

BLUE SHARK POWER SYSTEM

company with capital of 1,100,000 Euros Headquarters Social: 5, Allées de Tourny – 33000
Bordeaux 792 479 974 RCS Bordeaux

REPORT ON ORDINARY AND EXTRAORDINARY GENERAL MEETINGS

MANAGEMENT REPORT FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2023

Dear shareholders,

In accordance with the provisions of Articles L. 225-100 et seq. of the French Commercial Code, we have called you together in assembly general to report to you on the Company 's activity during the financial year ending December 31 , 2023 and to submit the financial statements for this financial year for your approval.

of all , we remind you that the Coronavirus crisis, wars and the inflation crisis have impacted many companies , especially companies like ours working on exports. This situation should remain temporary and evolve in a more positive direction.

1.1 ACTIVITIES

1.1.1. Presentation General of the Society

1.1.1.1 History

Founded in 2013, the Company has had the ambition since its creation to become a major and independent player in the production of marine and river renewable electricity .

Indeed, after more than 10 years of research, the manufacture of four prototypes and a conclusive test lasting several months in 2012, the Company was formed in 2013 to create and access a new global market estimated at several billion dollars, judging that the technology was ready to be marketed and deployed .

The Company first positioned itself in countries and sites that mainly run on diesel to replace this very fossil fuel . expensive and very polluting by Blue Shark turbines.

The current role of the Company is therefore to continue to work towards the conclusion of new contracts, all over the world and to make this new source of energy known. very competitive against fossil and intermittent renewable energies .

will therefore be reminded once again **that the Company is focused on the near future and not on financial performance. previous** since it is a question of conquering and creating a new market which does not yet exist and that the Company contributes, through its action, to the emergence of this new hydro-kinetic market within the framework of the energy and ecological transition.

Since 2014 , the Company has been able to start developing relationships with customers (States) in Gibraltar, China and Vietnam. It continued its momentum in 2015 and 2016, signing two contracts in China. In 2018, the Company signed two new memoranda of understanding in Djibouti and Greece for 120 MW and 30 MW respectively. We will note an acceleration of

requests from countries as this new energy is taken into account in their energy transition strategy but also quite simply to create energy where it does not exist .

The Company 's strategy is based on three pillars: 1-Sale of machines to a developer or a state . 2-Establishment of joint ventures with states or public authorities . 3-Direct exploitation with fundraising and adapted bank credits

At the end of 2022 , the Company approached an American Company that had developed a new technology complementary to ours and wished to join our strategy to create a new market for hydrokinetics mainly in Europe and the United States.

1.2 Situation and development of the Company 's activity during the 2023 financial year

For the 2023 financial year, the Company recorded a turnover of 257,854 Euros. Indeed, we were unable to implement our contracts, particularly in Nigeria where we had to equip a major city in order to provide it with essential additional energy . There is no indication that this contract entered into with a large local consortium will not be able to be carried out in the future if the health and geopolitical situation stabilizes after the last elections . This contract is pending improvements . geopolitics

He was planned to invoice a first machine to Djibouti, but it would seem that the developer , the company Weco -Weco , itself a direct signatory with the government of Djibouti, manufactured in Italy a prototype based on our technology with the help of one of our former engineers and without our agreement. Of course, we are waiting to see what happens next before launching an international procedure for contract diversion with the assistance of the French government.

During the year 2023, we also signed an important agreement in Europe. We have reached an agreement with a European Company for financing and installation work.

However, our projects in the Caribbean have made significant progress with in-depth discussions with several public and private stakeholders , including the promise of electrification of a major school .

Furthermore, the following elements should be noted:

- In 2023, we began discussions with certain identified investors who wish to invest in the Company 's capital and in all of our hydro turbine installation projects.

-The outlook is therefore still good for the Company , despite the health hazards , and the establishment of a first substantial hydro turbine farm. planned from 2026 should give the Company global credibility and make it appear as one of the leaders in the sector .

1.3 Risks and uncertainties facing the Company

The industrial energy efficiency market improved in 2023 with the rise in the price of electricity at the same time as the rise in the price of oil . This trend is expected to worsen in the coming years with an increasing price for renewable energy suppliers. In addition, solar installations do not seem to give complete satisfaction to users and the offshore wind market currently seems to be in great difficulty . All these events strengthen us to continue our action with better visibility on the future.

Uncertainty may come from a reluctance in France to consider hydrokinetic energy as mature and viable , unlike many countries. This reluctance is due to other large-scale industrial choices,

nuclear power and the failure of a leading French industrial player in 2018 whose hydrokinetic technology had no chance of prospering . However, the Company is currently only focused on export and therefore maintains intact credibility in many countries.

The risk would be to be in a waiting position for too long and exhaust resources, but the Company is active in signing new contracts and has been approached by several international financiers for its operations . In addition, several investors are already positioned to enter the Company 's capital .

the Company 's cash position can be considered to be fairly average, but sufficient to meet the Company 's main deadlines .

1.4 Significant events occurring since the end of the 2023 financial year

December 31, 2022, the closing date of the financial year, the occurrence of the following important events should be noted:

-Contracts have been negotiated in several countries while waiting to go there, notably in New Zealand , the United States, Jamaica , Scandinavia and the United Kingdom.

-The Company has operated a strategic approach of cooperation with a large Canadian group which should provide energy storage , if necessary, and cooperate on the installation of networks local electrical .

Similarly, a company manufacturing storage batteries and located in the USA is proposing an association or merger of our companies.

On the other hand :

The legal and judicial issues concerning the stock have been resolved and the stock's listing has resumed on Euronext

All the points set out in this paragraph will be the subject of official press releases as soon as they occur or are signed, so all shareholders will be informed as and when actions are taken and contracts signed if the terms of the contracts authorize us to do so.

1.5 RESEARCH AND DEVELOPMENT ACTIVITY

The Company sought a method for rapid mass production of carbon fiber parts constituting the turbine parts in a single block. It relied on the know-how of several companies specialized in France and the USA.

Significant progress in improving the performance of our technology has been achieved and the Company should ultimately benefit from an absolutely unique technology in the field of hydrokinetics. And in this regard , a new Patent and a new technology will be used by the Company .

1.6 Pollution - related activity

Nothing

2 INFORMATION ON THE BALANCE SHEET

2.1 Dividends

In accordance with the provisions of Article 243 bis of the General Tax Code , we remind you that the Company has not distributed dividends for the three previous financial years.

2.2 Method of presentation of accounts

No changes have been made to the method of presenting the Balance Sheet compared to the years previous .

2.3 Information on payment terms of suppliers and customers

Article D.444-I -1: invoices received and not paid on the closing date of the financial year whose term has expired

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2.3 Information on payment terms of suppliers and customers

Article D.444-1 -1: invoices received and not paid on the closing date of the financial year whose term has expired

HAS)	0 days (indicative)	there 30 days	31 to 60 days	61 to 90 days	91 days and more	Total 1 Day and +
Number of invoices 5						
Total amount excluding VAT					35125	35125
Percentage of the total amount of purchases excluding tax for the financial year					11%	
B/ Invoices excluded from the	NOTHIN G					NOTHING

A) relating to
disputed debts and
claims

(contractual or
legal deadline)

-art. L.441-6 or
L.443-1 of the
Commercial Code

Legal
deadline

Article D.444-I - 2: invoices issued and not paid on the closing date of the financial year whose term has expired

HAS)	day (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total 1 Day and more
Number of invoices						
3						
Total amount excluding VAT					436 809	
Percentage of the total amount of sales excluding tax for the financial year					100%	
B/ Excluded invoices	NOTHING					

A) relating to
disputed or
unrecorded
debts and
receivables

C/ Reference payment deadlines used (contractual or deadline) legal – art. L.441-6 or L.443-1 of the Commercial Code

2.4 SUBSIDIARIES AND PARTICIPATIONS

We remind you that our Company does not currently hold any subsidiaries or interests.

2.5 STATUS OF EMPLOYEE PARTICIPATION IN SHARE CAPITAL ON THE LAST DAY OF THE PAST FINANCIAL YEAR

At the end of the 2023 financial year, the share capital did not include any employee shares subject to collective management or which were not freely available to the interested parties , within the meaning of the provisions of the first paragraph of Article L. 225-102-1 of the French Commercial Code.

2.6 AMOUNT OF EXPENSES AND COSTS REFERRED TO IN ARTICLE 39-4 OF THE GENERAL TAX CODE

In accordance with the provisions of Articles 39-4 and 223 quater of the General Tax Code , we inform you that the Company 's accounts for the past financial year do not contain any expenses that are not deductible from taxable income .

2.7 CORPORATE GOVERNANCE REPORT

In accordance with the provisions of Article L. 225-37 , paragraph 6 of the French Commercial Code, you will find in this paragraph the report of the Board of Directors on corporate governance. This paragraph contains all the information required by Article L. 225-37-4 of the French Commercial Code for companies whose securities are not admitted to a “ regulated ” market , Euronext Access not being , strictly speaking, a “ regulated ” market .

ADMINISTRATION AND CONTROL OF THE COMPANY

List of mandates and functions:

In accordance with the provisions of Article L. 225-37-41° of the French Commercial Code, we present to you the list of all the mandates and functions exercised in any company by each of the corporate officers.

Name and Position(s) within the Company :

Mr. Philippe Rebboah : Chairman and CEO

Mr. Marc Antoine Réol : Administrator.

Ms. Eugenie Schellen : Administrator

Other mandates and functions exercised in any other companies

Mr. Philippe Rebboah

President of Helios Holding-

President of Helios Gem

Other administrators: None

Update on current mandates:

We present to you the list and duration of current mandates in the Company .

The Assembly Ordinary General Meeting of 10/21/2019 at, appointed as director , Mr. Philippe Rebboah , for a period of six (6) years from the meeting , i.e. until the General Meeting General meeting to rule on the accounts closed on December 31, 2025.

The Assembly Extraordinary General Meeting of 21/10/2109 at, appointed as director , Mr. Marc Antoine Réol , for a period of six (6) years from the meeting , i.e. until the General Meeting General meeting to rule on the accounts closed on December 31, 2025

The Assembly Extraordinary General Meeting of 21/10/2109 at, appointed as director , Mrs. Eugenie Schellen , for a period of six (6) years from the meeting , i.e. until the General Meeting General meeting to rule on the accounts closed on December 31, 2025.

REPORT ON DELEGATIONS ON CAPITAL INCREASES

There has been no delegation in this matter since the transformation into a Public Limited Company on May 4, 2018.

AGREEMENTS CONCLUDED WITH CORPORATE OFFICERS

Regulated agreements during 2020 (Article L. 227-10 of the French Commercial Code): None .

2) Guarantees, endorsements and guarantees given by the Company to third parties: None .

3) Agreements entered into between a corporate officer of the Company or a shareholder holding more than 10% and a company in which the Company holds , directly or indirectly, more than half of the capital: None .

TABLE OF RESULTS OVER THE LAST TWO FINANCIAL YEARS

In accordance with the provisions of Article R.225-102 of the French Commercial Code, you will find attached the table showing the Company's results over the last two financial years,

Nature of the indications	2022	2023
Share capital	1100000	1100000
Number of shares issued	5500000	5500000
Number of existing preferred dividend shares (non-voting).	-	-
By conversion of bonds	-	-
By exercising subscription rights	-	-
Turnover excluding tax	109,000	257,844
Results before taxes, employee participation and depreciation and provisions	-111 819	298,635
Profit tax	-	-
Result after taxes, profit sharing and depreciation and provisions.	-111 819	298,635
Distributed result	0	0

Done on September 25 , 2024

The Board of Directors.