after tax, but before amortisation and provisions.

b) Earnings after tax, amortisation and provisions.

c) Dividend pay out per share.

### IV. - Personnel

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a) Headcount	71	68	40	38	32
b) Total payroll costs	5 015 645	4 257 112	2 146 540	1 565 526	1 506 076
c) Amount paid in respect of social benefits (social security, charities, etc.).	2 317 141	2 079 448	1 016 960	747 602	653 958

## **II.2- Presentation methodology of annual statements**

The financial statements for the year ended 31 December 2023 which we submit to you for approval have been drawn up in accordance with the rules of presentation and valuation methods provided for by the regulations in force and are identical to those of the previous year.

The balance sheet and income statement are presented in the appendices.

## **II.3- « Lavish » expenses and spending**

In accordance with the provisions of Articles 223 quater and 223 Quinquies of the French tax code, we declare that the past year includes non-deductible spending for tax purposes for an amount of €74,621.

## **II.4 – Proposal of allocation of earnings**

We propose to allocate the earnings from fiscal year 2023, amounting to €411,538, to the legal reserve to the extent of €6,180 and €405,358 to retained earnings.

## **II.5- Reminder of dividend payments over the past three years**

In accordance with the provisions of Article 243 bis of the French general tax code, we recall that no dividends were distributed over the past three fiscal years.

## **III – SUBSIDIARIES AND INVESTMENT**

Since April 2021, our Company holds 100% of the capital of Airwell Residential, a simplified stock company with capital of €2,500,000 with its head office at 10 rue du Fort de Saint Cyr – 78180 Montigny-le-Bretonneux, registered with the Versailles Company Registry under number 752 800 862.

Our Company also holds 80% of the capital of Airwell Academy, a simplified stock company, with capital of €500, and its head office at 10 rue Fort de Saint Cyr – 78180 Montigny-le-Bretonneux, registered with the Versailles Company Registry under number 878 249 754.

Since 28 June 2023, our company holds 100% of the capital of Airwell Industrie (created on the occasion of the purchase of the business of the company AMZAIR Industrie), simplified stock company with a capital of €500 000 with its head office at Zone de Penhoat – 521 Rue Gustave Eiffel – 29860 Plabennec, registered with the Brest Company Registry under number 953 986 403.

Lastly, our Company also fully owns its subsidiary Airwell residential in Germany: Airwell Residential Deutschland GmbH, with its head office at Dornhofstrasse 34 – 63 623 Neu-Isenburg – Germany; with capital of €25,000.

## **IV - INFORMATIONS REGARDING SHARE CAPITAL**

In accordance with the provisions of Article L 225-211 of the French Commercial Code, we declare that, at 31 December 2023, the Company held 16,082 of its own shares.

The majority of the capital is held by Marvik Holding.

## V - INFORMATIONS PROVIDED IN THE CORPORATE GOVERNANCE REPORT

### a. Information regarding corporate officers :

In accordance with Article L. 225-37-4 of the French Commercial Code, we inform you that the list of all of the directorships and functions carried out in other companies for each of the Company's corporate officers

<b>Nom du mandataire</b>	<b>Mandat au sein de la Société</b>	<b>Mandat ou fonction exercé dans une autre société</b>	<b>Nom de la société</b>
<b>Laurent ROEGEL</b>	Chairman and Chief Executive Officer	Chairman	MARVIK HOLDING
<b>Laurent ROEGEL</b>	Chairman and Chief Executive Officer	Co-manager	SCI ROMA
<b>Laurent ROEGEL</b>	Chairman and Chief Executive Officer	Co-manager	SCI ROEGEL & ASSOCIES
<b>Anne-Laurence IMBERT</b>	Director		
<b>Philippe CORMIER</b>	Director	Association President	GEYVO
<b>Stéphanie LE BEUZE</b>	Director		

### b. Statutory Auditor Controller

We will now present to you the general report of the Statutory Auditors and their special report on the agreements covered by Articles L 225-38 et seq of the French Commercial Code.

Furthermore, we inform you that the list and purpose of current agreements concluded under normal conditions which, due to their purpose or financial implications, are significant for the parties, have been communicated to the Directors and the Statutory Auditors.

#### Agreements referred to Article L 225-38 of the French Commercial Code

Our Statutory Auditors will present their special report on the agreements referred to in Article L 225-38 of the French Commercial Code.

#### Concerning the agreements authorized during the past financial year :

None

#### Concerning the continuation during the past financial year of agreements already approved :

None

**c. Status of the mandates of the Company's officers, directors, non-voting members and auditors**

**1. Mandates of the Company's officers, directors and non-voting members :**

- The Annual General Meeting of 14 June 2021 decided to appoint Mr Laurent ROEGEL as director for a term of three (3) years, which will end at the end of the General Meeting to be held in 2024 to approve the financial statements for the year ending 31 December 2023.
- The Annual General Meeting of 14 June 2021 decided to appoint Mrs Anne-Laurence IMBERT as director for a term of three (3) years, which will end at the end of the Annual General Meeting to be held in 2024 to approve the financial statements for the year ending 31 December 2023.
- The Annual General Meeting of 14 June 2021 decided to appoint Mr Philippe CORMIER as director for a term of three (3) years, which will end at the end of the Annual General Meeting to be held in 2024 to approve the financial statements for the year ending 31 December 2023
- On 14 June 2021, the Board of Directors decided to appoint Mr Laurent ROEGEL as (i) Chairman of the Board of Directors and (ii) Chief Executive Officer for the duration of his term of office as director, i.e. for a period of three (3) years, which will expire at the end of the Annual General Meeting to be held in 2024 to approve the financial statements for the financial year ending 31 December 2023.
- The Annual General Meeting of 14 June 2023 decided to appoint Mrs Stéphanie LE BEUZE as director for a term of three (3) years, which will end at the end of the General meeting to be held in 2026 to approve the financial statements for the year ending 31 December 2025.

A proposal will be made to the shareholders at the next General Meeting to renew the directorships of Mr. Laurent ROEGEL, Mrs. Anne-Laurence IMBERT and Mr. Philippe CORMIER for a period of three (3) years and at the meeting of the Board of Directors to renew the mandates of Mr. Laurent ROEGEL as Chairman of the Board of Directors and Chief Executive Officer for a period of three (3) years.

**2. Mandates of the Company's statutory Auditors :**

The Annual general Meeting of 14 June 2023 confirmed the continuation of the mandates of :

- **ERNST & YOUNG AUDIT**, a simplified joint stock company with its registered office at 1/2 Place des Saisons - 92400 Courbevoie - Paris La Défense 1, registered in the Nanterre Trade and Companies Register (RCS) under number 438 476 913, as Statutory Auditor; and
- **AUDITEX**, a simplified joint stock company with its registered office at 51/2 Place des Saisons - 92400 Courbevoie - Paris La Défense 1, registered in the Paris Trade and Companies Register (RCS) under number 377 652 938, as Alternate Auditors,

for a further period of six (6) financial years, i.e. until the end of the meeting which will approve the accounts for the financial year ending in 2028.

**d. Information relating to valid delegations granted by the Annual General Meeting of Shareholders pursuant to Articles L. 225-129-1 et L. 225-129-2 of the Commercial Code :**

At the Extraordinary General Meeting on 14 June 2023 the Board of Directors was given the power to:

- to increase the share capital by issuing ordinary shares and any other securities giving, immediately and/or deferred, access to the capital or giving right to the allocation of debt securities of the Company, with elimination of shareholders' preferential subscription rights and in the context of a public offering other than

those referred to in Article L. 411-2 of the Monetary and Financial Code. The maximum nominal amount of increases in share capital likely to be carried out, immediately and/or deferred, under this delegation, may not exceed a total nominal amount of three hundred thousand euros (€300,000) euros.

- increase the share capital by issuing ordinary shares and any other securities giving, immediately and/or deferred, access to the capital or giving the right to the allocation of debt securities of the Company, with removal of the shareholders' preferential subscription rights and as part of a public offering referred to in 1° of Article L. 411-2 of the Monetary and Financial Code (private placement). The maximum nominal amount of increases in share capital likely to be carried out, immediately and/or deferred, under this delegation, may not exceed a total nominal amount of three hundred thousand euros (€300,000) euros.

it is recalled that the members of the Board of Directors of the Company meeting on December 21, 2023, made use of the delegation of authority voted by the Extraordinary General Meeting of June 14, 2023 to issue two hundred and forty thousand (240,000) Share Subscription Warrants.

- to increase the share capital by issuing ordinary shares and any other securities giving, immediately and/or deferred, access to the capital or giving right to the allocation of debt securities of the Company, with elimination of shareholders' preferential subscription rights for the benefit of a category of institutional investors. The maximum nominal amount of increases in share capital likely to be carried out, immediately and/or deferred, under this delegation, may not exceed a total nominal amount of three hundred thousand euros (€300,000) euros.
- to increase the share capital by issuing ordinary shares and any other securities giving, immediately and/or deferred, access to the capital or giving right to the allocation of debt securities of the Company, with elimination of shareholders' preferential subscription rights for the benefit of one or more categories of people. The maximum nominal amount of increases in share capital likely to be carried out, immediately and/or deferred, under this delegation, may not exceed a total nominal amount of three hundred thousand euros (€300,000) euros.
- to increase the share capital by issuing ordinary shares and any other securities giving, immediately and/or deferred, access to the capital or giving right to the allocation of debt securities of the Company, with elimination of shareholders' preferential subscription rights for the benefit of the Company's creditors. The maximum nominal amount of increases in share capital likely to be carried out, immediately and/or deferred, under this delegation, may not exceed a total nominal amount of three hundred thousand euros (€300,000) euros.
- to increase the number of securities to be issued, as part of issues carried out with maintenance or elimination of shareholders' preferential subscription rights. The amount of issues likely to be carried out under this delegation may not exceed an amount equal to fifteen percent (15%) of the amount of the initial issue decided by the Board of Directors.
- proceed with the allocation of free shares existing or to be issued within the limit of five percent (5.00)% of the share capital on the day of the decision of the Board of Directors;
- grant options to subscribe for new shares to be issued by the Company within the limit of five percent (5.00)% of the share capital on the day of the decision of the Board of Directors;
- to issue and allocate 2023 share subscription warrants, with removal of shareholders' preferential subscription rights for the benefit of categories of people. The maximum amount of 2023 warrants to be issued, under this delegation, may not exceed an amount of three hundred thousand (300,000) share subscription warrants.

It is recalled that the members of the Board of Directors of the Company, meeting on October 17, made use of the delegation of authority voted by the Extraordinary General Meeting of June 14, 2023 for the purpose of allocating two hundred and forty thousand ( 240,000) 2023 warrants.

- to issue ordinary shares as part of an issue reserved for employees who are members of a company savings plan, with removal of shareholders' preferential subscription rights for their benefit. The maximum nominal amount of shares which may be issued under this delegation is set at 3% of the increased capital.

## **VI- EMPLOYEE SHARE OWNERSHIP**

In accordance with the provisions of Article L 225-102 of the French Commercial Code, we would like to point out that at the date of drafting this report, as at the end of the financial year, the shares held by the Company's employees within the framework of a company savings plan represent less than 3% of the share capital, as the Company has not set up an employee shareholding plan.

## **VII - INFORMATION ON PAYMENT DEADLINES**

For financial years beginning on or after 1 July 2016, the management report of companies whose accounts are certified by an auditor must include, for both suppliers and customers, the number and total amount of invoices received or issued that have not been paid by the closing date of the financial year for which the term is due. These amounts must be broken down by delay (C. com. art. L. 441-6-1).

The amounts shown below are in euros, including all taxes.

### **Balance at 31 December 2023 of payables (incl. VAT) to suppliers by due date**

<b>Debts in €</b>	<b>Not due</b>	<b>0 - 29 days</b>	<b>30 – 59 days</b>	<b>60 - 89 days</b>	<b>&gt; 90 days</b>	<b>Balance at 31.12.2023</b>
French suppliers	1 145 183	161 112	33 202	38 939	86 589	1 465 024
Foreign suppliers	63 923	3 979	1 092	0	72 314	141 308
Interco suppliers	6 650 355	2 637 328	2 499 294	1 133 636	64 231	12 984 843
<b>Total incl VAT</b>	<b>7 859 461</b>	<b>2 802 419</b>	<b>2 533 588</b>	<b>1 172 575</b>	<b>223 134</b>	<b>14 591 176</b>
% of total debts incl. VAT	53.8%	19.2%	17,4%	8,0%	1.5%	100%
No. of invoices	273	70	44	37	81	505

**Balance at 31 December 2023 of trade receivables (incl. VAT) by due date**

<b>Receivables in €</b>	<b>Not échues</b>	<b>0 - 29 days</b>	<b>30 – 59 days</b>	<b>60 - 89 days</b>	<b>&gt; 90 days</b>	<b>Balance at 31.12.2023</b>
French creditors	8 402 050	596 932	58 955	18 412	339 901	9 416 251
Foreign creditors	6 399 117	1 105 663	276 553	230 608	375 654	8 387 595
Interco creditors	47 572	20 113	56 322	0	0	124 007
<b>Total incl.VAT</b>	<b>14 848 740</b>	<b>1 722 708</b>	<b>391 830</b>	<b>249 020</b>	<b>715 555</b>	<b>17 927 853</b>
% of total receivables incl.VAT	82.8%	9.6%	2,2%	1,4%	4,0%	100%
No. of invoices	651	96	37	21	81	886

**VIII – CONVENING OF THE ANNUAL MEETING OF SHAREHOLDERS**

As a consequence of the above, we propose to convene the shareholders to an Annual General Meeting on 26 June 2024 at 9.30 a.m., at the registered office, in order to deliberate on the following agenda:

On an ordinary basis :

- Reading of the Management Report of the Board of Directors;
- Reading of the Auditor's report on the accounts for the financial year ending 31 December 2023;
- Reading of the special report of the Auditor on the agreements referred to in Article L. 225-38t seq. of the Commercial Code and approval of the terms of this report;
- Approval of the annual financial statements for the financial year ending 31 December 2023 and discharge of the directors;
- Approval of the consolidated financial statements for the year ended 31 December 2023;
- Allocation of earnings ;
- Approval of the special report of the Statutory Auditors on the agreements covered by Article L. 225-38 et seq of the French Commercial Code;
- Renewal of director mandates ;
- Setting the remuneration of the members of the Board of Directors ;
- Authorization granted to the Board of Directors with a view to implementing a repurchase program by the Company of its own shares.

On an extraordinary basis :

- Delegation of authority conferred on the Board of Directors for the purpose of increasing the share capital through the issue of ordinary shares and any other securities giving, immediately and/or deferred, access to the capital or giving rights the allocation of debt securities of the Company, with elimination of shareholders' preferential subscription rights for the benefit of a category of institutional investors ;



- Delegation of authority conferred on the Board of Directors for the purpose of increasing the share capital through the issue of ordinary shares and any other securities giving, immediately and/or deferred, access to the capital or giving rights to the allocation of debt securities of the Company, with elimination of shareholders' preferential subscription rights for the benefit of one or more categories of persons;
- Delegation of authority conferred on the Board of Directors for the purpose of increasing the share capital through the issue of ordinary shares and any other securities giving, immediately and/or deferred, access to the capital or giving rights to the allocation of debt securities of the Company, with elimination of the preferential subscription rights of shareholders for the benefit of the Company's creditors ;
- Delegation of authority granted to the Board of Directors for the purpose of issuing ordinary shares as part of an issue reserved for employees who are members of a company savings plan, with removal of the preferential subscription rights of shareholders to the profit from the latter;

On an ordinary basis :

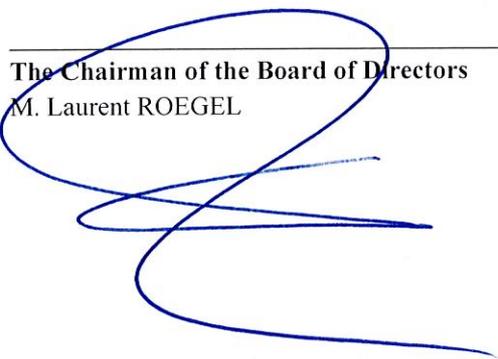
- Power to carry out formalities.

A special report on the extraordinary part will also be presented.

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We hope that the proposals will meet your approval and that you will vote the corresponding resolutions.

\_\_\_\_\_  
**The Chairman of the Board of Directors**  
M. Laurent ROEGEL



**B. CONSOLIDATED FINANCIAL  
STATEMENTS FOR YEAR ENDED 31  
DECEMBER 2023**

# **GROUPE AIRWELL**

10 rue du Fort de Saint Cyr  
78180 Montigny le Bretonneux

**CONSOLIDATED FINANCIAL STATEMENT**

**FOR YEAR ENDED A 31 DECEMBER 2023**

## I – CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS	31/12/2022	31/12/2023
<b>In Euros</b>		
Uncalled subscribed capital		
Intangible assets	4 390 941	4 575 597
<i>of which Goodwill</i>	500 000	500 000
Property, plant and equipment	686 346	1 394 244
Equity-accounted securities		
Long-term financial investments	1 239 298	1 469 922
<b>Fixed assets</b>	<b>6 316 586</b>	<b>7 439 763</b>
Inventories and work in progress	12 241 048	15 244 532
Trade receivables	13 890 702	18 187 658
Other receivables and accruals	4 862 888	3 080 649
Marketable securities		
Cash and cash equivalents	2 069 660	3 470 933
<b>Current assets</b>	<b>33 064 298</b>	<b>39 983 772</b>
<b>Total assets</b>	<b>39 380 884</b>	<b>47 423 534</b>

LIABILITIES	31/12/2022	31/12/2023
<b>In Euros</b>		
Share capital	242 361	304 177
Share premium account	2 112 044	7 407 663
Legal reserve	13 306	24 237
Other reserves		
Retained earnings	-542 982	-150 259
<b>Group reserves</b>	<b>1 039 239</b>	<b>1 678 468</b>
<b>Consolidated income</b>	<b>1 042 882</b>	<b>1 430 945</b>
<b>Shareholders' equity (group share)</b>	<b>3 906 850</b>	<b>10 695 230</b>
<b>Translation differences</b>		
<b>Minority interests</b>	<b>-41 081</b>	<b>-90 570</b>
<b>Provisions for risk and expenses</b>	<b>3 184 326</b>	<b>3 197 280</b>
Loans and debts with credit institutions	3 183 654	2 642 287
Borrowings and financial liabilities	659 915	5 000 000
Trade payables	14 381 879	11 996 607
Tax and social security liabilities	2 353 657	2 355 238
Other liabilities and accruals	11 751 685	11 627 461
<b>Debts</b>	<b>32 330 789</b>	<b>33 621 594</b>
<b>TOTAL</b>	<b>39 380 884</b>	<b>47 423 534</b>

## II – CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Consolidated Statement of Income	31/12/2022	31/12/2023
	In Euros	
Sales of goods	54 162 697	63 078 216
Production sold of goods		1 167 939
Production sold of services	1 579 262	790 887
<b>REVENUE</b>	<b>55 741 959</b>	<b>65 037 043</b>
Stocked production		
Write-back of depreciation, provisions, transfer	493 619	111 283
Other operating income	817 152	285 956
<b>Total Income</b>	<b>57 052 729</b>	<b>65 434 282</b>
Purchases of goods and other	40 011 728	41 814 693
Change in stock	-1 579 667	1 961 258
Other purchases and external expenses	8 946 602	10 009 080
Taxes other than on income	146 757	220 510
Payroll costs	6 456 933	8 007 623
Other Operating expenses	948 418	186 605
Depreciation, amortisation and provisions	640 043	996 713
<b>Operating Expenses</b>	<b>55 570 814</b>	<b>63 196 481</b>
<b>Operating income before depreciation, amortisation and impairment of goodwill</b>	<b>1 481 915</b>	<b>2 237 800</b>
Depreciation, amortisation and impairment of goodwill	-302 690	-524 923
<b>Operating income after depreciation, amortisation and impairment of goodwill</b>	<b>1 784 605</b>	<b>2 762 724</b>
Financial income	21 921	67 159
Financial expenses	416 014	950 102
<b>Financial income</b>	<b>-394 093</b>	<b>-882 943</b>
<b>Current income of integrated companies</b>	<b>1 390 512</b>	<b>1 879 781</b>
Non-recurring income	1 032 000	34 534
Non-recurring expenses	1 000 000	336 285
<b>Non-recurring income</b>	<b>32 000</b>	<b>-301 751</b>
Corporate income tax	410 941	196 575
<b>Net income of integrated companies</b>	<b>1 011 571</b>	<b>1 381 456</b>
Share of income of associates		
<b>Net consolidated income</b>	<b>1 011 571</b>	<b>1 381 456</b>
Minority interests	-31 311	-49 489
<b>Attributable net income (Group share)</b>	<b>1 042 882</b>	<b>1 430 945</b>

### III – TABLEAU DE FLUX DE TRESORERIE

	31/12/2023	31/12/2022
<b><u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>		
Net income of integrated companies	1 381 456	1 011 571
<i>Elimination of non-cash or non-operational income and expenses</i>		
Amortisation and provisions (net)	199 259	(148 507)
Change in deferred taxes	640 251	390 014
(Gain) / loss on disposal		
Other calculated income and expense		
<b>Cash flow from operating activities of integrated companies</b>	<b>2 220 965</b>	<b>1 253 078</b>
<b>Dividends from associates</b>		
Change in operating receivables	(1 764 679)	(4 732 565)
Change in tocks and work in progress	(2 755 723)	(2 974 505)
Change in operating liabilities	(3 824 459)	7 305 721
<b>Change in operating working capital</b>	<b>(8 344 860)</b>	<b>(401 349)</b>
<b>Net cash flow operating activities</b>	<b>(6 123 895)</b>	<b>851 729</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
Acquisitions of tangible and intangible assets	(1 305 828)	(544 586)
Disposals or decreases in tangible and intangible assets	25 467	1 062 769
Change in financial assets	(230 623)	(106 722)
Impact of changes in scope of consolidation	(120 000)	
<b>Net cash flow from investing activities</b>	<b>(1 630 985)</b>	<b>411 461</b>
<b><u>CASH FLOW FROM FINANCING ACTIVITIES</u></b>		
Capital increase in cash	5 357 435	1 500 000
Issuance of warrants		
Dividends paid to the parent company's shareholders		
Bonds issued	5 111 250	820 000
Loan repayments	(1 312 532)	(3 422 571)
<b>Net cash flow from financing activities</b>	<b>9 156 154</b>	<b>(1 102 571)</b>
<b>CHANGE IN CASH FLOW</b>	<b>1 401 274</b>	<b>160 619</b>
Impact of exchange rate changes		
Impact of changes in scope of consolidation		
<b>Opening cash position</b>	<b>2 069 660</b>	<b>1 909 042</b>
<b>Closing cash position</b>	<b>5 564 289</b>	<b>2 069 660</b>
<b>CHANGE IN CASH FLOW</b>	<b>3 494 629</b>	<b>160 618</b>

## NOTES TO THE ANNUAL CONSOLIDATED FINANCIAL STATEMENTS

Founded in 1947 France, Airwell is a major french operator in heat pumps for residential and tertiary markets. In a market driven by the energy transition, the company aims to become a leader in Europe, and a key player in climate and thermal solutions based on needs and uses on a global level, with presence in 80 countries.

### A. ACCOUNTING METHODS AND PRINCIPLES

The consolidated semestrial financial statements were drawn up in line with accounting principles and valuation rules set by the law and the French Commercial Code, in line with Regulation ANC n° 2020-01 modifying Regulation CRC n°99-02 relative to the consolidated financial statements of public companies.

The preparation of these financial statements requires, on behalf of management, the use of certain forecasts and assumptions which impact the amounts presented in these financial statements and the related notes. Financial outcomes may vary from the forecasts provided.

The consolidated financial statements were drawn up under the continuity of operations principle and report at 30 December 2023, consolidated net profit group share of €1,430,945.

#### 1. SCOPE OF CONSOLIDATION

The financial statement of the companies over which GROUPE AIRWELL has exclusive are fully consolidated.

All transactions and significant reciprocal accounts between Group entities have been eliminated.

The companies included within the scope of consolidation are as follows :

Sociétés	Addresses	Activities	% held	% stake	Consolidation method	Closing dates
GROUPE AIRWELL	10 rue du Fort de Saint Cyr 78180 Montigny le Bretonneux	Wholesaler	NA	NA	Parent company	31-déc
AIRWELL RESIDENTIAL SAS	10 rue du Fort de Saint Cyr 78180 Montigny le Bretonneux	Wholesaler	100%	100 %	Full consolidation	31-déc
AIRWELL ACADEMY	10 rue du Fort de Saint Cyr 78180 Montigny le Bretonneux	Training	80%	80%	Full consolidation	31-déc
AIRWELL INDUSTRIE	Zone de Penthout 521 rue Gustave Eiffel 29860 Plabennec	Industry	100%	100 %	Full consolidation	31-déc
AIRWELL RESIDENTIAL DEUTSCHLAND GMBH	Dornhofstr.34 62263 Neu-Isenburg Allemagne	Wholesaler	100%	100 %	Full consolidation	31-déc

## 2. HIGHLIGHTS OF THE YEAR

Several important events happened on this year 2023. Among the mains, we note :

In January 2023, Groupe Airwell has taken out a bond loan of €5,000,000 from the « France Economie Réelle » fund managed by Delta Alternative Management. This loan expires on 06/30/2028 and was concluded with repayment in fine.

Subsequently, Groupe Airwell company, already listed on Euronext Access+ since July 2021, carried out a capital increase of €6.1M at the end of June 2023, followed by the transfer of the shares to Euronext Growth Paris. This increase resulted in the subscription of 1,210,000 new shares with a par value of €0.05, at a price of €5 per share, i.e. par plus an issue premium of €4.95.

Finally, on June 28, 2023, Airwell Group, via the creation of the company Airwell Industrie, acquired the assets of the business of the company Amzair Industrie, designer and manufacturer of 100% French heat pumps, for residential and small tertiary. Based in Plabennec in Finistère, Airwell Industrie integrates the 25 employees of Amzair Industrie.

## 3. SUBSEQUENT EVENTS

Since the closing, the Airwell group has taken a minority stake in the capital of the company Synerpod, an innovative start-up, created in 2021, which aims to scale up the energy renovation of collective and individual housing in fuel poverty.

## 4. ACCOUNTING AND CONSOLIDATION METHODS

### ➤ **Equity**

The share capital is made up of 6 083 542 shares de €0.05 each.

Group share of the capital at 31 December 2023 amounted to €10,695,230 , including net consolidated profit group share of €1,430,945 .

### ➤ **Ecarts d'acquisition**

Goodwill corresponds to the difference between the acquisition price investments and their corresponding share of capital. These differences are in priority allocated to identified assets and liabilities in the companies acquired so that their contribution to the consolidated balance sheet is presented at fair value. The remaining difference is booked as goodwill and allocated to each Cash Generating Unit likely to benefit from the synergies of the economic grouping.

In accordance with ANC 2020-01 regulations, the Group carries out impairment tests on goodwill as its useful life is unlimited. These tests are carried out at least once a year at the closing of accounts and when internal or external indicators call into question the level of their net book value. An exceptional impairment is then booked, as appropriate, to adjust fair value.



- **Acquisition ARS**

The amount of gross goodwill booked at the time of acquisition of ARS company was negative at €3,026,900 and was booked to the provisions for risk and contingencies item. The provision is reversed on a straight line basis over 10 years and booked as « allocations to amortization, depreciation of goodwill » in the income statement.

The goodwill was determined as follows :

<b>Airwell Residential SAS at 12/04/21</b>	€
Share capital + reserves	4,009,092
Net profit	178,919
<b>Equity</b>	<b>4,188,011</b>
Unrealised capital gains on brands	2,721,000
Deferred tax liabilities on unrealised capital gains	-680,250
Deferred tax assets (deficit at 31/12/20)	1,127,115
Total net group cash position at the date of acquisition (A)	7,355,876
<b>Acquisition price of ARS shares (B)</b>	<b>4,328,976</b>
<b>Goodwill (A)-(B)</b>	<b>- 3,302,690</b>

- **Acquisition AMZAIR INDUSTRIE**

During the 2023 financial year, following the takeover of the activities of the company AMZAIR, negative goodwill was recorded for an amount of €440 thousand. This is due to a valuation gap on stocks. Negative goodwill will be taken into the income statement based on the consumption of stocks that have been revalued. As of December 31, 2023, the recovery amounts to €222 thousand.

The goodwill was determined as follows :

	€
<b>Acquisition price of Amzair (a)</b>	<b>196 674</b>
<b>Real value of assets acquired (b)</b>	<b>636 340</b>
<i>Intangibles</i>	10 000
<i>Tangibles</i>	40 000
<i>Stocks</i>	758 454
<i>Deferred tax liabilities</i>	- 172 113
<b>Goodwill (a)-(b)</b>	<b>- 439 666</b>

The acquired activity has generated a turnover of €1,316 thousand since the date of takeover..

➤ **Valuation differential**

The valuation differential corresponds, on the one hand, to the restatement at fair value of all of the assets identified in the asset base of the company consolidated, owing to a possible lag in the accounting of the different items of the statement of financial position at their historical cost and their fair value amounts.

The valuation differential is included in the value of assets and liabilities of the consolidated company. The valuation differential was determined for the two brands held by ARS.

The Airwell brand was valued at €3.5 M and the Johnson brand at €1 M. The brands are not amortized owing to their indefinite useful lives.

The Johnson brand was sold during the first half of 2022 for de €1 M.

A valuation difference was also determined on the stocks taken over during the acquisition of the activity of the company AMZAIR for an amount of €1.2M.

➤ **Intangible assets**

Intangible assets are valued :

- At their acquisition cost for assets acquired in return for payment,
- At their production cost for assets produced by the company,
- At their market value for assets acquired free of charge or via exchange.

The cost of an asset is made up of its acquisition price, including any unrecoverable customs duties and taxes, after deducting any reductions, commercial discounts and payment rebates stemming from the costs directly attributable to setting up the asset and its use for its intended function.

Transfer rights, fees and commissions and legal fees linked to the acquisition, are included in the acquisition cost.

All cost which are not part of the acquisition price of an asset and which cannot be linked directly to the costs incurred to set up the asset and ensure its use for its intended purpose, are booked as expenses.

Within the framework of the asset allocation price, ongoing business is restated at zero and revalued either as an intangible, or as goodwill if not attributable.

Intangible assets include the following items :

- Software acquired
- Brand

Amortisation for depreciation are calculated on a straight line basis in line with the useful life of the asset.

- |                     |                 |
|---------------------|-----------------|
| ▪ Software acquired | 3 et 5 years    |
| ▪ Brand             | Non-amortisable |

For brands, impairment testing is carried out each year. Impairment is booked when the current value of the asset is lower than its net book value.

The current value is the higher value between the use value and the market value.

The use value is obtained by discounting the cash flows generated by the asset.

The market value corresponds to the market value of the asset which is determined by reference to recent similar transactions, or to evaluations carried out by independent experts.

### ➤ **Property, plant and equipment**

Tangible assets are valued :

- At their acquisition cost for assets acquired in return for payment,
- At their production cost for assets produced by the company,
- At their market value for assets acquired free of charge or via exchange.

The cost of an asset is made up of its acquisition price, including any unrecoverable customs duties and taxes, after deducting any reductions, commercial discounts and payment rebates stemming from the costs directly attributable to setting up the asset and its use for its intended function.

Transfer rights, fees and commissions and legal fees linked to the acquisition, are included in the acquisition cost.

All cost which are not part of the acquisition price of an asset and which cannot be linked directly to the costs incurred to set up the asset and ensure its use for its intended purpose, are booked as expenses.

Amortization for depreciation are calculated on a straight line basis in line with the useful life of the asset.

- |                                     |                   |
|-------------------------------------|-------------------|
| • General equipment and furnishings | 5 years           |
| • Furniture and office equipment    | from 1 à 10 years |
| • Assets under construction         | Non-amortizable   |

### ➤ **Long-term financial investments**

The gross value is made up of the acquisition cost excluding ancillary expenses. When the carrying value is lower than the gross value, an impairment is booked to cover the difference.

### ➤ **Inventories**

Inventories are valued using the weighted average method.

Depreciation is applied when carrying value is lower than the book value.

In particular, this depreciation is assessed by taking account of the age of the products and sales statistics.

Among other things, this means that products dating from less than one year are not depreciated, and that a depreciation rate is considered on other products according to defined depreciation tables.

The gross value of the goods includes the purchase price and the costs associated with transporting the goods.

➤ **Trade and other receivables**

Receivables are measured at their nominal value. Depreciation is applied when the carrying value is lower than the book value.

➤ **Foreign currency transactions**

Income and expenses denominated in foreign currencies are recognized on the balance sheet at their exchange value at the transaction date. Debt, receivables, cash & cash equivalents denominated in foreign currencies are recognized on the balance sheet at their exchange value using the closing rate for the period.

➤ **Deferred tax assets**

Income taxes include current tax and deferred taxes.

Deferred tax assets are determined, using the liability method, based on temporary differences between the tax base and the accounting base for assets and liabilities. They are treated in accordance with the extended framework which was made obligatory by regulation ANC 2020-01.

Non-meaningful restatements of deferred tax assets have not been taken into consideration..

➤ **Turnover**

The Group's turnover comes mainly from the sale of air/water heat pumps and air/air heat pumps.

The turnover is recognized when the transfer of ownership is carried out, depending on the FOB (Free on board) incoterms for export and DPU (Delivered at destination) in mainland France.

➤ **Provisions for contingencies and charges**

Provisions for risks and charges are assessed in such a way as to cover disputes, contentious matters, guarantee commitments and risks, linked to the normal course of the Company's operations, likely to result in a probable outflow of resources, without equivalent compensation.

These provisions correspond to the most probable amounts that the company is likely to have to pay.

➤ **Provision for pension and obligations**

Pension commitments and retirement benefits are assessed on an actuarial basis based on the annual remuneration of personnel, seniority and a turn-over coefficient, which varies in line with the employee's age.

Pension commitments and retirement benefits are assessed on an actuarial basis based on the annual remuneration of personnel, seniority and a turn-over coefficient, which varies in line with the employee's age.

Pension commitments are calculated taking account of :

- An annual discount rate of 3.2%
- Average annual wages changes of between 2% and 3.5% depending on categories
- An average personnel turn-over rate between 1% and 12% depending on age and professional category
- The INSEE mortality table
- Employer costs of 52% for executives and of 45% for non-executive staff

Given the significant change in the discount rate since 2019, and the impact on the amount of the provision, the corridor method is applied in the interests of coherence.

➤ **Exceptional charges and income**

Exceptional expenses and income consist of few, unusual, significant, abnormal and infrequent income and expenses which cannot be considered as inherent to current activity.

## B - NOTES RELATIVES TO CERTAINS STATEMENT OF FINANCIAL POSITION ITEMS

### NOTE 1 – INTANGIBLE ASSETS AND AMORTIZATION-DEPRECIATION

➤ Changes in the gross values of intangible assets are presented as follows (in Euros) :

Nature	31/12/2022	Increase	Decrease	31/12/2023
Concessions, licences, software and patents	1 351 359	440 987		1 792 345
Goodwill	500 000			500 000
Brands	3 525 000			3 525 000
<b>Total gross amounts</b>	<b>5 376 359</b>	<b>440 987</b>	<b>0</b>	<b>5 817 345</b>

➤ Changes to amortization – depreciation of intangible assets are presented as follows (in Euros) :

Nature	31/12/2022	Increase	Decrease	31/12/2023
Concessions, licences, software and patents	985 418	256 332		1 241 750
<b>Total depreciation and amortisation</b>	<b>985 418</b>	<b>256 332</b>	<b>0</b>	<b>1 241 750</b>

### NOTE 2 – TANGIBLE ASSETS AND AMOTIZATION- DÉPRÉCIATION

➤ The gross value of tangible assets are presented as follows (in Euros) :

Gross Value	31/12/2022	Increase	Decrease	31/12/2023
Industrial equipments		23 540		23 540
Fixtures and fittings	905 300	671 927	8 338	1 568 889
Vehicle		7 500		7 500
Equipment and office furniture	281 424	201 618	27 129	455 913
Assets under construction	18 800	20 260		39 060
<b>Total gross amount</b>	<b>1 205 524</b>	<b>924 845</b>	<b>35 467</b>	<b>2 094 902</b>

➤ Changes to depreciation and amortization of tangible assets are presented as follows (in Euros) :

Depreciation and amortisation	31/12/2022	Increase	Decrease	31/12/2023
Industrial equipments		3 248		3 248
Fixtures and fittings	371 365	152 099		523 465
Vehicle		403		403
Equipment and office furniture	147 812	52 859	27 129	173 542
Assets under construction				
<b>Total depreciation and amortisation</b>	<b>519 178</b>	<b>208 609</b>	<b>27 129</b>	<b>700 658</b>

### **NOTE 3 – FINANCIAL FIXED ASSETS**

At 31 December 2023, financial fixed assets break down as follows :

	31/12/2022	Increase	Decrease	31/12/2023
Guarantees and sureties	1 239 298	1 025 756	795 132	1 469 922
<b>Net financial non-current assets</b>	<b>1 239 298</b>	<b>1 025 756</b>	<b>795 132</b>	<b>1 469 922</b>

### **NOTE 4 – TRADE RECEIVABLES**

Gross value	31/12/2023	31/12/2022	Variations
Trade receivables	18 456 916	14 086 485	-4 370 431
Customer on-payments			
Invoices to issue			
Depreciation	-269 258	-195 783	73 475
<b>TOTAL</b>	<b>18 187 658</b>	<b>13 890 702</b>	<b>-4 296 956</b>

The amount of receivables transferred which have not matured at 31 December 2023 stood at €7,446,990.

## **NOTE 5 – OTHER RECEIVABLES AND ADJUSTMENT ACCOUNTS**

The breakdown of other current assets is as follows :

	at less than one year	at more than one year	Total
Supplier debt	686 984		686 984
Personnel and related accounts	3 039		3 039
Government - VAT	424 193		424 193
Deferred tax assets	381 383		381 383
Other debtors	946		946
Factoring	1 312 597		1 312 597
Prepaid expenses	269 694		269 694
Translation differences, assets	1 814		1 814
<b>TOTAL</b>	<b>3 080 649</b>	<b>0</b>	<b>3 080 649</b>

The deferred tax asset is calculated on the basis of a tax rate of :

- 25 % in France

## **NOTE 6 – CASH AND CASH EQUIVALENTS**

Cash and cash equivalents items break down as follows :

	31/12/2023	31/12/2022
Treasury stock	321 323	46 323
Term bank deposit	2 000 000	
Bank accounts	1 141 889	2 014 583
Fund	7 721	8 755

## **NOTE 7 – EQUITY GROUPE SHARE**

### ➤ **Share Capital**

The share capital of Group Airwell stands at 304 177.10 € following capital increase set out below :

- Capital increase of 1 315.80 € following the issue of 26 316 free shares.
- Capital increase of 60 500 € via the issuance of 1 210 000 new shares at a value of 6 050 000 € that is a premium of 5 989 500 €.

Share movements	Number of shares	By Value	Share capital
Shares at start of year	4 847 226	0,05	242 361
Change in par value			
Capital increase	1 236 316	0,05	61 816
Shares redeemed or cancelled			
<b>Shares at year-end</b>	<b>6 083 542</b>	<b>0</b>	<b>304 177</b>

The Airwell Group holds 16 082 shares in treasury at an acquisition price of €46 323 . This treasury stock is booked as investment securities in the statement of financial position.



Changes to the share capital were as follows :

	Share capital	Consolidated reserves	Issue premium	Retained earnings	Consolidated reserves	Consolidated income	Translation differences	TOTAL
Share capital at 31/12/2021	217 361		667 044	-775 782	154 101	1 131 244	0	1 393 968
Allocation of 2021 earnings		13 306		232 800	885 138	-1 131 244		0
Capital increase	25 000		1 445 000					1 470 000
Result at 31/12/2022						1 042 882		1 042 882
Share capital at 31/12/2022	242 361	13 306	2 112 044	-542 982	1 039 239	1 042 882	0	3 906 850
Allocation of 2022 earnings		10 931		392 722	639 229	-1 042 882		0
Capital increase (net)	61 815		5 295 619					5 357 435
Result at 31/12/2023						1 430 945		1 430 945
Share capital at 31/12/2022	304 176	24 237	7 407 663	-150 260	1 678 468	1 430 945	0	10 695 230

Capital increase costs were up to 753K€

#### **NOTE 8 – MINORITY INTERESTS**

	31/12/2023	31/12/2022
Minority reserves	-41 081	-9 770
Dividends paid to minorities		
Changes in scope		
Other		
Minority income	-49 489	-31 311
Cash and cash equivalents	-90 570	-41 081

#### **NOTE 9 – GOODWILL**

➤ The changes of the gross value of goodwill presented as follows (in Euros) :

Companies concerned	31/12/2022	Increase	Decrease	31/12/2023
AIRWELL RESIDENTIAL SAS negative goodwill	-2 509 805		-302 690	-2 207 115
GROUPE AIRWELL Positive goodwill	500 000			500 000
AIRWELL INDUSTRIE negative goodwill		439 666	-222 233	-217 433
<b>TOTAL</b>	<b>-2 009 805</b>	<b>439 666</b>	<b>-524 923</b>	<b>-1 924 548</b>

As the goodwill amount of 3 026 900 € was negative, this was booked as a liability to the provisions for risk and contingencies item. The provision is reversed on a straight line basis over 10 years. The decrease of €302,690 corresponds to the provision reversal for the year.

The same applies to the goodwill relating to the company Airwell Industrie. However, the provision will be taken back depending on the rate of inventory consumption.

The goodwill of 500 k€ corresponds to the acquisition of the ongoing business by Group Airwell in 2016, related to the activity on the French market.

**NOTE 10 - PROVISIONS**

Provisions break down as follows :

	31/12/2022	Additions	Reversals	31/12/2023
After sales provisions	192 893	29 164		222 057
Retirement provision	364 239	74 621		438 860
Provision for risk	117 390	1 814	7 389	111 816
Goodwill	2 509 804	439 666	524 923	2 424 547
<b>TOTAL</b>	<b>3 184 326</b>	<b>545 265</b>	<b>532 312</b>	<b>3 197 280</b>

**NOTE 11 – BORROWING AND FINANCIAL BANK DEBT**

Borrowings and financial bank debt break down as follows :

	Due in less than 1 year	Due in 1 - 5 years	Due in over 5 years	Total
Bank borrowings	819 813	1 738 474	84 000	2 642 287
<b>Total borrowings and bank debt</b>	<b>819 813</b>	<b>1 738 474</b>	<b>84 000</b>	<b>2 642 287</b>

**NOTE 12 – BORROWINGS AND OTHER FINANCIAL DEBT**

Borrowings and other financial debt break down as follows:

	Due in less than 1 year	Due in 1 - 5 years	Due in over 5 years	Total
bond loan		5 000 000		5 000 000
<b>Total borrowings and financial debt</b>	<b>0</b>	<b>5 000 000</b>	<b>0</b>	<b>5 000 000</b>

Features of the bond loan :

- The amount of the bond loan is 5.000.000 € corresponding to 100 bonds at a unit value of 50.000 €
- Maturity date is 30 June 2028
- Interest rate is Euribor 3 months (capped at 3%) + 5.90 % annual

**NOTE 13 – OTHER DEBT**

Other debt breaks down as follows :

	<b>31/12/2023</b>	<b>31/12/2022</b>
Customer factors	9 695 856	10 502 471
Customer credit notes to issue	749 864	726 536
Trade receivables	4 829	
Other	407 125	282 969
Deferred tax liabilities	759 775	119 525
Advance payments		
Translation adjustments , liabilities	10 012	120 183
<b>Cash and cash equivalents</b>	<b>11 627 461</b>	<b>11 751 684</b>

## C - NOTES RELATIVES TO CERTAIN INCOME STATEMENT ITEMS

### **NOTE 14 – REVENUE BY TYPE :**

Revenue by type breaks down as follows :

<b>in €</b>	<b>31/12/2023</b>	<b>31/12/2022</b>
Sales of goods	64 351 769	55 244 836
Sales of production	1 167 939	
Provision of services	208 017	113 365
Other	599 155	1 528 489
Reductions, discounts and rebates	-1 289 838	-1 144 731
<b>Cash and cash equivalents</b>	<b>65 037 043</b>	<b>55 741 959</b>

Revenue by geographic region breaks down as follows :

<b>in €</b>	<b>31/12/2023</b>	<b>31/12/2022</b>
France	39 404 575	21 690 381
Outside France	25 632 468	34 051 578
<b>Cash and cash equivalents</b>	<b>65 037 043</b>	<b>55 741 959</b>

### **NOTE 15 – PURCHASES AND EXTERNAL SERVICES**

This item breaks down as follows :

<b>in €</b>	<b>31/12/2023</b>	<b>31/12/2022</b>
Purchases of goods and other	43 799 109	38 488 634
Outsourcing	2 300 494	1 980 387
Leases and lease charges	992 755	695 311
Maintenance and repair	535 568	507 430
Insurance	407 684	369 291
Fees and commissions	1 255 836	733 979
Publications, trade fairs, gifts, donations	1 667 362	1 033 025
Transport costs	832 796	1 987 955
Travel and reception costs	663 346	520 208
Telecommunication costs	111 483	116 255
Other	1 218 598	946 189
<b>TOTAL</b>	<b>53 785 031</b>	<b>47 378 663</b>

## **NOTE 16 – FINANCIAL RESULT**

The financial result breaks down as follows :

<b>in €</b>	<b>31/12/2023</b>	<b>31/12/2022</b>
Interests on borrowings	395 783	150 753
Late charges and others	119 485	14 567
Discounts	23 062	12 065
Foreign currency losses	18 371	69 502
Factoring	391 586	161 737
Provision for risks	1 813	7 389
Other expenses		
Other income	52 848	251
Reversals of provision for risk	7 389	
Foreign exchange gains	6 920	21 669
<b>TOTAL</b>	<b>-882 943</b>	<b>-394 093</b>

## **NOTE 17 – EXCEPTIONNEL RESULT**

The exceptional result mainly corresponds to operations relating to assets from the acquired business of the company AMZAIR. In fact, the group was forced to pay expenses prior to the takeover so as not to damage commercial relations with its suppliers

## **NOTE 18 – CORPORATE INCOME TAX**

<b>in €</b>	<b>31/12/2023</b>	<b>31/12/2022</b>
Corporate income tax	109 821	20 927
Tax credit		
Deferred tax	-701	390 014
<b>TOTAL</b>	<b>109 120</b>	<b>410 941</b>

The difference between the theoretical tax and the tax recorded in the accounts is as follows :

	<b>31/12/2023</b>
Net consolidated result (100%)	1 430 945
Reversal of provision for goodwill	524 923
Tax income (charge) recognized	- 196 574
<b>Net taxable result</b>	<b>1 102 596</b>
Rate income tax in France (%)	0
<b>Tax income (charge) theoretical</b>	<b>- 275 649</b>
Temporary shift	79 075
<b>Real Income tax accounted</b>	<b>- 196 574</b>

## **NOTE 19 – OFF BALANCE SHEET COMMITMENTS**

### Commitments given

As part of the bond loan granted by the lenders, the following security has been granted;  
Security trust covering 100% of the securities of the subsidiary Airwell Residential SAS (ARS) bearing the AIRWELL brand coupled with a pledge on the brand or a ban on pledging the assets of the subsidiary as security.

There is also a joint guarantee from Groupe Airwell for its subsidiary Airwell Residential in the amount of €3M, in favor of the Banque Européenne du Crédit Mutuel.

### Commitments received

Groupe Airwell has two stand by letter of credit with a total value of €1M, issued by the Palatine bank in favor of our supplier Hendgian Group DMEGC Magnetics Co.  
This commitment guarantees our supplier that the bank will assume Groupe Airwell's debts in case of default.

## **NOTE 20 – EARNING PER SHARE**

It is calculated based on the number of shares outstanding at 31 December 2023

At 31 December 2023, it amounted to 0.24 euros per share as indicated below

		At 31/12/2023	At 31/12/2022
Number of shares		6 083 542	4 847 226
Consolidated net income, group share	Total	1 430 945	1 042 882
Group Share	Per share	0.24 €	0.22 €

## **NOTE 21 – REMUNERATION OF EXECUTIVE OFFICERS**

This information is not provided as it would indirectly equate to providing information on individual remuneration.

## **NOTE 22 – GROUP HEADCOUNT**

The Group's average headcount stands at 107 employees and is broken down as follows :

Executives : 75.6  
Non-executives : 31.5

## **NOTE 23 – STATUTORY AUDITORS FEES**

The amount of statutory auditors fees for year 2023 stands at €73K.

#### **NOTE 24 – QUOTA D'ÉMISSION DE GAZ**

La société n'est pas encore pleinement en mesure de quantifier les effets d'émission de gaz à effet de serre mais, comme anticipé, une démarche RSE a bien été initiée sur l'année 2022. Un premier diagnostic a été formalisé par une société externe et les recommandations prises en comptes. En outre, en 2023, Groupe Airwell a réalisé un premier bilan carbone avec une société spécialisée.

Par ailleurs, en 2023, Groupe Airwell a mis en place diverses actions afin de lutter contre le réchauffement climatique, avec l'installation notamment et entre autres, de nouvelles bornes de recharge pour les véhicules hybrides et électriques, largement utilisés par les salariés.

The company is not yet fully able to quantify the effects of greenhouse gas emissions but, as anticipated, an ESG approach has been initiated in 2022. A first diagnosis was formalized by a company external and the recommendations taken into account. In addition, in 2023, Airwell Group carried out a first carbon assessment with a specialized company.

Furthermore, in 2023, Airwell Group has implemented various actions to combat global warming, with the installation in particular and among others, of new charging stations for hybrid and electric vehicles, widely used by employees.

#### **NOTE 24 – PARTIES LIEES**

These are significant transactions carried out with related parties and which were not concluded under normal market conditions.

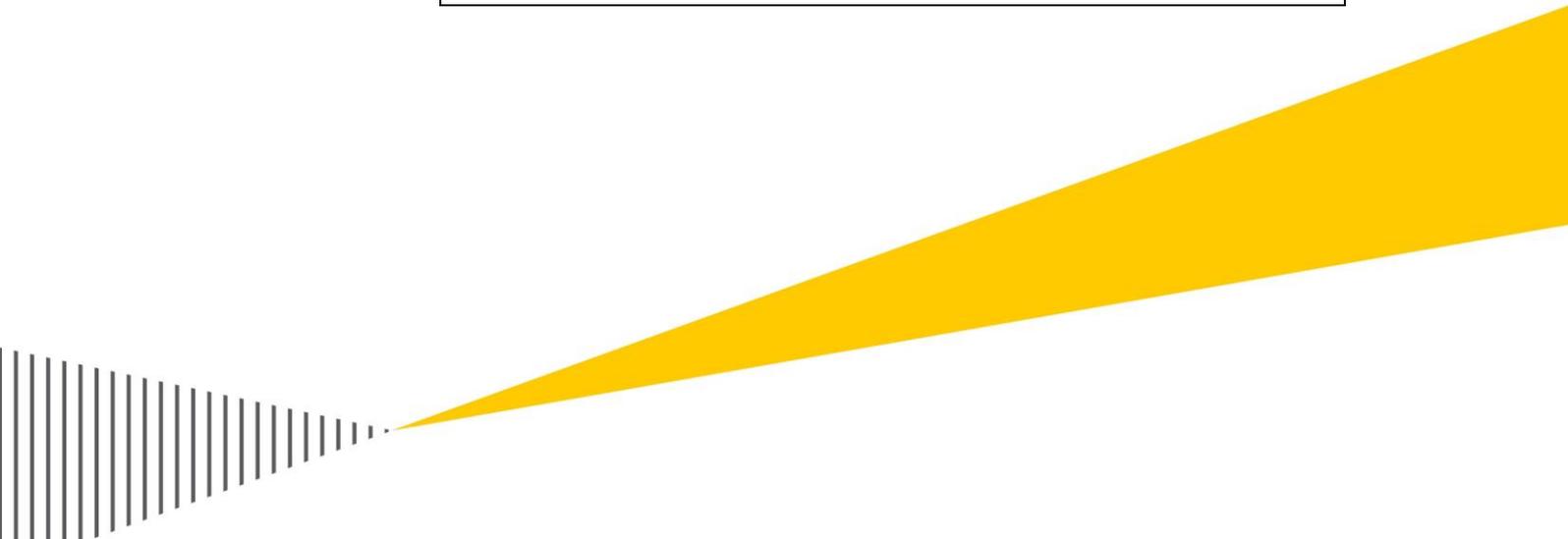
This obligation is imposed by article R. 233-14-19° of the commercial code “The list of transactions carried out with related parties, within the meaning of article R. 123-199-1, by the consolidating company, a company or entity included in the consolidation scope. This list is established for transactions which are not internal to the consolidated group, which are of significant importance and have not been concluded under normal market conditions. The terms of preparation of this list are specified by a regulation of the Accounting Regulation Committee. »

Transactions with related parties were concluded under normal market conditions or are not significant.

**C. STATUTORY AUDITOR'S REPORT ON  
THE CONSOLIDATED FINANCIAL  
STATEMENTS AND STATUTORY  
AUDITOR'S REPORT ON THE  
FINANCIAL STATEMENTS FOR YEAR  
ENDED 31 DECEMBER 2023**



*This is a translation into English of a report issued in French and it is provided solely for the convenience of English-speaking users.  
This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.*



## **Groupe Airwell**

Year ended December 31, 2023

**Statutory auditor's report on the consolidated financial statements**

ERNST & YOUNG et Autres



## Groupe Airwell

Year ended December 31, 2023

### Statutory auditor's report on the consolidated financial statements

To the Chairman and Chief Executive Officer,

#### Opinion

In our capacity as statutory auditor of Groupe Airwell and in connection with the preparation of Groupe Airwell's voluntary consolidated financial statements, we hereby report to you on the audit of the accompanying consolidated financial statements including a statement of financial position, an income statement and a statement of cash flows for the year ended December 31, 2023.

In our opinion, the consolidated financial statements present fairly, in all material respects, the assets, liabilities and financial position of the consolidated group and the results of its operations for the year then ended December 31, 2023, in accordance with the accounting rules and principles applicable in France.

#### Basis for Opinion

##### ■ Audit framework

We conducted our audit in accordance with professional standards applicable in France and the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to such engagement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are described in the *Statutory auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

##### ■ Independence

We conducted our audit in compliance with the independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics for statutory auditors (*Code de déontologie de la profession de commissaire aux comptes*).



## **Responsibilities of Management and those charged with governance for the consolidated financial statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the accounting rules and principles applicable in France, and for such internal control as Management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations.

These consolidated financial statements were prepared under the responsibility of the Management.

## **Statutory auditor's responsibilities for the audit of the consolidated financial statements**

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards applicable in France and the professional guidance issued by the French Institute of Statutory Auditors will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Our audit of the consolidated financial statements does not include assurance on the viability of your Company or the quality of management of the affairs of your Company.

As part of an audit conducted in accordance with professional standards applicable in France and the professional guidance issued by the French Institute of Statutory Auditors, the statutory auditor exercises professional judgement throughout the audit and furthermore:

- ▶ Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- ▶ Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the consolidated financial statements.



- ▶ Assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, to modify the opinion expressed therein.
- ▶ Evaluates the overall presentation of the consolidated financial statements and assesses whether these consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Obtains sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these financial statements.

This report is governed by French law. The courts of France shall have exclusive jurisdiction over any claim or dispute resulting from the engagement letter or this report or any related matters. Each party irrevocably waives its right to oppose any action being brought before French courts, to claim that the action is being brought before an illegitimate court or that the courts have no jurisdiction.

Paris-La Défense, April 19, 2024

The Statutory Auditor  
ERNST & YOUNG et Autres

Michel Azogui



*This is a translation into English of the statutory auditor's report on the financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.*

*This statutory auditor's report includes information required by French law, such as the verification of the management report and the other documents provided to the shareholders.*

*This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

## **Groupe Airwell**

Year ended December 31, 2023

### **Statutory auditor's report on the financial statements**

ERNST & YOUNG et Autres



## Groupe Airwell

Year ended December 31, 2023

### Statutory auditor's report on the financial statements

To the Annual General Meeting of Groupe Airwell,

#### Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying financial statements of Groupe Airwell for the year ended December 31, 2023.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2023 and of the results of its operations for the year then ended in accordance with French accounting principles.

#### Basis for Opinion

##### ■ Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

##### ■ Independence

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics for Statutory Auditors (*Code de déontologie de la profession de commissaire aux comptes*) for the period from January 1, 2023 to the date of our report.



## Justification of Assessments

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you that, in our professional judgment, the most significant assessments we made were related to the appropriateness of the accounting policies used, the reasonableness of the significant accounting estimates and to the overall presentation of the financial statements.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

## Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

### ■ Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors' management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D. 441-6 of the French Commercial Code (*Code de commerce*).

### ■ Information relating to corporate governance

We attest that the section of the Board of Directors' management report on corporate governance sets out the information required by Article L. 225-37-4 of the French Commercial Code (*Code de commerce*).

### ■ Other information

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

## Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The financial statements were approved by the Board of Directors.

## Statutory Auditor's Responsibilities for the Audit of the Financial Statements

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

As specified in Article L. 821-55 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- ▶ Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- ▶ Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the financial statements.
- ▶ Assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.





- ▶ Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Paris-La Défense, April 19, 2024

The Statutory Auditor  
*French original signed by*  
ERNST & YOUNG et Autres

Michel Azogui

**D. STATUTORY AUDITOR'S REPORT ON  
RELATED PARTY AGREEMENTS FOR  
YEAR ENDED 31 DECEMBER 2023**

*This is a translation into English of a report issued in French and it is provided solely for the convenience of English-speaking users.  
This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.*

## **Groupe Airwell**

Annual General Meeting held to approve the financial statements for the year ended December 31, 2023

### **Statutory auditor's report on related party agreements**



## Groupe Airwell

Annual General Meeting held to approve the financial statements for the year ended December 31, 2023

### Statutory auditor's report on related party agreements

To the Annual General Meeting of Groupe Airwell,

In our capacity as statutory auditor of your Company, we hereby present to you our report on related party agreements.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements indicated to us, or that we may have identified in the performance of our engagement, as well as the reasons justifying why they benefit the Company. We are not required to give our opinion as to whether they are beneficial or appropriate or to ascertain the existence of other agreements. It is your responsibility, in accordance with Article R. 225-31 of the French Commercial Code (*Code de commerce*), to assess the relevance of these agreements prior to their approval.

We are also required, where applicable, to inform you in accordance with Article R. 225-31 of the French Commercial Code (*Code de commerce*) of the continuation of the implementation, during the year ended December 31, 2023, of the agreements previously approved by the Annual General Meeting.

We performed those procedures which we deemed necessary in compliance with professional guidance issued by the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to this type of engagement.

### Agreements submitted for approval to the Annual General Meeting

We hereby inform you that we have not been notified of any agreements authorized during the year ended December 31, 2023 to be submitted to the annual general meeting for approval in accordance with Article L. 225-38 of the French Commercial Code (*Code de commerce*).



## Agreements previously approved by the Annual General Meeting

We hereby inform you that we have not been notified of any agreements previously approved by the Annual General Meeting, whose implementation continued during the year ended December 31, 2023

Paris-La Défense, April 19, 2024

The Statutory Auditor  
ERNST & YOUNG et Autres  
*French original signed by*

Michel Azogui