



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 2024**



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**A. MANAGEMENT REPORT FOR
ACTIVITIES FOR THE YEAR ENDED 31
DECEMBER 2024**

ANNUAL GENERAL MEETING OF SHAREHOLDERS DATED 24 JUNE 2025

MANAGEMENT REPORT ON ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2024

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 2024, 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

The year 2024 was marked by a very difficult economic climate for all players in the heat pump market, with a market in Europe which recorded a drop in sales of around 23% and close to 50% on the Air/Water ranges.

Groupe Airwell therefore exceptionally and for the first time shows a decline in its turnover compared to the previous year. (-22%).

Despite this context, several promising projects have emerged and are contributing to the development of society.

Among these, the launch of a development project in the Antilles, with two secondary establishments. The first, in Guadeloupe, already set up in 2023, and a second in Guyana, created in June 2024. Due to the delays required for installation and stock supply from June 2024, sales at these two establishments only really started in July 2024 and has shown encouraging beginnings.(2.9M€ turnover)

Furthermore, in February 2024, Groupe Airwell acquired a minority stake of 13.04% for €300,144 in Synerpod; an innovative start-up based in Nantes. This company, created in 2021, aims to scale up the energy renovation of collective and individual housing in energy poverty. This stake will contribute to the development of the Airwell Industrie subsidiary, a factory in Brest acquired by the Group in July 2023.

The Group also created two new subsidiaries during the period. The Airwell Italia subsidiary, to more easily ensure after-sales service in Italy, and the Leezy subsidiary, in May 2024, with the aim of increasing the group's presence in global renovation projects for individuals.

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

The 2024 financial year was marked by the following numerous legal and capital decisions:

I.1-b.1. On 17 April 2024, 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 2023 ;
- Examination and closing of the consolidated financial statements for the financial year ending 31 December 2023 ;
- 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 ;
- Various questions ;

I.1-b.2. The shareholders of the Company met at the ordinary General Meeting of Shareholders of 24 June 2024 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 2023 ;
- 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 ending 31 December 2023 and discharge to the directors ;
- Approval of the consolidated financial statement 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 seq of the French Commercial Code ;
- Renewal of the mandates of the Board of Directors ;
- Determination of 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 on its own shares;

On an extraordinary basis :

- Delegation of authority granted to the Board of Directors for the purpose of increasing the share capital by issuing ordinary shares and any other securities giving, immediately and/or in a deferred manner, access to the capital or giving the right to the allocation of debt securities of the Company, with removal of the preferential subscription right of shareholders in favor of a category of institutional investors
- Delegation of authority granted to the Board of Directors for the purpose of increasing the share capital by issuing ordinary shares and any other securities giving, immediately and/or in a deferred manner, access to the capital or giving the right to the allocation of debt securities of the Company, with removal of the preferential subscription right of shareholders in favor of one or more categories of persons;
- Delegation of authority granted to the Board of Directors for the purpose of increasing the share capital by issuing ordinary shares and any other securities giving, immediately and/or in a deferred manner, access to the capital or giving the right to the allocation of debt securities of the Company, with removal of the shareholders' preferential subscription right in favor 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 the removal of the shareholders' preferential subscription right in favor of the latter;

On an ordinary basis :

- Power to complete formalities.

I.1-b.3. On 28 June 2024, the Board of Directors of the Company made the following decisions :

- Renewal of the mandate of the Chairman of the Board of Directors of the Company ;
- Renewal of the mandate of the General Manager ;
- Distribution of Directors' remuneration ;
- Power to complete formalities.

I.1-b.4. On 18 October 2024, the Board of Directors of the Company made the following decisions :

- Presentation of the 2024 et 2025 forecasts ;
- Focus on Strategic Projects :
- Digital environment under development (Air Home / Air Master / Air Nest) ;
 - o AIRWELL Industrie : Grant application submitted / currently negotiating for a global financing (BPI, region, banks), opportunity to take over a factory in Nantes and development of the project ;
 - o LEEZY : Team building and finalization of certification subjects, first commercial actions, action plan ;
 - o AIRWELL Antilles : Opening of a partnership in Martinique, update on the situation in other areas
- Financial situation of the Group, search for financing, supplier bonuses, destocking operation ;
- Overall analysis of the Group's organization, review of needs in each department and talks about restructuration ;
- Various questions diversifies ; and
- Power to complete formalities.

I.1-b.5. On 19 December 2024, the Board of Directors of the Company made the following decisions :

- 2025 budget review and approval ;
- Power to complete formalities.
- Various questions ;
- Powers.

I.3- Research and development activities and external growth

During 2024, 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 400K€.

In addition, the Airwell Group has also invested in the development of an autonomous solar cold room, the expenditure of which amounted to €356K for the year 2024.

The total amount allocated in 2024 in research and development activities is 756K€.

I.4- Anticipated development and outlook

The year 2024 was an exceptionally difficult year for all market players, and the Airwell Group was also impacted. In 2025, the Group anticipates continued activity to be strained in the first half of the year, but a rebound is expected in the second half. In addition, new activities and subsidiaries (Les Antilles, Leezy, and Airwell Industrie) will also make their contribution, and the Airwell Group is thus expected to return to positive results.

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

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

The company obtained a €400,000 loan from Société Générale to finance its development.

As part of the development of a digital component associated with the design by the subsidiary Airwell Industrie of an innovative heat pump with low global warming potential, a grant of €521,973 was obtained, along with a repayable advance of €347,982, for a total financing of €869,955 for Groupe Airwell SA. An equivalent amount was also granted to the subsidiary Airwell Industrie for the development of the heat pump. The total aid for the Group thus amounts to €1,706,786.

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

None.

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

None.

II - PRÉSENTATION 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 2024, the company reported the following results:

- Revenue amounting to €48,866,394 versus €63,537,137 for the previous year ;
- Total operating income of €50,001,777 versus €63,686,239 for the previous year ;
- Operating expenses of €50,839,104 versus €62,245,338 for the previous year ;
- Operating income amounted to €-837,326 versus €1,440,900 for the previous year ;

Owing to a financial expense of €953,889 (versus a financial expense of €858,370 for the previous year) and exceptional expenses of €23,007 (versus €63,997€ for the previous year), the result for the year ended with a loss of €1,803,483 (versus income of €411,538 for the previous year).

At 31 December 2024, the Company's balance sheet total stood at €47,809,085, versus €47,749,910 for the previous year.

Lastly, we note that the Company's share capital is positive to the extent of €7,498,511 at 31 December 2024.

II.1.b – Consolidated numbers for the year to 31 December 2024

The consolidated numbers for the year to 31 December 2024 were drawn up in accordance with the presentation and valuation rules provided for 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 2024, the Company reported the following results:

- Revenue amounting to 50 632 372€
- Total operating income amounting to 52 257 381€
- Operating income negativ of 1 419 228€
- Net consolidated income negativ of 1 708 444€

Lastly, we note that the Company's share capital is positive to the extent of €8,900,736 at 31 December 2024.

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:

	2024	2023	2022	2021	2020	2019
I. - Financial situation at year-end						
a) Share Capital.	304 177,10	304 177,10	242 361,30	217 361,30	200 000,00	200 000,00
b) Number of shares issued.	6 083 542	6 083 542	4 847 226	4 347 226	20 000	20 000
II. - Comprehensive income from business activities						
a) Revenue excluding tax.	48 866 394	63 537 137	55 442 665	18 440 490	15 325 999	15 171 290
b) Earning before tax, amortization and provisions.	506 436	2 802 777	1 388 730	744 952	274 685	-40 079
c) Income tax.	-10 740	106995	37 470	0	0	0
d) Profit (loss) after tax, amortization and provisions.	-1 803 483	411538	403 653	246 105	81 932	23 096
e) Amount of dividend pay out.	Néant	Néant	Néant	Néant	Néant	Néant
III. - Income from operations per share						
a) Earning after tax but before amortization and provisions						
b) Earning after tax, amortization and provisions.						
c) Dividend pay out per share						
IV. - Personnel						
a) Headcount	84,69	71	68	40	38	32
b) Total payroll costs	5 059 059	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...)	2 381 596	2317141	2079448	1 016 960	747 602	653 958

II.2- Presentation methodology of annual statements

The financial statements for the year ended 31 December 2024 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 €129,290.

II.4 - Proposal of allocation of earnings

We propose to allocate the earnings from fiscal year 2024, amounting to €-1,803,483, to retained earnings for €-1,803,483.

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

Subsidiaries and investment are listed as below:

Airwell Academy SAS, share capital 500€, 80% owned
Airwell Industrie SAS, share capital 500 000€, 100% owned
Airwell Italia SRL, share capital 10 000€, 100% owned
Leezy SA, share capital 100 000€, 100% owned
Synerpod, share capital 21 000€, 13.04% owned

In addition, since 2023, the shares of Airwell Residential, amounting to €2,500,000, have been held in trust. A Trust Agreement was in fact entered into for the benefit of Delta Alternative Management, as security for a bond issue issued by the Airwell Group and subscribed by the “France Economie Réelle” fund. The purpose of the Trust Agreement is to transfer to the trustee Delta Alternative Management, ownership of the trust assets as security for the full payment and repayment of the guaranteed debts. This security is constituted by the transfer of full ownership of the trust assets by the settlor to the trustee who will hold them in the trust estate for the benefit of the beneficiary.

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 2024, 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 GOUVERNANCE 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:

Director	Mandate within the company	Mandate or function exercised in another company	Company name
Laurent ROEGEL	Chairman and Chief Executive Officer	Chairman	MARVIK HOLDING
Laurent ROEGEL	Chairman and Chief Executive Officer	Co-Manager	SCI ROMA
Laurent ROEGEL	Chairman and Chief Executive Officer	Co-Manager	SCI ROEGEL & ASSOCIES
Anne-Laurence IMBERT	Director		
Philippe CORMIER	Director		
Stéphanie LE BEUZE	Director	Indépendant Director	Hypay, BioUV
		Chairman	Naxos Capital 3, Naxos Capital 4, Loulea, ProOrca Group Reseelient
		Manager	Fédération Participations

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

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.
- The General Meeting of June 26, 2024 decided to renew the mandates of Mrs. Anne-Laurence IMBERT, Mr. Philippe CORMIER, Mr. Laurent ROEGEL, as directors for a period of three (3) years which will end at the end of the General Meeting to be held in the year 2027 and called to rule on the accounts for the financial year ending December 31, 2026.
- The Board of Directors of June 28, 2024 decided to renew the mandate of Mr. Laurent ROEGEL as (i) Chairman of the Board of Directors and (ii) Chief Executive Officer for the duration of his mandate as director, i.e. for a period of three (3) years which will end at the end of the General Meeting to be held in the year 2027 and called to rule on the accounts for the financial year ending December 31, 2026.

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

- increase the share capital by issuing ordinary shares and any other securities giving, immediately and/or in a deferred manner, access to the capital or giving the right to the allocation of debt securities of the Company, with cancellation of the shareholders' preferential subscription right and within the framework 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 the share capital increases that may be carried out, immediately and/or in a deferred manner, by virtue of this delegation, may not exceed a total nominal amount of three hundred thousand euros (€300,000).
- increase the share capital by issuing ordinary shares and any other securities giving, immediately and/or in a deferred manner, access to the capital or giving the right to the allocation of debt securities of the Company, with cancellation of the shareholders' preferential subscription right and within the framework 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 the share capital increases that may be carried out, immediately and/or in a deferred manner, by virtue of 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 in a deferred manner, access to the capital or giving the right to the allocation of debt securities of the Company, while maintaining the shareholders' preferential subscription right; The maximum nominal amount of the share capital increases that may be carried out, immediately and/or in a deferred manner, by virtue of this delegation, may not exceed a total nominal amount of three hundred thousand euros (€300,000).
- increase the number of securities to be issued, within the framework of issues carried out with maintenance or removal of shareholders' preferential subscription rights, within the limit of 15% of the initial issue in the event of excess demand
- issue and allocate "BSA 2023" share subscription warrants, with the removal of shareholders' preferential subscription rights for the benefit of categories of persons. The maximum amount of BSA 2023 to be issued, pursuant to this delegation, may not exceed 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.

During the combined general meeting on June 24, 2024, the board of directors was empowered to :

- increase the share capital by issuing ordinary shares and any other securities giving, immediately and/or in a deferred manner, access to the capital or giving the right to the allocation of debt securities of the Company, with the cancellation of the shareholders' preferential subscription right in favor of a category of institutional investors. The maximum nominal amount of the share capital increases that may be carried out, immediately and/or in a deferred manner, by virtue of this delegation, may not exceed a total nominal amount of three hundred thousand euros (€300,000).

- increase the share capital by issuing ordinary shares and any other securities giving, immediately and/or in a deferred manner, access to the capital or giving the right to the allocation of debt securities of the Company, with the cancellation of the shareholders' preferential subscription right in favor of one or more categories of persons. The maximum nominal amount of the share capital increases that may be carried out, immediately and/or in a deferred manner, by virtue of this delegation, may not exceed a total nominal amount of three hundred thousand euros (€300,000).
- increase the share capital by issuing ordinary shares and any other securities giving, immediately and/or in a deferred manner, access to the capital or giving the right to the allocation of debt securities of the Company, with the cancellation of the shareholders' preferential subscription right in favor of the Company's creditors. The maximum nominal amount of the share capital increases that may be carried out, immediately and/or in a deferred manner, by virtue of this delegation, may not exceed a total nominal amount of three hundred thousand euros (€300,000) euros
- issue ordinary shares as part of an issue reserved for employees who are members of a company savings plan, with the shareholders' preferential subscription rights waived in favor of the latter. The maximum nominal amount of shares that 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 2024 of payables (incl. VAT) to suppliers by due date

Debts in €	Not due	0 - 29 days	30 – 59 days	60 - 89 days	> 90 days	Balance at 31.12.2024
French suppliers	702 313	855 711	804 305	397 500	482 597	3 242 426
Foreign suppliers	4 538 898	95 457	27 064	404 646	44 161	5 110 226
Interco suppliers	1 045 088	358 549	958 132	2 830 467	3 176 191	8 368 427
Total incl VAT	6 286 299	1 309 717	1 789 501	3 632 613	3 702 949	16 721 079
% of total debts incl VAT	37.6%	7.8%	10,7%	21,7%	22.1%	100%
No. of invoices	147	119	110	104	266	746

Balance at 31 December 2024 of trade receivables (incl. VAT) by due date

Receivables in €	Not due	0 - 29 days	30 – 59 days	60 - 89 days	> 90 days	Balance at 31.12.2024
French creditors	4 308 649	731 460	145 082	160 546	23 433	5 369 170
Foreign creditors	5 470 105	469 609	808 441	536 547	766 194	8 050 896
Interco creditors	477 665	30 920	0	4 132	0	512 717
Total incl VAT	10 256 419	1 231 989	953 523	701 225	789 627	13 932 783
% of total receivables incl VAT	73.6%	8.8%	6,8%	5%	5.7%	100%
No. Of invoices	680	239	110	44	56	1129

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 **24 June 2025 at 2.30 p.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 2024;
- Reading of the special report of the Auditor on the agreements referred to in Article L. 225-38 et 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 2024 and discharge of the directors;
- Approval of the consolidated financial statements for the year ended 31 December 2024;
- 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;
- 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 :

- Authorization granted to the Board of Directors to reduce the share capital by canceling treasury shares following the implementation of the Company's share buyback program;

- Delegation of authority granted to the Board of Directors for the purpose of increasing the share capital by issuing ordinary shares and any other securities giving, immediately and/or in a deferred manner, access to the capital or giving the right to the allocation of debt securities of the Company, with removal of the shareholders' preferential subscription right and within the framework of a public offering other than those referred to in Article L. 411-2 of the Monetary and Financial Code;
- Delegation of authority granted to the Board of Directors for the purpose of increasing the share capital by issuing ordinary shares and any other securities giving, immediately and/or in a deferred manner, access to the capital or giving the right to the allocation of debt securities of the Company, with removal of the shareholders' preferential subscription right and within the framework of a public offering referred to in 1° of Article L. 411-2 of the Monetary and Financial Code (private placement);
- Delegation of authority granted to the Board of Directors for the purpose of increasing the share capital by issuing ordinary shares and any other securities giving, immediately and/or in a deferred manner, access to the capital or giving the right to the allocation of debt securities of the Company, with removal of the preferential subscription right of shareholders in favor of a category of institutional investors;
- Delegation of authority granted to the Board of Directors for the purpose of increasing the share capital by issuing ordinary shares and any other securities giving, immediately and/or in a deferred manner, access to the capital or giving the right to the allocation of debt securities of the Company, with removal of the preferential subscription right of shareholders in favor of one or more categories of persons;
- Delegation of authority granted to the Board of Directors for the purpose of increasing the share capital by issuing ordinary shares and any other securities giving, immediately and/or in a deferred manner, access to the capital or giving the right to the allocation of debt securities of the Company, with the removal of the shareholders' preferential subscription right in favor of the Company's creditors;
- Delegation of authority granted to the Board of Directors for the purpose of increasing the share capital by issuing ordinary shares and any other securities giving, immediately and/or in a deferred manner, access to the capital or giving the right to the allocation of debt securities of the Company, with maintenance of the shareholders' preferential subscription right;
- Delegation of authority granted to the Board of Directors to increase the number of securities to be issued, within the framework of issues carried out with maintenance or removal of the shareholders' preferential subscription right, within the limit of 15% of the initial issue in the event of excess demand;
- 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 the removal of the shareholders' preferential subscription right in favor of the latter;
- Amendment of Article 15 "Deliberations of the Board of Directors" of the statutes in order to relax the terms of participation in meetings of the Board of Directors by written consultation;

On an ordinary basis :

- Power to carry out formalities.

A special report on the extraordinary part will also be presented

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

Le Président du Conseil d'administration
M. Laurent ROEGEL



**B. CONSOLIDATED FINANCIAL
STATEMENTS FOR YEAR ENDED 31
DECEMBER 2024**

GROUPE AIRWELL

10 rue du Fort de Saint Cyr
78180 Montigny le Bretonneux

CONSOLIDATED FINANCIAL STATEMENT

FOR YEAR ENDED A 31 DECEMBER 2024

I – CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS	31/12/2024	31/12/2023
In Euros		
Uncalled subscribed capital		
Intangible assets	4 929 867	4 575 597
<i>of which Goodwill</i>	500 000	500 000
Property, plant and equipment	1 476 683	1 394 244
Equity-accounted securities		
Long-term financial investments	1 305 790	1 469 922
Fixed assets	7 712 340	7 439 763
Inventories and work in progress	17 279 820	15 244 532
Trade receivables	14 006 246	18 187 658
Other receivables and accruals	5 373 333	3 080 649
Marketable securities		
Cash and cash equivalents	1 869 577	3 470 933
Current assets	38 528 975	39 983 772
Total assets	46 241 315	47 423 534

LIABILITIES	31/12/2024	31/12/2023
In Euros		
Share capital	304 177	304 177
Share premium account	7 435 663	7 407 663
Legal reserve	30 417	24 237
Other reserves		
Retained earnings	255 098	-150 259
Group reserves	2 583 825	1 678 468
Consolidated income	-1 708 444	1 430 945
Shareholders' equity (group share)	8 900 736	10 695 230
Translation differences		
Minority interets	0	-90 570
Provisions for risk and expenses	3 345 300	3 197 280
Loans and debts with credit institutions	2 333 318	2 642 287
Borrowings and financial liabilities	5 000 000	5 000 000
Trade payables	12 926 019	11 996 607
Tax and social security liabilities	2 456 583	2 355 238
Other liabilities and accruals	11 279 359	11 627 461
Debts	33 995 279	33 621 594
TOTAL	46 241 315	47 423 534

II – CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Consolidated Statement of Income	31/12/2024	31/12/2023
In Euros		
Sales of goods	48 667 059	63 078 216
Production sold of goods	1 193 798	1 167 939
Production sold of services	771 515	790 887
REVENUE	50 632 372	65 037 043
Stocked production		
Write-back of depreciation, provisions, transfer	700 064	111 283
Other operating income	924 945	285 956
Total income	52 257 381	65 434 282
Purchases of goods and other	35 186 194	41 814 693
Change in stock	-2 747 235	1 961 258
Other purchases and external expenses	10 585 400	10 009 080
Taxes other than on income	322 343	220 510
Payroll costs	9 133 918	8 007 623
Other Operating expenses	281 919	186 605
Depreciation, amortisation and provisions	1 573 048	996 713
Operating Expenses	54 335 587	63 196 481
Operating income before depreciation, amortisation and impairment of goodwill	-2 078 206	2 237 800
Depreciation, amortisation and impairment of goodwill	-658 979	-524 923
Operating income after depreciation, amortisation and impairment of goodwill	-1 419 228	2 762 724
Financial income	53 152	67 159
Financial expenses	1 074 905	950 102
Financial income	-1 021 753	-882 943
Current income of integrated companies	-2 440 981	1 879 781
Non-recurring income	55 739	34 534
Non-recurring expenses	-17 961	336 285
Non-recurring income	73 700	-301 751
Corporate income tax	-658 838	196 575
Net income of integrated companies	-1 708 444	1 381 456
Share of income of associates		
Net consolidated income	-1 708 444	1 381 456
Minority interests	0	-49 489
Attributable net income (Group share)	-1 708 444	1 430 945

III – CASH FLOW STATEMENT

	31/12/2024	31/12/2023
CASH FLOW FROM OPERATING ACTIVITIES		
Net income of integrated companies	(1 708 444)	1 381 456
<i>Elimination of non-cash or non-operational income and expenses</i>		
Amortisation and provisions (net)	549 300	199 259
Change in deferred taxes	(630 892)	640 251
(Gain) / loss on disposal		
Other calculated income and expense		
Cash flow from operating activities of integrated companies	(1 790 036)	2 220 965
Dividends from associates		
Change in operating receivables	2 336 436	(1 764 679)
Change in stocks and work in progress	(2 375 826)	(2 755 723)
Change in operating liabilities	1 442 430	(3 824 459)
Change in operating working capital	1 403 040	(8 344 860)
Net cash flow operating activities	(386 996)	(6 123 895)
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisitions of tangible and intangible assets	(1 114 693)	(1 305 828)
Disposals or decreases in tangible and intangible assets	40 652	25 467
Change in financial assets	164 131	(230 623)
Impact of changes in scope of consolidation		(120 000)
Net cash flow from investing activities	(909 910)	(1 630 985)
CASH FLOW FROM FINANCING ACTIVITIES		
Capital increase in cash		5 357 435
Issuance of warrants	28 000	
Dividends paid to the parent company's shareholders		
Bonds issued	400 000	5 111 250
Loan repayments	(708 971)	(1 312 532)
Net cash flow from financing activities	(304 451)	9 156 154
CHANGE IN CASH FLOW	(1 601 357)	1 401 274

NOTES TO THE ANNUAL CONSOLIDATED FINANCIAL STATEMENTS

Founded in 1947 in France, Airwell is a leading French brand in the HVAC (Heating, Ventilation, and Air Conditioning) and thermal engineering sector for residential and commercial markets. In a market driven by the energy transition, the company aims to become one of the European leaders and a key global player in climate and thermal solutions tailored to user needs and usage patterns, with a 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 31 December 2024, consolidated net profit group share of -1,708,444 €.

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 :

Company	Adress	Activity	% held	% stake	Consolidation method	Closing dates
GROUPE AIRWELL	10 rue du Fort de Saint Cyr 78180 Montigny le Bretonneux	Wholesaler	NA	NA	Parent company	December 31rst
AIRWELL RESIDENTIAL SAS	10 rue du Fort de Saint Cyr 78180 Montigny le Bretonneux	Wholesaler	100%	100%	Full consolidation	December 31rst
AIRWELL ACADEMY	10 rue du Fort de Saint Cyr 78180 Montigny le Bretonneux	Training	80%	80%	Full consolidation	December 31rst
AIRWELL INDUSTRIE	Zone de Penhoat 521 rue Gustave Eiffel 29860 Plabennec	Indsutry	100%	100%	Full consolidation	December 31rst
AIRWELL RESIDENTIAL DEUTSCHLAND GMBH	Dornhofstr.34 62263 Neu-Isenburg - Germany	Wholesaler	100%	100%	Full consolidation	December 31rst
LEEZY	10 rue du Fort de Saint Cyr 78180 Montigny le Bretonneux	Wholesaler	100%	100%	Full consolidation	December 31rst
ITALIA	Milano (MI) Via Manara Luciano 150420122	Wholesaler	100%	100%	Full consolidation	December 31rst

2. HIGHLIGHTS OF THE YEAR

The year 2024 was marked by extremely challenging economic conditions for all players in the heat pump market, with Europe experiencing an unprecedented drop in sales.

As a result, Groupe Airwell reported, exceptionally and for the first time, a decline in its revenue compared to the previous year (-20%).

Despite this context, several promising projects were launched and are contributing to the company's growth and transformation.

Among these is the launch of a development project in the French Caribbean, with two secondary establishments: the first in Guadeloupe, already set up in 2023, and the second in French Guiana, established in June 2024. Due to the time required for setup and stock provisioning starting in June 2024, commercial operations in these two locations only truly began in July 2024, showing encouraging initial results (€2.9 million in revenue).

In addition, in February 2024, Groupe Airwell acquired a minority stake of 13.04%, valued at €310,144, in the company Synerpod—an innovative startup based in Nantes. Founded in 2021, Synerpod aims to scale up energy-efficient renovations for both individual and collective housing affected by energy poverty. This investment will support the development of the Airwell Industrie subsidiary, a factory in Brest acquired by the Group in July 2023.

The Group also created two new subsidiaries during the period. The first, Airwell Italia, was established to better handle after-sales service in the Italian market. The second, Leezy, was created in May 2024 with the goal of strengthening the Group's presence in comprehensive home renovation projects for private individuals.

3. SUBSEQUENT EVENTS

The company secured a loan of €500,000 from Société Générale to support its development.

As part of the development of a digital module linked to the design—by the subsidiary Airwell Industrie—of an innovative heat pump with a low global warming potential, a grant of €521,973 was obtained, along with a repayable advance of €347,982, totaling €869,955 in funding for Groupe Airwell SA. An equivalent amount was also granted to the subsidiary Airwell Industrie for the development of the heat pump. The total support received by the Group thus amounts to €1,706,786.

4. ACCOUNTING AND CONSOLIDATION METHODS

➤ Going concern assumption

Despite a slowdown in activity in 2024 and a negative result, the going concern assumption is not called into question in light of the following:

- A significant growth in activity expected in 2025
- A new bank loan of €400,000 obtained in January 2025 and a €500,000 overdraft facility (not drawn as of 31/12/24)
- The receipt of the €1.7 million Ademe grant in 2025

➤ **Equity**

The share capital consists of 6,083,542 shares with a nominal value of €0.05.

The Group's equity as of December 31, 2024, amounts to €8,900,736, including a consolidated net loss attributable to the Group of €1,708,444.

➤ **Goodwill**

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.

- **ARS Acquisition**

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 negative goodwill was increased by €680,000 following an error correction.

The value of the negative goodwill recorded under provisions for risks and charges amounts to €2,332,000 as of December 31, 2024

- **AMZAIR INDUSTRIE Acquisition by AIRWELL 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, 2024, the recovery amounts to 104K €.

The value of the negative goodwill recorded under provisions for risks and charges amounts to €113,000 as of December 31, 2024.

➤ **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.

A valuation difference had been determined for the Airwell brand.

This brand was valued at €3.5 million. The brand is not subject to amortization due to its indefinite useful life.

➤ **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

Amortization 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-amortizable

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

The fair value corresponds to the market value of the asset, which is determined by reference to recent similar transactions or to valuations made by independent experts.

Impairment tests on the brand, carried out as of December 31, 2024, based on a discount rate of 12.5% and a capitalization rate of 10.5%, did not reveal any impairment.

➤ **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.

The company periodically assesses the credit risk and the financial situation of its customers and makes provisions for potential losses on irrecoverable receivables

➤ **Foreign currency transactions**

Expenses and income in foreign currencies are recorded at their equivalent value on the transaction date. Liabilities, receivables, and cash in foreign currencies are presented on the balance sheet at their equivalent value at the year-end exchange rate.

➤ **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.

Carryforward tax losses are recognized as assets when there is a sufficient likelihood of future taxable profits to allow their utilization. This recognition results in the recording of a deferred tax asset, based on medium-term profit forecasts.

➤ **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 are calculated taking account of :

- An annual discount rate of 3.40%
- 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
- Social security contributions : 45% on the gross indemnity
- Retirement age considered : 64 years

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	31/12/2023	Increase	Decrease	31/12/2024
Concessions, licences, software and patents	1 792 345	714 339	29 360	2 477 324
Goodwill	500 000			500 000
Brands	3 525 000			3 525 000
Total gross amounts	5 817 345	714 339	29 360	6 502 324

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

Nature	31/12/2023	Increase	Decrease	31/12/2024
Concessions, licences, software and patents	1 241 750	342 010	11 302	1 572 458
Total depreciation and amortisation	1 241 750	342 010	11 302	1 572 458

NOTE 2 – TANGIBLE ASSETS AND AMOTIZATION- DÉPRÉCIATION

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

Gross Value	31/12/2023	Increase	Decrease	31/12/2024
Industrial equipments	23 540	16 352	770	39 122
Fixtures and fittings	1 568 889	73 779	12 888	1 629 780
Vehicle	7 500			7 500
Equipment and office furniture	455 913	366 465	20 275	802 103
Assets under construction	39 060		33 600	5 460
Total gross amount	2 094 902	456 596	67 534	2 483 964

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

Depreciation and amortisation	31/12/2023	Increase	Decrease	31/12/2024
Industrial equipments	3 248	7 494		10 742
Fixtures and fittings	523 465	223 469	43 746	703 188
Vehicle	403	1 500		1 903
Equipment and office furniture	173 542	120 524	2 617	291 449
Assets under construction				
Total depreciation and amortization	700 658	352 987	46 363	1 007 282

NOTE 3 – FINANCIAL FIXED ASSETS

At 31 December 2024, financial fixed assets break down as follows :

	31/12/2023	Increase	Decrease	31/12/2024
Non-consolidated equity investments		310 144		310 144
Guarantees and sureties	1 469 922	417 901	892 033	995 791
Net financial non-current assets	1 469 922	728 045	892 033	1 305 935

The increase in equity investments of €310,000 corresponds to the acquisition of a 13% stake in the company SYNERPROD.

NOTE 4 – INVENTORIES

As of December 31, 2024, the detail of inventories is as follows:

	31/12/2024	31/12/2023	Variations
Stock of raw materials	148 472	829 108	-82%
Stock of semi-finished goods	32 464		N/A
Stock of finished goods	16 979 264	12 068 778	41%
Stock on way	1 119 885	3 006 374	-63%
Raw Inventory	18 280 085	15 904 260	15%

Depreciation	-1 000 265	-659 727	52%
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Net Inventory	17 279 820	15 244 532	13%
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NOTE 5 – TRADE RECEIVABLES

Gross value	31/12/2024	31/12/2023	Variations
Trade receivables	14 359 173	18 456 916	4 097 743
Customer on-payments			
Invoices to issue			
Depreciation	-352 927	-269 258	83 669
TOTAL	14 006 246	18 187 658	4 181 412

The amount of receivables transferred which have not matured at 31 December 2024 stood at €8,096,177.

NOTE 6 – OTHER RECEIVABLES AND ADJUSTMENT ACCOUNTS

The breakdown of other current assets is as follows:

	31/12/2024	31/12/2023
Supplier debt	1 329 163	686 984
Personnel and related accounts	2 939	3 039
Government - VAT	1 340 666	424 193
Deferred tax assets	932 744	381 383
Other debtors	17 188	946
Subsidy to receive	200 000	
Factoring	1 070 487	1 312 597
Prepaid expenses	319 945	269 694
Translation differences, assets	160 200	1 814
TOTAL	5 373 332	3 080 650

The breakdown of other current assets by due dates is as follows:

	Less than 1 year	over 1 year	Total
Supplier debt	1 329 163		1 329 163
Personnel and related accounts	2 939		2 939
Government - VAT	1 340 666		1 340 666
Deferred tax assets	932 744		932 744
Other debtors	17 188		17 188
Subsidy to receive	200 000		200 000
Factoring	1 070 487		1 070 487
Prepaid expenses	319 945		319 945
Translation differences, assets	160 200		160 200
TOTAL	5 373 332		5 373 332

The deferred tax asset is calculated based on a tax rate of:

- 25% in France

Deferred tax assets are mainly composed of the recognition of tax losses for Groupe Airwell amounting to €3,152,000 and tax losses for Airwell Residential SAS amounting to €917,000.

NOTE 7 – CASH AND CASH EQUIVALENTS

The components of cash and cash equivalents are as follows:

	31/12/2024	31/12/2023
Treasury stock	0	321 323
Term bank deposit	0	2 000 000
Bank accounts	1 866 446	1 141 889
Fund	3 131	7 721
Cash and cash equivalents	1 869 577	3 470 933

NOTE 8 – EQUITY GROUPE SHARE

➤ Share Capital

The share capital of Group Airwell stands at 304 177.10 €.

Share movements	Number of shares	By Value	Share capital
Shares at start of year	6 083 542	0,05	304 177
Change in par value			
Capital increase			
Shares redeemed or cancelled			
Shares at year-end	6 083 542	0	304 177

The Airwell Group holds 16 082 shares in treasury at an acquisition price of €46 323 . This treasury stock have been recorded as a reduction of consolidated reserves in 2024..

Changes to the share capital were as follows :

	Share capital	Consolidated reserves	Issue premium	warrants	Retained earnings	Consolidated reserves	Consolidated income	TOTAL
Share capital at 31/12/2022	242 361	13 306	2 112 044		-542 982	1 039 239	1 042 882	3 906 850
Allocation of 2022 earnings		10 931			392 722	639 229	-1 042 882	0
Capital increase	61 815		5 295 619					5 357 435
Result at 31/12/2023							1 430 945	1 430 945
Share capital at 31/12/2023	304 176	24 237	7 407 663		-150 260	1 678 468	1 430 945	10 695 229
Allocation of 2023 earnings		6 180			405 358	1 019 407	-1 430 945	1
warrants				28 000				28 000
Other variations						-114 050		-114 050
Result at 31/12/2024							-1 708 444	-1 708 444
Share capital at 31/12/2024	304 176	30 417	7 407 663	28 000	255 098	2 583 825	-1 708 444	8 900 736

NOTE 9 – MINORITY INTERESTS

	31/12/2024	31/12/2023
Minority reserves	0	-41 081
Minority income	0	-49 489
Cash and cash equivalents	0	-90 570

Given the losses, minority interests became negative. Losses attributable to minority interests were deducted from majority interests.

NOTE 10 - PROVISIONS

Provisions break down as follows :

	31/12/2023	Additions	Reversals	Reclassification	31/12/2024
After sales provisions	222 057		20 401		201 656
Retirement provision	438 860	72 118	13 175		497 803
Provision for risk	111 816	158 206	70 000		200 022
Goodwill	2 424 547		658 978	680 250	2 445 819
TOTAL	3 197 280	230 324	762 554	680 250	3 345 301

The negative goodwill related to the company AIRWELL RESIDENTIAL has been recognized as a liability under the provisions for risks and charges. The provision is reversed into income on a straight-line basis over a period of 10 years. The balance of this negative goodwill is - 2,332,415 € as of December 31, 2024.

The reclassification of €680,250 corresponds to the increase in goodwill following an error correction, offset by the cancellation of deferred tax liabilities.

The same applies to the negative goodwill related to the company Airwell Industrie, amounting to €439,666. The provision is reversed based on the consumption rate of inventories. The balance of this negative goodwill is €113,403 as of December 31, 2024

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	1 097 464	1 235 854		2 333 318
Total borrowings and bank debt	1 097 464	1 235 854	0	2 333 318

The changes for the period are as follows:

	31/12/2023	Increase	Decrease	31/12/2024
Bank borrowings	2 642 288	400 000	708 971	2 333 318
Total borrowings and bank debt	2 642 288	400 000	708 971	2 333 318

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
Total borrowings and financial debt	0	5 000 000	0	5 000 000

	31/12/2023	Increase	Decrease	31/12/2024
bond loan	5 000 000			5 000 000
Total borrowings and financial debt	5 000 000			5 000 000

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 :

	31/12/2024	31/12/2023
Customer factors	10 397 523	9 695 856
Customer credit notes to issue	833 638	749 864
Trade receivables		4 829
Other	26 204	407 125
Deferred tax liabilities		759 775
Advance payments	6 952	
Translation adjustments , liabilities	15 041	10 012
TOTAL	11 279 358	11 627 461

Other liabilities down as follows:

	Less than one year	Over one year	Total
Customer factors	10 397 523		10 397 523
Customer credit notes to issue	833 638		833 638
Trade receivables			0
Other	26 204		26 204
Deferred tax liabilities			0
Advance payments	6 952		6 952
Translation adjustments , liabilities	15 041		15 041
TOTAL	11 279 358	0	11 279 358

C - NOTES RELATIVES TO CERTAIN INCOME STATEMENT ITEMS**NOTE 14 – REVENUE BY TYPE :**

Revenue by type breaks down as follows :

in €	31/12/2024	31/12/2023
Sales of goods	49 747 906	64 351 769
Sales of production	1 881 451	1 167 939
Provision of services	153 858	208 017
Other	617 658	599 155
Reductions, discounts and rebates	-1 768 500	-1 289 838
TOTAL	50 632 373	65 037 043

Revenue by geographic region breaks down as follows :

in €	31/12/2024	31/12/2023
France	30 082 444	39 404 575
Outside France	20 549 928	25 632 468
TOTAL	50 632 372	65 037 043

NOTE 15 – PURCHASES AND EXTERNAL SERVICES

This item breaks down as follows :

in €	31/12/2024	31/12/2023
Purchases of goods and other	32 442 881	43 799 109
Outsourcing	2 511 388	2 300 494
Leases and lease charges	1 307 596	992 755
Maintenance and repair	683 623	535 568
Insurance	374 652	407 684
Fees and commissions	1 458 247	1 255 836
Publications, trade fairs, gifts, donations	1 097 303	1 667 362
Transport costs	1 158 862	832 796
Travel and reception costs	679 864	663 346
Telecommunication costs	147 433	111 483
Other	1 162 509	1 218 598
TOTAL	43 024 359	53 785 031

NOTE 16 – FINANCIAL RESULT

The financial result breaks down as follows :

in €	31/12/2024	31/12/2023
Interests on borrowings	-497 163	-395 783
Late charges and others	-24 216	-119 485
Discounts	-15 010	-23 062
Foreign currency losses		-18 371
Factoring	-327 631	-391 586
Provision for risks	-159 078	-1 813
Other expenses	-51 806	
Other income	53 151	52 848
Reversals of provision for risk		7 389
Foreign exchange gains		6 920
TOTAL	-1 021 753	-882 943

NOTE 17 – EXCEPTIONNEL RESULT

The exceptional result does not include any significant items for this period.

NOTE 18 – CORPORATE INCOME TAX

in €	31/12/2024	31/12/2023
Corporate income tax	-27 951	109 821
Tax credit		
Deferred tax	-630 887	86 753
TOTAL	-658 838	196 574

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

	31/12/2024
Net consolidated result (100%)	- 1 708 443
Reversal of provision for goodwill	658 979
Tax income (charge) recognized	640 808
Net taxable result	- 3 008 230
Rate income tax in France (%)	25%
Tax income (charge) theoretical	752 058
non-activated year losses	- 150 057
Tax credit	185 915
Temporary shift	- 119 825
Others	- 9 254
Real Income tax accounted	658 837

The amount of unrecognized tax losses as of December 31, 2024, is €1,279,000 and primarily relates to the companies Airwell Academy and Leezy.

NOTE 19 – OFF BALANCE SHEET COMMITMENTS

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.

NOTE 20 – EARNING PER SHARE

It is calculated based on the number of shares outstanding at 31 December 2024

At 31 December 2024, it amounted to -0.28 euros per share as indicated below

		At 31/12/2024	At 31/12/2023
Number of shares		6 083 542	6 083 542
Consolidated net income, group share	Total	- 1 708 444	1 430 945
Group Share	Per share	-€ 0,28	€ 0,24

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 113 employees and is broken down as follows :

Executives : 59

Non-executives : 54

NOTE 23 – STATUTORY AUDITORS FEES

The amount of statutory auditors fees for year 2024 stands at €67K.


NOTE 24 – RELATED PARTIES

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-I, 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 FOR YEAR ENDED 31
DECEMBER 2024**



This is a translation into English of the statutory auditor's report on the consolidated 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 information concerning the Group presented in the management report.

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, 2024

Statutory auditor's report on the consolidated financial statements

ERNST & YOUNG et Autres



Groupe Airwell

Year ended December 31, 2024

Statutory auditor's report on the consolidated 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 consolidated financial statements of Groupe Airwell for the year ended December 31, 2024.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2024 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 Consolidated 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, 2024 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, to the reasonableness of the significant accounting estimates and to the overall presentation of the consolidated financial statements.

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

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information relating to the Group given in the Board of Directors' management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

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

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

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

The consolidated financial statements were approved by the Board of Directors.

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

Paris-La Défense, April 25, 2025

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

Carine Malval

**D. STATUTORY AUDITOR'S REPORT ON
THE FINANCIAL STATEMENTS FOR
YEAR ENDED 31 DECEMBER 2024**



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, 2024

Statutory auditor's report on the financial statements

ERNST & YOUNG et Autres



Groupe Airwell

Year ended December 31, 2024

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, 2024.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2024 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, 2024 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, to 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.



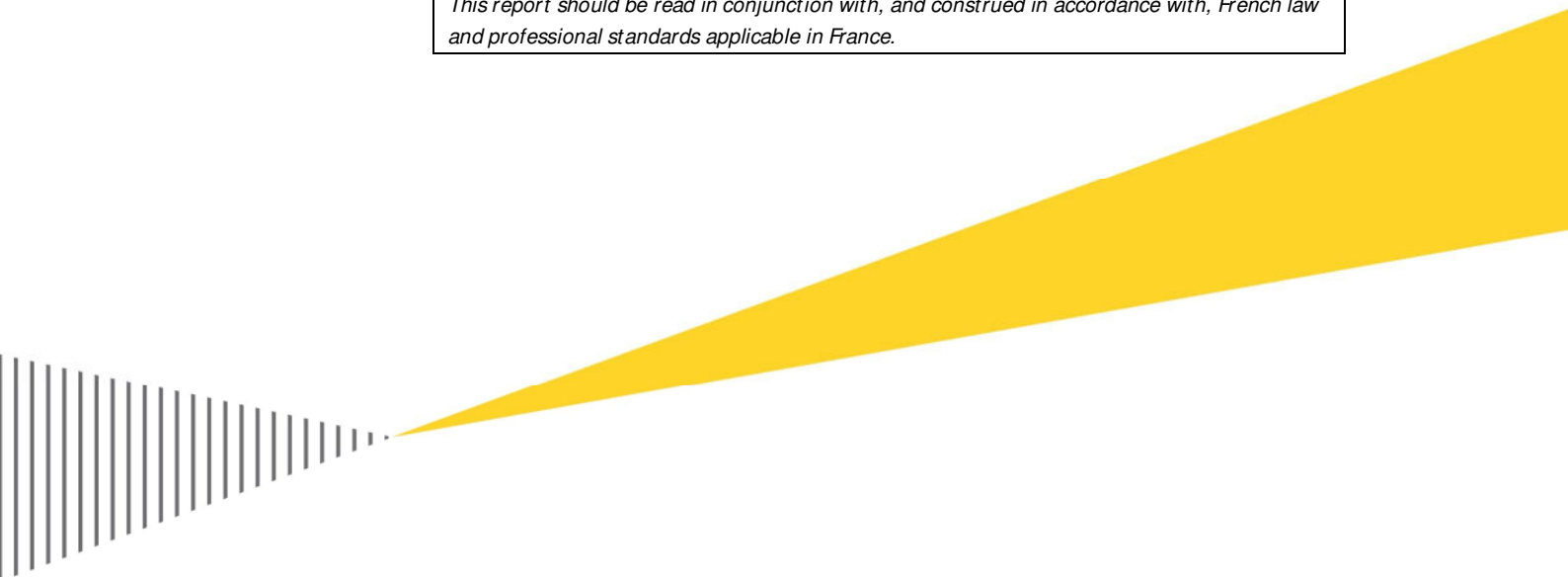
- ▶ Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Paris-La Défense, April 25, 2025

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

Carine Malval

**E. STATUTORY AUDITOR'S REPORT ON
RELATED PARTY AGREEMENTS FOR
YEAR ENDED 31 DECEMBER 2024**



*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, 2024

Statutory auditor's report on related party agreements

ERNST & YOUNG et Autres



Groupe Airwell

Annual General Meeting held to approve the financial statements for the year ended December 31, 2024

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, 2024, of the agreements previously approved by the annual general meeting.

We performed those procedures which we deemed necessary in compliance with the 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 and concluded during the year ended December 31, 2024 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, 2024.

Paris-La Défense, April 25, 2025

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

Carine Malval