

## Supplemental Listing Document

If you are in any doubt as to any aspect of this document, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, accountant or other professional adviser.

Application has been made to the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for permission to deal in and for quotation of the Certificates (as defined below). The SGX-ST assumes no responsibility for the correctness of any statements made or opinions or reports expressed in this document, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document. Admission to the Official List of the SGX-ST is not to be taken as an indication of the merits of SG Issuer, Societe Generale, the Certificates, or the Company (as defined below).

### **3,000,000 European Style Cash Settled Long Certificates**

**relating to the Common Stock of Tesla, Inc.**

**with a Daily Leverage of 3x**

**issued by**

**SG Issuer**

**(Incorporated in Luxembourg with limited liability)**

**unconditionally and irrevocably guaranteed by**

**Societe Generale**

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**Issue Price: S\$5.00 per Certificate**

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This document is published for the purpose of obtaining a listing of all the above certificates (the “**Certificates**”) to be issued by SG Issuer (the “**Issuer**”) unconditionally and irrevocably guaranteed by Societe Generale (the “**Guarantor**”), and is supplemental to and should be read in conjunction with a base listing document dated 13 June 2025 including such further base listing documents as may be issued from time to time (the “**Base Listing Document**”) for the purpose of giving information with regard to the Issuer, the Guarantor and the Certificates. Information relating to the Company (as defined below) is contained in this document.

This document does not constitute or form part of any offer, or invitation, to subscribe for or to sell, or solicitation of any offer to subscribe for or to purchase, Certificates or other securities of the Issuer, nor is it calculated to invite, nor does it permit the making of, offers by the public to subscribe for or purchase for cash or other consideration the Certificates or other securities of the Issuer.

Restrictions have been imposed on offers and sales of the Certificates and on distributions of documents relating thereto in Singapore, Hong Kong, the European Economic Area, the United Kingdom and the United States (see “Placing and Sale” contained herein).

The Certificates are complex products. You should exercise caution in relation to them. Investors are warned that the price of the Certificates may fall in value as rapidly as it may rise and holders may sustain a total loss of their investment. The price of the Certificates also depends on the supply and demand for the Certificates in the market and the price at which the Certificates is trading at any time may differ from the underlying valuation of the Certificates because of market inefficiencies. It is not possible to predict the secondary market for the Certificates. Although the Issuer, the Guarantor and/or any of their affiliates may from time to time purchase the Certificates or sell additional Certificates on the market, the Issuer, the Guarantor and/or any of their affiliates are not obliged to do so. Investors should also note that there are leveraged risks because the Certificates integrate a leverage mechanism and the Certificates will amplify the movements in the increase, and in the decrease, of the value of the Underlying Stock (as defined below) and if the investment results in a loss, any such loss will be increased by the leverage factor of the Certificates. As such, investors could lose more than they would if they had invested directly in the Underlying Stock.

The Certificates are classified as capital markets products other than prescribed capital markets products<sup>1</sup> and Specified Investment Products (SIPs)<sup>2</sup>, and may only be sold to retail investors with enhanced safeguards, including an assessment of such investors' investment knowledge or experience.

The Certificates constitute general unsecured obligations of the Issuer (in the case of any substitution of the Issuer in accordance with the Conditions of the Certificates, the Substituted Obligor as defined in the Conditions of the Certificates) and of no other person, and the guarantee dated 13 June 2025 (the "**Guarantee**") and entered into by the Guarantor constitutes direct unconditional unsecured senior preferred obligations of the Guarantor and of no other person, and if you purchase the Certificates, you are relying upon the creditworthiness of the Issuer and the Guarantor and have no rights under the Certificates against any other person.

Application has been made to the SGX-ST for permission to deal in and for quotation of the Certificates and the SGX-ST has agreed in principle to grant permission to deal in and for quotation of the Certificates. It is expected that dealings in the Certificates will commence on or about 9 June 2026.

As of the date hereof, the Guarantor's long term credit rating by S&P Global Ratings is A, and by Moody's Investors Service, Inc. is A1.

The Issuer is regulated by the Luxembourg Commission de Surveillance du Secteur Financier on a consolidated basis and the Guarantor is regulated by, *inter alia*, the Autorité des Marchés Financiers, the Autorité de Contrôle Prudentiel et de Résolution and the European Central Bank.

8 June 2026

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<sup>1</sup> As defined in the Securities and Futures (Capital Markets Products) Regulations 2018.

<sup>2</sup> As defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products.

Subject as set out below, the Issuer and the Guarantor accept full responsibility for the accuracy of the information contained in this document and the Base Listing Document in relation to themselves and the Certificates. To the best of the knowledge and belief of the Issuer and the Guarantor (each of which has taken all reasonable care to ensure that such is the case), the information contained in this document and the Base Listing Document for which they accept responsibility (subject as set out below in respect of the information contained herein with regard to the Company) is in accordance with the facts and does not omit anything likely to affect the import of such information. The information with regard to the Company as set out herein is extracted from publicly available information. The Issuer and the Guarantor accept responsibility only for the accurate reproduction of such information. No further or other responsibility or liability in respect of such information is accepted by the Issuer and the Guarantor.

No person has been authorised to give any information or to make any representation other than those contained in this document in connection with the offering of the Certificates, and, if given or made, such information or representations must not be relied upon as having been authorised by the Issuer or the Guarantor. Neither the delivery of this document nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Issuer, the Guarantor or their respective subsidiaries and associates since the date hereof.

This document does not constitute an offer or invitation by or on behalf of the Issuer or the Guarantor to purchase or subscribe for any of the Certificates. The distribution of this document and the offering of the Certificates may, in certain jurisdictions, be restricted by law. The Issuer and the Guarantor require persons into whose possession this document comes to inform themselves of and observe all such restrictions. In particular, the Certificates and the Guarantee have not been and will not be registered under the United States Securities Act of 1933, as amended or any state securities law, and trading in the Certificates has not been approved by the United States Commodity Futures Trading Commission (the “**CFTC**”) under the United States Commodity Exchange Act of 1936, as amended and the Issuer has not been and will not be registered as an investment company under the United States Investment Company Act of 1940, as amended, and the rules and regulations thereunder. None of the Securities and Exchange Commission, any state securities commission or regulatory authority or any other United States, French or other regulatory authority has approved or disapproved of the Certificates or the Guarantee or passed upon the accuracy or adequacy of this document. Accordingly, Certificates, or interests therein, may not at any time be offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, nor may any U.S. person at any time trade, own, hold or maintain a position in the Certificates or any interests therein. In addition, in the absence of relief from the CFTC, offers, sales, re-sales, trades, pledges, exercises, redemptions, transfers or deliveries of Certificates, or interests therein, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, may constitute a violation of United States law governing commodities trading and commodity pools. Consequently, any offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery made, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. person will not be recognised. A further description of certain restrictions on offering and sale of the Certificates and distribution of this document is given in the section headed “Placing and Sale” contained herein.

The SGX-ST has made no assessment of, nor taken any responsibility for, the financial soundness of the Issuer or the Guarantor or the merits of investing in the Certificates, nor have they verified the accuracy or the truthfulness of statements made or opinions expressed in this document.

The Issuer, the Guarantor and/or any of their affiliates may repurchase Certificates at any time on or after the date of issue and any Certificates so repurchased may be offered from time to time in one or more transactions in the over-the-counter market or otherwise at prevailing market prices or in negotiated transactions, at the discretion of the Issuer, the Guarantor and/or any of their affiliates. Investors should not therefore make any assumption as to the number of Certificates in issue at any time.

References in this document to the “**Conditions**” shall mean references to the Terms and Conditions of the European Style Cash Settled Long/Short Certificates on Single Equities contained in the Base Listing Document. Terms not defined herein shall have the meanings ascribed thereto in the Conditions.

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## RISK FACTORS

The following are risk factors relating to the Certificates:

- (a) in respect of certain corporate adjustment events on the Underlying Stock, trading in the Certificates may be suspended on the relevant ex-date of the Underlying Stock and trading in the Certificates will resume on the next immediate trading day on the SGX-ST. Please note that trading in the Certificates on the SGX-ST may be suspended for more than one trading day in certain circumstances;
- (b) circuit breakers are automatic mechanisms adopted in the U.S. stock market. Circuit breakers are invoked if the stock markets experience extreme broad-based declines or extreme volatility within a single stock, which are designed to slow the effects of extreme price movement through coordinated trading halts across securities markets in the U.S. stock market when severe price declines reach levels that may exhaust market liquidity.

Circuit breakers implemented by the Relevant Stock Exchange for the Underlying Stock may result in a temporary trading halt of the Underlying Stock on the Relevant Stock Exchange for the Underlying Stock, or under extreme circumstances, closure of the U.S. stock market (including all trading on the Relevant Stock Exchange for the Underlying Stock) before normal close of the trading session in the U.S. stock market.

Investors should be aware of the risk of potential high volatility in the trading prices of the Certificates upon commencement and throughout the trading hours of the SGX-ST on a trading day in Singapore in response to any overnight trigger of circuit breakers resulting in temporary trading halt of the Underlying Stock during the trading day of the Relevant Stock Exchange for the Underlying Stock immediately prior to such Singapore trading day;

- (c) investment in Certificates involves substantial risks including market risk, liquidity risk, and the risk that the Issuer and/or the Guarantor will be unable to satisfy its/their obligations under the Certificates. Investors should ensure that they understand the nature of all these risks before making a decision to invest in the Certificates. You should consider carefully whether Certificates are suitable for you in light of your experience, objectives, financial position and other relevant circumstances. Certificates are not suitable for inexperienced investors;
- (d) the Certificates constitute general unsecured obligations of the Issuer (in the case of any substitution of the Issuer in accordance with the Conditions of the Certificates, the Substituted Obligor as defined in the Conditions of the Certificates) and of no other person, and the Guarantee constitutes direct unconditional unsecured senior preferred obligations of the Guarantor and of no other person. In particular, it should be noted that the Issuer issues a large number of financial instruments, including Certificates, on a global basis and, at any given time, the financial instruments outstanding may be substantial. If you purchase the Certificates, you are relying upon the creditworthiness of the Issuer and the Guarantor and have no rights under the Certificates against any other person;
- (e) since the Certificates relate to the price of the Underlying Stock, certain events relating to the Underlying Stock may cause adverse movements in the value and the price of the Underlying Stock, as a result of which, the Certificate Holders (as defined in the Conditions of the Certificates) may, in extreme circumstances, sustain a significant loss of their investment if the price of the Underlying Stock has fallen sharply;

- (f) in the event that the Company is subject to any sanction by governmental authorities, (i) such sanction may impact general investor interest in the Underlying Stock, which may in turn affect the liquidity and market price of the Underlying Stock, and (ii) investors should consult their own legal advisers to check whether and to what extent investing in the Certificates will be in violation of applicable laws and regulations;
- (g) in the event that the Company is controlled through weighted voting rights, certain individuals who own shares of a class which is being given more votes per share may have the ability to determine the outcome of most matters, and depending on the action taken by the Company, the market price of the Certificates could be adversely affected;
- (h) due to their nature, the Certificates can be volatile instruments and may be subject to considerable fluctuations in value. The price of the Certificates may fall in value as rapidly as it may rise due to, including but not limited to, variations in the frequency and magnitude of the changes in the price of the Underlying Stock, the time remaining to expiry, the currency exchange rates and the creditworthiness of the Issuer and the Guarantor;
- (i) if, whilst any of the Certificates remain unexercised, trading in the Underlying Stock is suspended or halted on the relevant stock exchange, trading in the Certificates may be suspended for a similar period.

The suspension may be lifted and trading in the Underlying Stock may resume outside or during the trading hours of the SGX-ST. If trading in the Underlying Stock resumes, trading in the Certificates will resume either in accordance with the scheduled trading resumption timing (if any) as specified in the announcement(s) to be published in respect of the resumption of trading in the Underlying Stock. Please note that the price of the Certificates may be highly volatile following the resumption of trading in the Certificates;

- (j) as indicated in the Conditions of the Certificates and herein, a Certificate Holder must tender a specified number of Certificates at any one time in order to exercise. Thus, Certificate Holders with fewer than the specified minimum number of Certificates in a particular series will either have to sell their Certificates or purchase additional Certificates, incurring transactions costs in each case, in order to realise their investment;
- (k) investors should note that in the event of there being a Market Disruption Event (as defined in the Conditions) determination or payment of the Cash Settlement Amount (as defined in the Conditions) may be delayed, all as more fully described in the Conditions;
- (l) certain events relating to the Underlying Stock require or, as the case may be, permit the Issuer to make certain adjustments or amendments to the Conditions. Investors may refer to the Conditions 4 and 6 on pages 32 to 37 and the examples and illustrations of adjustments set out in the "Information relating to the European Style Cash Settled Long Certificates on Single Equities" section of this document for more information;
- (m) the Certificates are only exercisable on the Expiry Date and may not be exercised by Certificate Holders prior to such Expiry Date. Accordingly, if on the Expiry Date the Cash Settlement Amount is zero, a Certificate Holder will lose the value of his investment;
- (n) the total return on an investment in any Certificate may be affected by the Hedging Fee Factor (as defined below), Management Fee (as defined below) and Gap Premium (as defined below);
- (o) investors holding their position beyond market close of the SGX-ST should note that they would be required to bear the annualised cost which consists of the Management Fee and Gap Premium, which are calculated daily and applied to the value of the Certificates, as well as certain costs embedded within the Leverage Strategy (as described below) including the

Funding Cost (as defined below) and Rebalancing Cost (as defined below). Due to the difference in trading hours of the SGX-ST and the Relevant Stock Exchange for the Underlying Stock, unless investors exit their position within the same SGX-ST trading day, they would bear the annualised costs;

- (p) investors should note that there may be an exchange rate risk relating to the Certificates where the Cash Settlement Amount is converted from a foreign currency into Singapore dollars.

Exchange rates between currencies are determined by forces of supply and demand in the foreign exchange markets. These forces are, in turn, affected by factors such as international balances of payments and other economic and financial conditions, government intervention in currency markets and currency trading speculation. Fluctuations in foreign exchange rates, foreign political and economic developments, and the imposition of exchange controls or other foreign governmental laws or restrictions applicable to such investments may affect the foreign currency market price and the exchange rate-adjusted equivalent price of the Certificates. Fluctuations in the exchange rate of any one currency may be offset by fluctuations in the exchange rate of other relevant currencies;

- (q) investors should note that there are leveraged risks because the Certificates integrate a leverage mechanism and the Certificates will amplify the movements in the increase, and in the decrease, of the value of the Underlying Stock and if the investment results in a loss, any such loss will be increased by the leverage factor of the Certificates. As such, investors could lose more than they would if they had invested directly in the Underlying Stock;

- (r) when held for longer than a day, the performance of the Certificates could be more or less than the leverage factor that is embedded within the Certificates. The performance of the Certificates each day is locked in, and any subsequent returns are based on what was achieved the previous trading day. This process, referred to as compounding, may lead to a performance difference from 3 times the performance of the Underlying Stock over a period longer than one day. This difference may be amplified in a volatile market with a sideways trend, where market movements are not clear in direction, whereby investors may sustain substantial losses;

- (s) the Underlying Stock to which the Certificates relate are only quoted during US trading hours. This means that the Air Bag Mechanism (as defined below) can only be triggered when the SGX-ST is not open for trading. There is therefore a specific risk that overnight, investors in the Certificates incur a significant or even entire loss of the amounts invested in the Certificates, without being able to exit their investments in the Certificates;

- (t) investors should note that the Air Bag Mechanism reduces the impact on the Leverage Strategy if the Underlying Stock falls further, but will also maintain a reduced exposure to the Underlying Stock in the event the Underlying Stock starts to rise after the Air Bag Mechanism is triggered, thereby reducing its ability to recoup losses;

- (u) there is no assurance that the Air Bag Mechanism will prevent investors from losing the entire value of their investment, in the event of (i) an overnight fall in the Underlying Stock, where there is an approximately 33% or greater gap between the previous trading day closing price and the opening price of the Underlying Stock the following trading day, as the Air Bag Mechanism will only be triggered when market opens the following trading day or (ii) a sharp intraday fall in the price of the Underlying Stock of approximately 33% or greater within the 15 minutes Observation Period compared to the reference price, being: (1) if air bag has not been previously triggered on the same day, the previous closing price of the Underlying Stock, or (2) if one or more air bag have been previously triggered on the same day, the latest New Observed Price. Investors should note that the Air Bag Mechanism may only be triggered during the

trading of the Relevant Stock Exchange for the Underlying Stock. Investors may refer to pages 54 to 55 of this document for more information;

- (v) investors should note that the Certificates are issued over an Underlying Stock which is listed on an exchange with different trading hours from the SGX-ST. There may be a risk arising from the time difference between the trading hours of the Relevant Stock Exchange for the Underlying Stock (based on New York time) and the trading hours of the SGX-ST. As such, (i) the price of the Underlying Stock may not be available during the trading hours of the Certificates on SGX-ST; (ii) Air Bag Mechanism may be triggered during the trading hours of the Relevant Stock Exchange for the Underlying Stock, which would not be during SGX-ST trading hours; (iii) the trigger of an Air Bag Mechanism, when the Certificates are not open for trading, will lead to a different Leverage Strategy Closing Level, i.e. the value of the Certificates subsequently during the SGX-ST trading hours will be based on a different Leverage Strategy Closing Level reference for the purpose of the Leveraged Return calculation compared to a case where no Air Bag Mechanism would have been triggered; and (iv) given the Relevant Stock Exchange for the Underlying Stock is not open for trading during the SGX-ST trading hours, the market price of the Certificates may be affected by the derived spot price of the Underlying Stock on the Related Exchange during SGX-ST trading hours (which may deviate from the published price of the Underlying Stock), consequentially the market price of the Certificates during SGX-ST trading hours may deviate from the published price of the Underlying Stock during the US trading hours on the same day. There is therefore a specific risk that investors in the Certificates may incur a significant or even entire loss of the amounts invested in the Certificates, without being able to exit their investments in the Certificates.

In particular, please note that the trading price of the Underlying Stock may be volatile during a time in which the SGX-ST is not open for trading of the Certificates. Outside the trading hours of the SGX-ST, investors will not be able to sell or trade in the Certificates even if the trading price of the Underlying Stock is highly volatile.

Market news and/or corporate announcements relating to the Underlying Stock (including corporate event announcements or other price sensitive information) may be released outside the trading hours of the Relevant Stock Exchange for the Underlying Stock (based on New York time), but during the trading hours of the SGX-ST (based on Singapore time). The trading price of the Certificates may become highly volatile during the relevant trading hours of the SGX-ST in response to such market/corporate news pending opening of the Underlying Stock. The market and investors may not have sufficient time to digest fully, and/or assess the potential impact of, such corporate news on the Underlying Stock and hence the Certificates.

Investors may refer to pages 54 to 55 of this document for more information;

- (w) certain events may, pursuant to the terms and conditions of the Certificates, trigger (i) the implementation of methods of adjustment or (ii) the early termination of the Certificates. The Certificates may be terminated prior to its Expiry Date for the following reasons which are not exhaustive: Illegality and force majeure, occurrence of a Holding Limit Event (as defined in the Conditions of the Certificates) or Hedging Disruption (as defined in the Conditions of the Certificates). For more detailed examples of when early termination may occur, please refer to the FAQ section under the "Education" tab on the website at [dlc.socgen.com](http://dlc.socgen.com).

The Issuer will give the investors reasonable notice of any early termination. If the Issuer terminates the Certificates early, the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Certificate Holder in respect of each Certificate held by such holder equal to the fair market value of the Certificate less the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its sole and

absolute discretion. The performance of this commitment shall depend on (i) general market conditions and (ii) the liquidity conditions of the underlying instrument(s) and, as the case may be, of any other hedging transactions. Investors should note that the amount repaid by the Issuer may be substantially less than the amount initially invested, and at the worst case, be zero. Investors may refer to the Condition 13 on pages 39 to 42 of this document for more information;

- (x) there is no assurance that an active trading market for the Certificates will sustain throughout the life of the Certificates, or if it does sustain, it may be due to market making on the part of the Designated Market Maker. The Issuer acting through its Designated Market Maker may be the only market participant buying and selling the Certificates. Therefore, the secondary market for the Certificates may be limited and you may not be able to realise the value of the Certificates. Do note that the bid-ask spread increases with illiquidity;
- (y) in the ordinary course of their business, including without limitation, in connection with the Issuer or its appointed designated market maker's market making activities, the Issuer, the Guarantor and any of their respective subsidiaries and affiliates may effect transactions for their own account or for the account of their customers and hold long or short positions in the Underlying Stock. In addition, in connection with the offering of any Certificates, the Issuer, the Guarantor and any of their respective subsidiaries and affiliates may enter into one or more hedging transactions with respect to the Underlying Stock. In connection with such hedging or market-making activities or with respect to proprietary or other trading activities by the Issuer, the Guarantor and any of their respective subsidiaries and affiliates, the Issuer, the Guarantor and any of their respective subsidiaries and affiliates may enter into transactions in the Underlying Stock which may affect the market price, liquidity or value of the Certificates and which may affect the interests of Certificate Holders;
- (z) various potential and actual conflicts of interest may arise from the overall activities of the Issuer, the Guarantor and/or any of their subsidiaries and affiliates.

The Issuer, the Guarantor and any of their subsidiaries and affiliates are diversified financial institutions with relationships in countries around the world. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, hedging transactions and investment and other activities for their own account or the account of others. In addition, the Issuer, the Guarantor and any of their subsidiaries and affiliates, in connection with their other business activities, may possess or acquire material information about the Underlying Stock. Such activities and information may involve or otherwise affect issuers of the Underlying Stock in a manner that may cause consequences adverse to the Certificate Holders or otherwise create conflicts of interests in connection with the issue of Certificates by the Issuer. Such actions and conflicts may include, without limitation, the exercise of voting power, the purchase and sale of securities, financial advisory relationships and exercise of creditor rights. The Issuer, the Guarantor and any of their subsidiaries and affiliates have no obligation to disclose such information about the Underlying Stock or such activities. The Issuer, the Guarantor and any of their subsidiaries and affiliates and their officers and directors may engage in any such activities without regard to the issue of Certificates by the Issuer or the effect that such activities may directly or indirectly have on any Certificate;

- (aa) legal considerations which may restrict the possibility of certain investments:

Some investors' investment activities are subject to specific laws and regulations or laws and regulations currently being considered by various authorities. All potential investors must consult their own legal advisers to check whether and to what extent (i) they can legally purchase the Certificates (ii) the Certificates can be used as collateral security for various forms

of borrowing (iii) if other restrictions apply to the purchase of Certificates or their use as collateral security. Financial institutions must consult their legal advisers or regulators to determine the appropriate treatment of the Certificates under any applicable risk-based capital or similar rules;

- (bb) the credit rating of the Guarantor is an assessment of its ability to pay obligations, including those on the Certificates. Consequently, actual or anticipated declines in the credit rating of the Guarantor may affect the market value of the Certificates;
- (cc) the Certificates are linked to the Underlying Stock and subject to the risk that the price of the Underlying Stock may decline. The following is a list of some of the significant risks associated with the Underlying Stock:
  - Historical performance of the Underlying Stock does not give an indication of future performance of the Underlying Stock. It is impossible to predict whether the price of the Underlying Stock will fall or rise over the term of the Certificates; and
  - The price of the Underlying Stock may be affected by the economic, financial and political events in one or more jurisdictions, including the stock exchange(s) or quotation system(s) on which the Underlying Stock may be traded;
- (dd) the value of the Certificates depends on the Leverage Strategy performance built in the Certificate. The Calculation Agent will make the Leverage Strategy last closing level and a calculation tool available to the investors on a website;
- (ee) two or more risk factors may simultaneously have an effect on the value of a Certificate such that the effect of any individual risk factor may not be predicted. No assurance can be given as to the effect any combination of risk factors may have on the value of a Certificate;
- (ff) as the Certificates are represented by a global warrant certificate which will be deposited with The Central Depository (Pte) Limited (“CDP”):
  - (i) investors should note that no definitive certificate will be issued in relation to the Certificates;
  - (ii) there will be no register of Certificate Holders and each person who is for the time being shown in the records maintained by CDP as entitled to a particular number of Certificates by way of interest (to the extent of such number) in the global warrant certificate in respect of those Certificates represented thereby shall be treated as the holder of such number of Certificates;
  - (iii) investors will need to rely on any statements received from their brokers/custodians as evidence of their interest in the Certificates; and
  - (iv) notices to such Certificate Holders will be published on the web-site of the SGX-ST. Investors will need to check the web-site of the SGX-ST regularly and/or rely on their brokers/custodians to obtain such notices;
- (gg) U.S. withholding tax

The Issuer has determined that these Certificates substantially replicates the economic performance of one or more U.S. Underlying Equities (and as such, for the purposes of IRS Notice 2024-44, such Certificates are deemed to be “delta-one” Certificates and are therefore Specified Warrants for purposes of the Section 871(m) Regulations as discussed in the accompanying Base Listing Document under “TAXATION—TAXATION IN THE UNITED STATES OF AMERICA—Section 871(m) of the U.S. Internal Revenue Code of 1986”.

Investors are advised that the Issuer's determination is binding on all Non-U.S. Holders of the Certificates, but it is not binding on the United States Internal Revenue Service (the "IRS") and the IRS may therefore disagree with the Issuer's determination. Because the Certificates are treated as Specified Warrants for purposes of the Section 871(m) Regulations, U.S. withholding tax under the Section 871(m) Regulations generally should apply to any dividend equivalents paid or deemed paid under the Certificates. In withholding this tax, the Issuer will apply the general tax rate of 30% to the payments subject to withholding under the Section 871(m) Regulations without regard to any applicable treaty rate. Therefore, in such cases, an investor's individual tax situation will not be taken into account.

**Potential investors are advised to consider the discussion in the accompanying Base Listing Document under "TAXATION—TAXATION IN THE UNITED STATES OF AMERICA—Section 871(m) of the U.S. Internal Revenue Code of 1986" and "TAXATION—TAXATION IN THE UNITED STATES OF AMERICA—Foreign Account Tax Compliance Act Withholding" and to consult their own tax adviser on the tax impacts of the acquisition, holding, disposal and redemption of the Certificates. The requirement to pay such taxes may reduce the effective yield on the Certificates and may also have an adverse impact on their value;**

(hh) risks arising from the taxation of securities

Tax law and practice are subject to change, possibly with retroactive effect. This may have a negative impact on the value of the Certificates and/or the market price of the Certificates. For example, the specific tax assessment of the Certificates may change compared to its assessment at the time of purchase of the Certificates. This is especially true with regard to derivative Certificates and their tax treatment. Holders of Certificates therefore bear the risk that they may misjudge the taxation of the income from the purchase of the Certificates. However, there is also the possibility that the taxation of the income from the purchase of the Certificates will change to the detriment of the holders.

Holders of the Certificates bear the risk that the specific tax assessment of the Certificates will change. This can have a negative impact on the value of the Certificates and the investor may incur a corresponding loss. The stronger this negative effect, the greater the loss may be; and

(ii) risk factors relating to the BRRD

*French and Luxembourg law and European legislation regarding the resolution of financial institutions may require the write-down or conversion to equity of the Certificates or other resolution measures if the Issuer or the Guarantor is deemed to meet the conditions for resolution.*

Directive 2014/59/EU of the European Parliament and of the Council of the European Union dated 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (the "**BRRD**") entered into force on 2 July 2014. The BRRD, as amended, has been implemented into Luxembourg law by, among others, the Luxembourg act dated 18 December 2015 on the failure of credit institutions and certain investment firms, as amended (the "**BRR Act 2015**"). Under the BRR Act 2015, the competent authority is the Luxembourg financial sector supervisory authority (*Commission de surveillance du secteur financier*, the CSSF) and the resolution authority is the CSSF acting as resolution council (*conseil de résolution*).

In April 2023, the EU Commission released a proposal to amend, in particular, the BRRD according to which senior preferred debt instruments would no longer rank pari passu with any non covered non preferred deposits of the Issuer; instead, senior preferred debt instruments would rank junior in right of payment to the claims of all depositors.

This proposal is still subject to further discussions and as a result its precise legal application date is unknown. As such, there may be an increased risk of an investor in senior preferred debt instruments losing all or some of their investment in the context of the exercise of the Bail-in Power.

Moreover, Regulation (EU) No. 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism (“**SRM**”) and a Single Resolution Framework (the “**SRM Regulation**”) has established a centralised power of resolution entrusted to a Single Resolution Board (the “**SRB**”) in cooperation with the national resolution authorities.

Since November 2014, the European Central Bank (“**ECB**”) has taken over the prudential supervision of significant credit institutions in the member states of the Eurozone under the Single Supervisory Mechanism (“**SSM**”). In addition, the SRM has been put in place to ensure that the resolution of credit institutions and certain investment firms across the Eurozone is harmonised. As mentioned above, the SRM is managed by the SRB. Under Article 5(1) of the SRM Regulation, the SRM has been granted those responsibilities and powers granted to the EU Member States’ resolution authorities under the BRRD for those credit institutions and certain investment firms subject to direct supervision by the ECB. The ability of the SRB to exercise these powers came into force at the beginning of 2016.

Societe Generale has been, and continues to be, designated as a significant supervised entity for the purposes of Article 49(1) of Regulation (EU) No 468/2014 of the ECB of 16 April 2014 establishing the framework for cooperation within the SSM between the ECB and national competent authorities and with national designated authorities (the “**SSM Regulation**”) and is consequently subject to the direct supervision of the ECB in the context of the SSM. This means that Societe Generale and SG Issuer (being covered by the consolidated prudential supervision of Societe Generale) are also subject to the SRM which came into force in 2015. The SRM Regulation mirrors the BRRD and, to a large part, refers to the BRRD so that the SRB is able to apply the same powers that would otherwise be available to the relevant national resolution authority.

The stated aim of the BRRD and the SRM Regulation is to provide for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and certain investment firms. The regime provided for by the BRRD is, among other things, stated to be needed to provide the resolution authority designated by each EU Member State (the “**Resolution Authority**”) with a credible set of tools to intervene sufficiently early and quickly in an unsound or failing institution so as to ensure the continuity of the institution’s critical financial and economic functions while minimising the impact of an institution’s failure on the economy and financial system (including taxpayers’ exposure to losses).

In accordance with the provisions of the SRM Regulation, when applicable, the SRB, has replaced the national resolution authorities designated under the BRRD with respect to all aspects relating to the decision-making process and the national resolution authorities designated under the BRRD continue to carry out activities relating to the implementation of resolution schemes adopted by the SRB. The provisions relating to the cooperation between the SRB and the national resolution authorities for the preparation of the institutions’ resolution

plans have applied since 1 January 2015 and the SRM has been fully operational since 1 January 2016.

The SRB is the Resolution Authority for the Issuer and the Guarantor.

The powers provided to the Resolution Authority in the BRRD and the SRM Regulation include write-down/conversion powers to ensure that capital instruments (including subordinated debt instruments) and eligible liabilities (including senior debt instruments if junior instruments prove insufficient to absorb all losses) absorb losses of the issuing institution that is subject to resolution in accordance with a set order of priority (the “**Bail-in Power**”). The conditions for resolution under the SRM Regulation are deemed to be met when: (i) the Resolution Authority determines that the institution is failing or is likely to fail, (ii) there is no reasonable prospect that any measure other than a resolution measure would prevent the failure within a reasonable timeframe, and (iii) a resolution measure is necessary for the achievement of the resolution objectives (in particular, ensuring the continuity of critical functions, avoiding a significant adverse effect on the financial system, protecting public funds by minimizing reliance on extraordinary public financial support, and protecting client funds and assets) and winding up of the institution under normal insolvency proceedings would not meet those resolution objectives to the same extent.

The Resolution Authority could also, independently of a resolution measure or in combination with a resolution measure, fully or partially write-down or convert capital instruments (including subordinated debt instruments) into equity when it determines that the institution or its group will no longer be viable unless such write-down or conversion power is exercised or when the institution requires extraordinary public financial support (except when extraordinary public financial support is provided in Article 10 of the SRM Regulation). The terms and conditions of the Certificates contain provisions giving effect to the Bail-in Power in the context of resolution and write-down or conversion of capital instruments at the point of non-viability.

The Bail-in Power could result in the full (i.e., to zero) or partial write-down or conversion of the Certificates into ordinary shares or other instruments of ownership, or the variation of the terms of the Certificates (for example, the maturity and/or interest payable may be altered and/or a temporary suspension of payments may be ordered). Extraordinary public financial support should only be used as a last resort after having assessed and applied, to the maximum extent practicable, the resolution measures. No support will be available until a minimum amount of contribution to loss absorption and recapitalization of 8% of total liabilities including own funds has been made by shareholders, holders of capital instruments and other eligible liabilities through write-down, conversion or otherwise.

In addition to the Bail-in Power, the BRRD and the SRM Regulation provide the Resolution Authority with broader powers to implement other resolution measures with respect to institutions that meet the conditions for resolution, which may include (without limitation) the sale of the institution’s business, the creation of a bridge institution, the separation of assets, the replacement or substitution of the institution as obligor in respect of debt instruments, modifications to the terms of debt instruments (including altering the maturity and/or the amount of interest payable and/or imposing a temporary suspension on payments), removing management, appointing an interim administrator, and discontinuing the listing and admission to trading of financial instruments.

Before taking a resolution measure, including implementing the Bail-in Power, or exercising the power to write down or convert relevant capital instruments, the Resolution Authority must ensure that a fair, prudent and realistic valuation of the assets and liabilities of the institution is carried out by a person independent from any public authority.

The BRRD, the BRR Act 2015 and the SRM Regulation however also state that, under exceptional circumstances, if the bail-in instrument is applied, the SRB, in cooperation with the CSSF, may completely or partially exclude certain liabilities from the application of the impairment or conversion powers under certain conditions.

Since 1 January 2016, EU credit institutions (such as Societe Generale) and certain investment firms have to meet, at all times, a minimum requirement for own funds and eligible liabilities ("**MREL**") pursuant to Article 12 of the SRM Regulation. The MREL, which is expressed as a percentage of the total liabilities and own funds of the institution, aims at preventing institutions from structuring their liabilities in a manner that impedes the effectiveness of the Bail-in Power in order to facilitate resolution.

The regime has evolved as a result of the changes adopted by the EU legislators. On 7 June 2019, as part of the contemplated amendments to the so-called "EU Banking Package", the following legislative texts were published in the Official Journal of the EU 14 May 2019:

- Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending the BRRD as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms ("**BRRD II**"); and
- Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019 amending the SRM Regulation as regards the loss-absorbing and recapitalisation capacity ("**TLAC**") of credit institutions and investment firms (the "**SRM II Regulation**" and, together with the BRRD II, the "**EU Banking Package Reforms**").

The EU Banking Package Reforms introduced, among other things, the TLAC standard as implemented by the Financial Stability Board's TLAC Term Sheet ("**FSB TLAC Term Sheet**"), by adapting, among other things, the existing regime relating to the specific MREL with the aim of reducing risks in the banking sector and further reinforcing institutions' ability to withstand potential shocks will strengthen the banking union and reduce risks in the financial system.

The TLAC has been implemented in accordance with the FSB TLAC Term Sheet, which imposes a level of "Minimum TLAC" that will be determined individually for each global systemically important bank ("**G-SIB**"), such as Societe Generale, in an amount at least equal to (i) 16%, plus applicable buffers, of risk weight assets since January 1, 2022 and 18%, plus applicable buffers, thereafter and (ii) 6% of the Basel III leverage ratio denominator since January 1, 2022 and 6.75% thereafter (each of which could be extended by additional firm-specific requirements).

Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (the "**CRR**"), as amended notably by Regulation (EU) 2019/876 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements (the "**CRR II**") and Regulation (EU) 2022/2036 of the European Parliament and of the Council of 19 October 2022 amending Regulation (EU) No 575/2013 and Directive 2014/59/EU as regards the prudential treatment of global systemically important institutions with a multiple-point-of-entry resolution strategy and methods for the indirect subscription of instruments eligible for meeting the minimum requirement for own funds and eligible liabilities, EU G-SIBs, such as Societe Generale, have to comply with TLAC requirements, on top of the MREL requirements, since the entry into force of the CRR II. As such, G-SIBs, such as Societe Generale have to comply with both the TLAC and MREL requirements.

Consequently, the criteria for MREL-eligible liabilities have been closely aligned with the criteria for TLAC-eligible liabilities under CRR II, but subject to the complementary adjustments and requirements introduced in the BRRD II. In particular, certain debt instruments with an embedded derivative component, such as certain structured notes, will be eligible, subject to certain conditions, to meet MREL requirements to the extent that they have a fixed or increasing principal amount repayable at maturity that is known in advance with only an additional return permitted to be linked to that derivative component and dependent on the performance of a reference asset.

The level of capital and eligible liabilities required under MREL is set by the SRB for Societe Generale on an individual and/or consolidated basis based on certain criteria including systemic importance and may also be set for SG Issuer. Eligible liabilities may be senior or subordinated, provided, among other requirements, that they have a remaining term of at least one year and, they recognise contractually the Resolution Authority's power to write down or convert the liabilities governed by non-EU law.

The scope of liabilities used to meet MREL includes, in principle, all liabilities resulting from claims arising from ordinary unsecured creditors (non-subordinated liabilities) unless they do not meet specific eligibility criteria set out in BRRD, as amended notably by BRRD II. To enhance the resolvability of institutions and entities through an effective use of the bail-in tool, the SRB should be able to require that MREL be met with own funds and other subordinated liabilities, in particular where there are clear indications that bailed-in creditors are likely to bear losses in resolution that would exceed the losses that they would incur under normal insolvency proceedings. Moreover the SRB should assess the need to require institutions and entities to meet the MREL with own funds and other subordinated liabilities where the amount of liabilities excluded from the application of the bail-in tool reaches a certain threshold within a class of liabilities that includes MREL-eligible liabilities. Any subordination of debt instruments requested by the SRB for the MREL shall be without prejudice to the possibility to partly meet the TLAC requirements with non-subordinated debt instruments in accordance with the CRR, as amended by the CRR II, as permitted by the TLAC standard. Specific requirements apply to resolution groups with assets above EUR 100 billion (top-tier banks, including Societe Generale).

## TERMS AND CONDITIONS OF THE CERTIFICATES

*The following are the terms and conditions of the Certificates and should be read in conjunction with, and are qualified by reference to, the other information set out in this document and the Base Listing Document.*

The Conditions are set out in the section headed “Terms and Conditions of the European Style Cash Settled Long/Short Certificates on Single Equities” in the Base Listing Document. For the purposes of the Conditions, the following terms shall have the following meanings:

Certificates:	3,000,000 European Style Cash Settled Long Certificates relating to the Common Stock of Tesla, Inc. (the “ <b>Underlying Stock</b> ”)
ISIN:	LU2079542176
Company:	Tesla, Inc. (RIC: TSLA.OQ)
Underlying Price and Source:	The closing price of the Underlying Stock on 8 June 2026 (Reuters)
Calculation Agent:	Societe Generale
Strike Level:	Zero
Daily Leverage:	3x (within the Leverage Strategy as described below)
Notional Amount per Certificate:	SGD 5.00
Management Fee (p.a.) <sup>3</sup> :	0.40%
Gap Premium (p.a.) <sup>4</sup> :	15.00%, is a hedging cost against extreme market movements beyond US market close on the same trading day.
Funding Cost <sup>5</sup> :	The annualised costs of funding, referencing a publicly published base rate plus spread.
Rebalancing Cost <sup>5</sup> :	The transaction costs (if applicable), computed as a function of leverage and daily performance of the Underlying Stock.
Launch Date:	2 June 2026
Closing Date:	8 June 2026
Expected Listing Date:	9 June 2026
Last Trading Date:	The date falling 5 Business Days immediately preceding the Expiry Date, currently being 16 November 2028

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<sup>3</sup> Please note that the Management Fee is calculated on a 360-day basis and may be increased up to a maximum of 3% p.a. on giving one month's notice to investors. Any increase in the Management Fee will be announced on the SGXNET. Please refer to “Fees and Charges” below for further details of the fees and charges payable and the maximum of such fees as well as other ongoing expenses that may be borne by the Certificates.

<sup>4</sup> Please note that the Gap Premium is calculated on a 360-day basis.

<sup>5</sup> These costs are embedded within the Leverage Strategy.

Expiry Date:	The Business Day immediately following the Valuation Date, currently being 23 November 2028
Board Lot:	100 Certificates
Valuation Date:	22 November 2028 or if such day is not an Underlying Stock Business Day, the immediately following Underlying Stock Business Day and subject to the Market Disruption Event provisions.
Settlement Date:	No later than five Settlement Business Days following the Expiry Date, currently being 30 November 2028.
Exercise:	The Certificates may only be exercised on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, in a Board Lot or integral multiples thereof. Certificate Holders shall not be required to deliver an exercise notice. Exercise of Certificates shall be determined by whether the Cash Settlement Amount (less any Exercise Expenses) is positive. If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Certificates shall be deemed to have been automatically exercised at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day. The Cash Settlement Amount less the Exercise Expenses in respect of the Certificates shall be paid in the manner set out in Condition 4(c) of the Conditions. In the event the Cash Settlement Amount (less any Exercise Expenses) is zero, all Certificates shall be deemed to have expired at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, and Certificate Holders shall not be entitled to receive any payment from the Issuer in respect of the Certificates.
Cash Settlement Amount:	In respect of each Certificate, shall be an amount payable in the Settlement Currency equal to:  Closing Level multiplied by the Notional Amount per Certificate  Please refer to the “Information relating to the European Style Cash Settled Long Certificates on Single Equities” section on pages 46 to 60 of this document for examples and illustrations of the calculation of the Cash Settlement Amount.
Hedging Fee Factor:	In respect of each Certificate, shall be an amount calculated as: Product (for t from 2 to Valuation Date) of $(1 - \text{Management Fee} \times (\text{ACT}(t-1;t) \div 360)) \times (1 - \text{Gap Premium}(t-1) \times (\text{ACT}(t-1;t) \div 360))$  Where:  “t” refers to “ <b>Observation Date</b> ” which means each Underlying Stock Business Day (subject to Market Disruption Event) from (and including) the Underlying Stock Business Day immediately preceding the Expected Listing Date to the Valuation Date; and

ACT (t-1;t) means the number of calendar days between the Underlying Stock Business Day immediately preceding the Observation Date (such Underlying Stock Business Day being noted “t-1”) (included) and the Observation Date “t” (excluded).

If the Issuer determines, in its sole discretion, that on any Observation Date a Market Disruption Event has occurred, then that Observation Date shall be postponed until the first succeeding Underlying Stock Business Day on which there is no Market Disruption Event, unless there is a Market Disruption Event on each of the five Underlying Stock Business Days immediately following the original date that, but for the Market Disruption Event, would have been an Observation Date. In that case, that fifth Underlying Stock Business Day shall be deemed to be the Observation Date notwithstanding the Market Disruption Event and the Issuer shall determine, its good faith estimate of the level of the Leverage Strategy and the value of the Certificate on that fifth Underlying Stock Business Day in accordance with the formula for and method of calculation last in effect prior to the occurrence of the first Market Disruption Event taking into account, inter alia, the exchange traded or quoted price of the Underlying Stock and the potential increased cost of hedging by the Issuer as a result of the occurrence of the Market Disruption Event.

Please refer to the “Information relating to the European Style Cash Settled Long Certificates on Single Equities” section on pages 46 to 60 of this document for examples and illustrations of the calculation of the Hedging Fee Factor.

Closing Level: In respect of each Certificate, shall be an amount payable in the Settlement Currency equal to:

$$\left( \frac{\text{Final Reference Level} \times \text{Final Exchange Rate}}{\text{Initial Reference Level} \times \text{Initial Exchange Rate}} - \text{Strike Level} \right) \times \text{Hedging Fee Factor}$$

Initial Reference Level: 1,000

Final Reference Level: The closing level of the Leverage Strategy (as described below) on the Valuation Date

The calculation of the closing level of the Leverage Strategy is set out in the “Specific Definitions relating to the Leverage Strategy” section on pages 22 to 26 below.

Initial Exchange Rate: 1.2898

Final Exchange Rate: The rate for the conversion of United States Dollar to Singapore Dollar as at 5:00pm (Singapore Time) on the Valuation Date as shown on Reuters, provided that if the Reuters service ceases to display such information, as determined by the Issuer by reference to such source(s) as the Issuer may reasonably determine to be appropriate at such a time.

**Air Bag Mechanism:** The “Air Bag Mechanism” refers to the mechanism built in the Leverage Strategy and which is designed to reduce the Leverage Strategy exposure to the Underlying Stock during extreme market conditions. If the Underlying Stock falls by 20% or more (“**Air Bag Trigger Price**”) during the trading day of the Relevant Stock Exchange for the Underlying Stock (which represents an approximately 60% loss after a 3 times leverage), the Air Bag Mechanism is triggered and the Leverage Strategy is adjusted intra-day during the trading hours of the Relevant Stock Exchange for the Underlying Stock. The Air Bag Mechanism reduces the impact on the Leverage Strategy if the Underlying Stock falls further, but will also maintain a reduced exposure to the Underlying Stock in the event the Underlying Stock starts to rise after the Air Bag Mechanism is triggered, thereby reducing its ability to recoup losses.

The Leverage Strategy is floored at 0 and the Certificates cannot be valued below zero.

Please refer to the “Extraordinary Strategy Adjustment for Performance Reasons (“Air Bag Mechanism”)” section on pages 25 to 26 below and the “Description of Air Bag Mechanism” section on pages 52 to 53 of this document for further information of the Air Bag Mechanism.

**Adjustments and Extraordinary Events:** The Issuer has the right to make adjustments to the terms of the Certificates if certain events, including any capitalisation issue, rights issue, extraordinary distributions, merger, delisting, insolvency (as more specifically set out in the terms and conditions of the Certificates) occur in respect of the Underlying Stock. For the avoidance of doubt, no notice will be given if the Issuer determines that adjustments will not be made.

**Underlying Stock Currency:** United States Dollar (“**USD**”)

**Settlement Currency:** Singapore Dollar (“**SGD**”)

**Exercise Expenses:** Certificate Holders will be required to pay all charges which are incurred in respect of the exercise of the Certificates.

**Relevant Stock Exchange for the Certificates:** The Singapore Exchange Securities Trading Limited (“**SGX-ST**”)

**Relevant Stock Exchange for the Underlying Stock:** NASDAQ

**Related Exchange:** Each exchange or quotation system, or alternative trading system, where trading has a material effect (as determined by the Calculation Agent) on the overall market for the Underlying Stock when the Relevant Stock Exchange for the Underlying Stock is not open for trading

Underlying Stock Business Day, Business Day or Settlement Business Day: An “**Underlying Stock Business Day**” means a day on which NASDAQ is open for dealings in the United States during its normal trading hours and banks are open for business in the United States.

A “**Business Day**” or a “**Settlement Business Day**” is a day on which the SGX-ST is open for dealings in Singapore during its normal trading hours and banks are open for business in Singapore.

Warrant Agent: The Central Depository (Pte) Limited (“**CDP**”)

Clearing System: CDP

Fees and Charges: Normal transaction and brokerage fees shall apply to the trading of the Certificates on the SGX-ST. Investors should note that they may be required to pay stamp taxes or other documentary charges in accordance with the laws and practices of the country where the Certificates are transferred. Investors who are in any doubt as to their tax position should consult their own independent tax advisers. In addition, investors should be aware that tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

Investors holding position beyond market close of the SGX-ST would also be required to bear the Management Fee and Gap Premium, which are calculated daily and applied to the value of the Certificates, as well as certain costs embedded within the Leverage Strategy including the Funding Cost and Rebalancing Cost. The Management Fee may be increased up to a maximum of 3% p.a. on giving one month’s notice to investors in accordance with the terms and conditions of the Certificates. Any increase in the Management Fee will be announced on the SGXNET. Due to the difference in trading hours of the SGX-ST and the Relevant Stock Exchange for the Underlying Stock, unless investors exit their position within the same SGX-ST trading day, they would bear such annualised costs.

Further Information: Please refer to the website at [dlc.socgen.com](http://dlc.socgen.com) for more information on the theoretical closing price of the Certificates on the previous trading day, the closing price of the Underlying Stock on the previous trading day, the Air Bag Trigger Price for each trading day and the Management Fee and Gap Premium.

## Specific Definitions relating to the Leverage Strategy

### Description of the Leverage Strategy

The Leverage Strategy is designed to track a 3 times daily leveraged exposure to the Underlying Stock.

At the end of each trading day of the Underlying Stock, the exposure of the Leverage Strategy to the Underlying Stock is reset within the Leverage Strategy in order to retain a daily leverage of 3 times the performance of the Underlying Stock (excluding costs) regardless of the performance of the Underlying Stock on the preceding day. This mechanism is referred to as the Daily Reset.

The Leverage Strategy incorporates an air bag mechanism which is designed to reduce exposure to the Underlying Stock during extreme market conditions, as further described below.

### Leverage Strategy Formula

<b>LSL<sub>t</sub></b>	means, for any Observation Date(t), the Leverage Strategy Closing Level as of such day (t).  Subject to the occurrence of an Intraday Restrike Event, the Leverage Strategy Closing Level as of such Observation Date(t) is calculated in accordance with the following formulae:  On Observation Date(1): $LSL_1 = 1000$  On each subsequent Observation Date(t): $LSL_t = \text{Max}[LSL_{t-1} \times (1 + LR_{t-1,t} - FC_{t-1,t} - RC_{t-1,t}), 0]$
<b>LR<sub>t-1,t</sub></b>	means the Leveraged Return of the Underlying Stock between Observation Date(t-1) and Observation Date(t) closing prices, calculated as follows:  $LR_{t-1,t} = \text{Leverage} \times \left( \frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right)$
<b>FC<sub>t-1,t</sub></b>	means, the Funding Cost between Observation Date(t-1) (included) and Observation Date(t) (excluded) calculated as follows:  $FC_{t-1,t} = (\text{Leverage} - 1) \times \frac{\text{Rate}_{t-1} \times \text{ACT}(t-1, t)}{\text{DayCountBasisRate}}$
<b>RC<sub>t-1,t</sub></b>	means the Rebalancing Cost of the Leverage Strategy on Observation Date (t), calculated as follows:  $RC_{t-1,t} = \text{Leverage} \times (\text{Leverage} - 1) \times \left( \left  \frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right  \right) \times \text{TC}$
<b>TC</b>	means the Transaction Costs applicable (including brokerage fees and any other applicable taxes, levies and costs which may be levied on the stock transactions on the Relevant Stock Exchange for the Underlying Stock by the applicable regulatory authorities from time to time) that are currently equal to:  0.20%
<b>Leverage</b>	3

<b>S<sub>t</sub></b>	means, in respect of each Observation Date(t), the Closing Price of the Underlying Stock as of such Observation Date(t), subject to the adjustments and provisions of the Conditions.
<b>Rate<sub>t</sub></b>	means, in respect of each Observation Date(t), a rate calculated as of such day in accordance with the following formula:  $\text{Rate}_t = \text{CashRate}_t + \% \text{SpreadLevel}_t$
<b>Rfactor<sub>t</sub></b>	means, in the event Observation Date (t) is an ex-dividend date of the Underlying Stock, an amount determined by the Calculation Agent, subject to the adjustments and provisions of the Conditions, according to the following formula:  $\text{Rfactor}_t = 1 - \frac{\text{Div}_t}{\text{S}_{t-1}}$  where  <i>Div<sub>t</sub></i> is the dividend to be paid out in respect of the Underlying Stock and the relevant ex-dividend date which shall be considered net of any applicable withholding taxes.
<b>CashRate<sub>t</sub></b>	means, in respect of each Observation Date(t), the US SOFR Secured Overnight Financing Rate, as published on Bloomberg Screen SOFRRATE Index page or any successor page, being the rate as of such Observation Date (t), provided that if any of such rates is not available, then that rate shall be determined by reference to the latest available rate that was published on the relevant Bloomberg page.
<b>%SpreadLevel<sub>t</sub></b>	1%, subject to change by the Issuer on giving 10 Business Days' notice to investors via SGXNet.
<b>ACT(t-1,t)</b>	ACT (t-1;t) means the number of calendar days between the Underlying Stock Business Day immediately preceding the Observation Date (such Underlying Stock Business Day being noted "t-1") (included) and the Observation Date "t" (excluded).
<b>DayCountBasisRate</b>	365
<b>Benchmark Fallback</b>	upon the occurrence or likely occurrence, as determined by the Calculation Agent, of a Reference Rate Event, the Calculation Agent may make adjustments as it may determine appropriate to account for the relevant event or circumstance, including but not limited to using any alternative rates from such date, with or without retroactive effect as the Calculation Agent may in its sole and absolute discretion determine.
<b>Reference Rate Event</b>	means, in respect of the Reference Rate any of the following has occurred or will occur:  (i) a Reference Rate Cessation;  (ii) an Administrator/Benchmark Event; or

	<p>(iii) a Reference Rate is, with respect to over-the-counter derivatives transactions which reference such Reference Rate, the subject of any market-wide development formally agreed upon by the International Swaps and Derivative Association (ISDA) or the Asia Securities Industry &amp; Financial Markets Association (ASIFMA), pursuant to which such Reference Rate is, on a specified date, replaced with a risk-free rate (or near risk-free rate) established in order to comply with the recommendations in the Financial Stability Board's paper titled "Reforming Major Interest Rate Benchmarks" dated 22 July 2014.</p>
<b>Reference Rate Cessation</b>	<p>means, for a Reference Rate, the occurrence of one or more of the following events:</p> <p>(i) a public statement or publication of information by or on behalf of the administrator of the Reference Rate announcing that it has ceased or will cease to provide the Reference Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Reference Rate;</p> <p>(ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Reference Rate, the central bank for the currency of the Reference Rate, an insolvency official with jurisdiction over the administrator for the Reference Rate, a resolution authority with jurisdiction over the administrator for the Reference Rate or a court or an entity with similar insolvency or resolution authority over the administrator for the Reference Rate, which states that the administrator of the Reference Rate has ceased or will cease to provide the Reference Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Reference Rate; or</p> <p>(iii) in respect of a Reference Rate, a public statement or publication of information by the regulatory supervisor for the administrator of such Reference Rate announcing that (a) the regulatory supervisor has determined that such Reference Rate is no longer, or as of a specified future date will no longer be, representative of the underlying market and economic reality that such Reference Rate is intended to measure and that representativeness will not be restored and (b) it is being made in the awareness that the statement or publication will engage certain contractual triggers for fallbacks activated by pre-cessation announcements by such supervisor (howsoever described) in contracts;</p>
<b>Administrator/ Benchmark Event</b>	<p>means, for a Reference Rate, any authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register in respect of the Reference Rate or the administrator or sponsor of the Benchmark has not been, or will not be, obtained or has been, or will be, rejected, refused, suspended or withdrawn by the relevant competent authority or other relevant official body, in each case with the effect that either the Issuer, the Calculation Agent or any other entity is not, or will not be, permitted under any applicable law or regulation to use the Reference Rate to perform its or their respective obligations under the Certificates.</p>
<b>Reference Rate(s)</b>	<p>means the rate(s) used in the Leverage Strategy Formula, for example SORA, SOFR and US Federal Funds Effective Rate.</p>

**Extraordinary Strategy Adjustment for Performance Reasons (“Air Bag Mechanism”)**

**Extraordinary Strategy Adjustment for Performance Reasons** If the Calculation Agent determines that an Intraday Restrike Event has occurred during an Observation Date(t) (the **Intraday Restrike Date**, noted hereafter **IRD**), an adjustment (an **Extraordinary Strategy Adjustment for Performance Reasons**) shall take place during such Observation Date(t) in accordance with the following provisions.

(1) Provided the last Intraday Restrike Observation Period as of such Intraday Restrike Date does not end on the TimeReferenceClosing, the Leverage Strategy Closing Level on the Intraday Restrike Date ( $LSL_{IRD}$ ) should be computed as follows:

$$LSL_{IRD} = \text{Max}[ILSL_{IR(n)} \times (1 + ILR_{IR(n),IR(C)} - IRC_{IR(n),IR(C)}), 0]$$

(2) If the last Intraday Restrike Event Observation Period on the relevant Intraday Restrike Date ends on the TimeReferenceClosing:

$$LSL_{IRD} = \text{Max}[ILSL_{IR(n)}, 0]$$

**$ILSL_{IR(k)}$**  means, in respect of IR(k), the Intraday Leverage Strategy Level in accordance with the following provisions:

(1) for k = 1:

$$ILSL_{IR(1)} = \text{Max}[LSL_{IRD-1} \times (1 + ILR_{IR(0),IR(1)} - FC_{IRD-1,IRD} - IRC_{IR(0),IR(1)}), 0]$$

(2) for k > 1:

$$ILSL_{IR(k)} = \text{Max}[ILSL_{IR(k-1)} \times (1 + ILR_{IR(k-1),IR(k)} - IRC_{IR(k-1),IR(k)}), 0]$$

**$ILR_{IR(k-1),IR(k)}$**  means the Intraday Leveraged Return between IR(k-1) and IR(k), calculated as follows:

$$ILR_{IR(k-1),IR(k)} = \text{Leverage} \times \left( \frac{IS_{IR(k)}}{IS_{IR(k-1)}} - 1 \right)$$

**$IRC_{IR(k-1),IR(k)}$**  means the Intraday Rebalancing Cost of the Leverage Strategy in respect of IR(k) on a given Intraday Restrike Date, calculated as follows:

$$IRC_{IR(k-1),IR(k)} = \text{Leverage} \times (\text{Leverage} - 1) \times \left( \left| \frac{IS_{IR(k)}}{IS_{IR(k-1)}} - 1 \right| \right) \times TC$$

**$IS_{IR(k)}$**  means the Underlying Stock Price in respect of IR(k) computed as follows:

(1) for k=0

$$IS_{IR(0)} = S_{IRD-1} \times R_{factor_{IRD}}$$

(2) for k=1 to n

means in respect of IR(k), the lowest price of the Underlying Stock during the respective Intraday Restrike Observation Period

(3) with respect to IR(C)

$$IS_{IR(C)} = S_{IRD}$$

In each case, subject to the adjustments and provisions of the Conditions.

<b>IR(k)</b>	<p>For k=0, means the scheduled close for the Relevant Stock Exchange for the Underlying Stock (or any successor thereto) on the Observation Date immediately preceding the relevant Intraday Restrike Date;</p> <p>For k=1 to n, means the k<sup>th</sup> Intraday Restrike Event on the relevant Intraday Restrike Date.</p>
<b>IR(C)</b>	means the scheduled close for the Relevant Stock Exchange for the Underlying Stock (or any successor thereto) on the relevant Intraday Restrike Date.
<b>n</b>	means the number of Intraday Restrike Events that occurred on the relevant Intraday Restrike Date.
<b>Intraday Restrike Event</b>	<p>means in respect of an Observation Date(t):</p> <p>(1) provided no Intraday Restrike Event has previously occurred on such Observation Date (t), the decrease at any Calculation Time of the Underlying Stock price by 20% or more compared with the relevant Underlying Stock Price <math>IS_{IR(0)}</math> as of such Calculation Time.</p> <p>(2) if k Intraday Restrike Events have occurred on the relevant Intraday Restrike Date, the decrease at any Calculation Time of the Underlying Stock price by 20% or more compared with the relevant Underlying Stock Price <math>IS_{IR(k)}</math> as of such Calculation Time.</p>
<b>Calculation Time</b>	means any time between the TimeReferenceOpening and the TimeReferenceClosing, provided that the relevant data is available to enable the Calculation Agent to determine the Leverage Strategy Level.
<b>TimeReferenceOpening</b>	means the scheduled opening time for the Relevant Stock Exchange for the Underlying Stock (or any successor thereto).
<b>TimeReferenceClosing</b>	means the scheduled closing time for the Relevant Stock Exchange for the Underlying Stock (or any successor thereto).
<b>Intraday Restrike Event Observation Period</b>	<p>means in respect of an Intraday Restrike Event, the period starting on and excluding the Intraday Restrike Event Time and finishing on and including the sooner between (1) the time falling 15 minutes of continuous trading after the Intraday Restrike Event Time and (2) the TimeReferenceClosing.</p> <p>Where, during such period, the Calculation Agent determines that (1) the trading in the Underlying Stock is disrupted or subject to suspension or limitation or (2) the Relevant Stock Exchange for the Underlying Stock is not open for continuous trading, the Intraday Restrike Event Observation Period will be extended to the extent necessary until (1) the trading in the Underlying Stock is no longer disrupted, suspended or limited and (2) the Relevant Stock Exchange for the Underlying Stock is open for continuous trading.</p>
<b>Intraday Restrike Event Time</b>	means in respect of an Intraday Restrike Event, the Calculation Time on which such event occurs.

The Conditions set out in the section headed “Terms and Conditions of the European Style Cash Settled Long/Short Certificates on Single Equities” in the Base Listing Document are set out below. This section is qualified in its entirety by reference to the detailed information appearing elsewhere in this document which shall, to the extent so specified or to the extent inconsistent with the relevant Conditions set out below, replace or modify the relevant Conditions for the purpose of the Certificates.

## TERMS AND CONDITIONS OF

### THE EUROPEAN STYLE CASH SETTLED LONG/SHORT CERTIFICATES ON SINGLE EQUITIES

#### 1. Form, Status and Guarantee, Transfer and Title

- (a) *Form.* The Certificates (which expression shall, unless the context otherwise requires, include any further certificates issued pursuant to Condition 11) are issued subject to and with the benefit of: -
- (i) a master instrument by way of deed poll (the “**Master Instrument**”) dated 13 June 2025, made by SG Issuer (the “**Issuer**”) and Societe Generale (the “**Guarantor**”); and
  - (ii) a warrant agent agreement (the “**Master Warrant Agent Agreement**” or “**Warrant Agent Agreement**”) dated any time before or on the Closing Date, made between the Issuer and the Warrant Agent for the Certificates.

Copies of the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement are available for inspection at the specified office of the Warrant Agent.

The holders of the Certificates (the “**Certificate Holders**”) are entitled to the benefit of, are bound by and are deemed to have notice of all the provisions of the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement.

- (b) *Status and Guarantee.* The Certificates constitute direct, general and unsecured obligations of the Issuer and rank, and will rank, equally among themselves and *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer (save for statutorily preferred exceptions). The Certificates provide for cash settlement on exercise. The Certificates do not entitle Certificate Holders to the delivery of any Underlying Stock, are not secured by the Underlying Stock and do not entitle Certificate Holders to any interest in any Underlying Stock.

The due and punctual payment of any amounts due by the Issuer in respect of the Certificates issued by the Issuer is unconditionally and irrevocably guaranteed by the Guarantor as provided in the Guarantee (each such amount payable under the Guarantee, a “**Guarantee Obligation**”).

The Guarantee Obligations will constitute direct, unconditional, unsecured and unsubordinated obligations of the Guarantor ranking as senior preferred obligations as provided for in Article L. 613-30-3 I 3° of the French Code *Monétaire et Financier* (the “**Code**”).

Such Guarantee Obligations rank and will rank equally and rateably without any preference or priority among themselves and:

- (i) *pari passu* with all other direct, unconditional, unsecured and unsubordinated obligations of the Guarantor outstanding as of the date of the entry into force of the law no. 2016-1691 (the “**Law**”) on 11 December 2016;
- (ii) *pari passu* with all other present or future direct, unconditional, unsecured and senior preferred obligations (as provided for in Article L. 613-30-3 I 3° of the Code) of the Guarantor issued after the date of the entry into force of the Law on 11 December 2016;
- (iii) junior to all present or future claims of the Guarantor benefiting from the statutorily preferred exceptions; and
- (iv) senior to all present and future senior non-preferred obligations (as provided for in Article L.613-30-3 I 4° of the Code) of the Guarantor.

In the event of the failure of the Issuer to promptly perform its obligations to any Certificate Holder under the terms of the Certificates, such Certificate Holder may, but is not obliged to, give written notice to the Guarantor at Societe Generale, Tour Societe Generale, 75886 Paris Cedex 18, France marked for the attention of SEGL/JUR/OMF - Market Transactions & Financing.

- (c) **Transfer.** The Certificates are represented by a global warrant certificate (“**Global Warrant**”) which will be deposited with The Central Depository (Pte) Limited (“**CDP**”). Certificates in definitive form will not be issued. Transfers of Certificates may be effected only in Board Lots or integral multiples thereof. All transactions in (including transfers of) Certificates, in the open market or otherwise, must be effected through a securities account with CDP. Title will pass upon registration of the transfer in the records maintained by CDP.
- (d) **Title.** Each person who is for the time being shown in the records maintained by CDP as entitled to a particular number of Certificates shall be treated by the Issuer, the Guarantor and the Warrant Agent as the holder and absolute owner of such number of Certificates, notwithstanding any notice to the contrary. The expression “**Certificate Holder**” shall be construed accordingly.
- (e) **Bail-In.** By the acquisition of Certificates, each Certificate Holder (which, for the purposes of this Condition, includes any current or future holder of a beneficial interest in the Certificates) acknowledges, accepts, consents and agrees:
  - (i) to be bound by the effect of the exercise of the Bail-In Power (as defined below) by the Relevant Resolution Authority (as defined below) on the Issuer’s liabilities under the Certificates, which may include and result in any of the following, or some combination thereof:
    - (A) the reduction of all, or a portion, of the Amounts Due (as defined below), on a permanent basis;
    - (B) the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Issuer or the Guarantor or another person (and the issue to the Certificate Holder of such shares, securities or obligations), including by means of an amendment, modification or variation of the Conditions of the Certificates, in which case the Certificate Holder agrees to accept in lieu of its rights under the Certificates any such shares, other securities or other obligations of the Issuer or the Guarantor or another person;

- (C) the cancellation of the Certificates; and/or
- (D) the amendment or alteration of the expiration of the Certificates or amendment of the amounts payable on the Certificates, or the date on which the amounts become payable, including by suspending payment for a temporary period; and

that terms of the Certificates are subject to, and may be varied, if necessary, to give effect to the exercise of the Bail-In Power by the Relevant Resolution Authority or the regulator,

(the “**Statutory Bail-In**”);

(ii) if the Relevant Resolution Authority exercises its Bail-In Power on liabilities of the Guarantor, pursuant to Article L.613-30-3-I-3 of the French Monetary and Financial Code (the “**Code**”):

- (A) ranking:
  - (1) junior to liabilities of the Guarantor benefitting from statutorily preferred exceptions pursuant to Article L.613-30-3-I 1° and 2 of the Code;
  - (2) *pari passu* with liabilities of the Guarantor as defined in Article L.613-30-3-I-3 of the Code; and
  - (3) senior to liabilities of the Guarantor as defined in Article L.613-30-3-I-4 of the Code; and
- (B) which are not *titres non structurés* as defined under Article R.613-28 of the Code, and
- (C) which are not or are no longer eligible to be taken into account for the purposes of the MREL (as defined below) ratio of the Guarantor

and such exercise of the Bail-In Power results in the write-down or cancellation of all, or a portion of, the principal amount of, or the outstanding amount payable in respect of, and/or interest on, such liabilities, and/or the conversion of all, or a portion, of the principal amount of, or the outstanding amount payable in respect of, or interest on, such liabilities into shares or other securities or other obligations of the Guarantor or another person, including by means of variation to their terms and conditions in order to give effect to such exercise of Bail-In Power, then the Issuer’s obligations under the Certificates will be limited to (i) payment of the amount as reduced or cancelled that would be recoverable by the Certificate Holders and/or (ii) the delivery or the payment of value of the shares or other securities or other obligations of the Guarantor or another person that would be paid or delivered to the Certificate Holders as if, in either case, the Certificates had been directly issued by the Guarantor itself and any Amount Due under the Certificates had accordingly been directly subject to the exercise of the Bail-In Power (the “**Contractual Bail-in**”).

No repayment or payment of the Amounts Due will become due and payable or be paid after the exercise of the Statutory Bail-In with respect to the Issuer or the Guarantor unless, at the time such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by the Issuer or the Guarantor under the applicable laws and regulations in effect in France or Luxembourg

and the European Union applicable to the Issuer or the Guarantor or other members of its group.

No repayment or payment of the Amounts Due will become due and payable or be paid under the Certificates issued by SG Issuer after implementation of the Contractual Bail-in.

Upon the exercise of the Statutory Bail-in or upon implementation of the Contractual Bail-in with respect to the Certificates, the Issuer or the Guarantor will provide a written notice to the Certificate Holders in accordance with Condition 9 as soon as practicable regarding such exercise of the Statutory Bail-in or implementation of the Contractual Bail-in. Any delay or failure by the Issuer or the Guarantor to give notice shall not affect the validity and enforceability of the Statutory Bail-in or Contractual Bail-in nor the effects on the Certificates described above.

Neither a cancellation of the Certificates, a reduction, in part or in full, of the Amounts Due, the conversion thereof into another security or obligation of the Issuer or the Guarantor or another person, as a result of the exercise of the Statutory Bail-in or the implementation of the Contractual Bail-in with respect to the Certificates will be an event of default or otherwise constitute non-performance of a contractual obligation, or entitle the Certificate Holder to any remedies (including equitable remedies) which are hereby expressly waived.

The matters set forth in this Condition shall be exhaustive on the foregoing matters to the exclusion of any other agreements, arrangements or understandings between the Issuer, the Guarantor and each Certificate Holder. No expenses necessary for the procedures under this Condition, including, but not limited to, those incurred by the Issuer and the Guarantor, shall be borne by any Certificate Holder.

For the purposes of this Condition:

**“Amounts Due”** means any amounts due by the Issuer under the Certificates.

**“Bail-In Power”** means any statutory cancellation, write-down and/or conversion power existing from time to time under any laws, regulations, rules or requirements relating to the resolution of banks, banking group companies, credit institutions and/or investment firms, including but not limited to any such laws, regulations, rules or requirements that are implemented, adopted or enacted within the context of a European Union directive or regulation of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms, or any other applicable laws or regulations, as amended, or otherwise, pursuant to which obligations of a bank, banking group company, credit institution or investment firm or any of its affiliates can be reduced, cancelled, varied or otherwise modified in any way and/or converted into shares or other securities or obligations of the obligor or any other person.

**“MREL”** means the Minimum Requirement for own funds and Eligible Liabilities as defined in Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (as amended from time to time).

**“Relevant Resolution Authority”** means any authority with the ability to exercise the Bail-in Power on Societe Generale or SG Issuer as the case may be.

## 2. Certificate Rights and Exercise Expenses

- (a) *Certificate Rights.* Every Certificate entitles each Certificate Holder, upon due exercise and on compliance with Condition 4, to payment by the Issuer of the Cash Settlement Amount (as defined below) (if any) in the manner set out in Condition 4.

The “**Cash Settlement Amount**”, in respect of each Certificate, shall be an amount payable in the Settlement Currency equal to the Closing Level multiplied by the Notional Amount per Certificate.

The “**Closing Level**”, in respect of each Certificate, shall be an amount payable in the Settlement Currency equal to:

$$\left( \frac{\text{Final Reference Level} \times \text{Final Exchange Rate}}{\text{Initial Reference Level} \times \text{Initial Exchange Rate}} - \text{Strike Level} \right) \times \text{Hedging Fee Factor}$$

If the Issuer determines, in its sole discretion, that on the Valuation Date or any Observation Date a Market Disruption Event has occurred, then that Valuation Date or Observation Date shall be postponed until the first succeeding Exchange Business Day or Underlying Stock Business Day, as the case may be, on which there is no Market Disruption Event, unless there is a Market Disruption Event on each of the five Exchange Business Days or Underlying Stock Business Days, as the case may be, immediately following the original date that, but for the Market Disruption Event, would have been a Valuation Date or an Observation Date. In that case: -

- (i) that fifth Exchange Business Day or Underlying Stock Business Day, as the case may be, shall be deemed to be the Valuation Date or the Observation Date notwithstanding the Market Disruption Event; and
- (ii) the Issuer shall determine the Final Reference Level or the relevant closing level on the basis of its good faith estimate of the Final Reference Level or the relevant closing level that would have prevailed on that fifth Exchange Business Day or Underlying Stock Business Day, as the case may be, but for the Market Disruption Event.

“**Market Disruption Event**” means the occurrence or existence of (i) any suspension of trading on the Relevant Stock Exchange of the Underlying Stock requested by the Company if that suspension is, in the determination of the Issuer, material, (ii) any suspension of or limitation imposed on trading (including but not limited to unforeseen circumstances such as by reason of movements in price exceeding limits permitted by the Relevant Stock Exchange or any act of God, war, riot, public disorder, explosion, terrorism or otherwise) on the Relevant Stock Exchange in the Underlying Stock if that suspension or limitation is, in the determination of the Issuer, material, or (iii) the closing of the Relevant Stock Exchange or a disruption to trading on the Relevant Stock Exchange if that disruption is, in the determination of the Issuer, material as a result of the occurrence of any act of God, war, riot, public disorder, explosion or terrorism.

- (b) *Exercise Expenses.* Certificate Holders will be required to pay all charges which are incurred in respect of the exercise of the Certificates (the “**Exercise Expenses**”). An amount equivalent to the Exercise Expenses will be deducted by the Issuer from the Cash Settlement Amount in accordance with Condition 4. Notwithstanding the foregoing, the Certificate Holders shall account to the Issuer on demand for any Exercise Expenses to the extent that they were not or could not be deducted from the Cash Settlement Amount prior to the date of payment of the Cash Settlement Amount to the Certificate Holders in accordance with Condition 4.

- (c) No Rights. The purchase of Certificates does not confer on the Certificate Holders any right (whether in respect of voting, dividend or other distributions in respect of the Underlying Stock or otherwise) which the holder of an Underlying Stock may have.

### 3. Expiry Date

Unless automatically exercised in accordance with Condition 4(b), the Certificates shall be deemed to expire at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day (as defined below), the immediately preceding Business Day.

### 4. Exercise of Certificates

- (a) *Exercise.* Certificates may only be exercised on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, in accordance with Condition 4(b).
- (b) *Automatic Exercise.* Certificate Holders shall not be required to deliver an exercise notice. Exercise of Certificates shall be determined by whether the Cash Settlement Amount (less any Exercise Expenses) is positive. If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Certificates shall be deemed to have been automatically exercised at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day. The Cash Settlement Amount less the Exercise Expenses in respect of the Certificates shall be paid in the manner set out in Condition 4(c) below. In the event the Cash Settlement Amount (less any Exercise Expenses) is zero, all Certificates shall be deemed to have expired at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, and Certificate Holders shall not be entitled to receive any payment from the Issuer in respect of the Certificates.
- (c) *Settlement.* In respect of Certificates which are automatically exercised in accordance with Condition 4(b), the Issuer will pay to the relevant Certificate Holder the Cash Settlement Amount (if any) in the Settlement Currency. The aggregate Cash Settlement Amount (less any Exercise Expenses) shall be despatched as soon as practicable and no later than five Settlement Business Days (as defined in the relevant Supplemental Listing Document and subject to extension upon the occurrence of a Settlement Disruption Event (as defined below)) following the Expiry Date by way of crossed cheque or other payment in immediately available funds drawn in favour of the Certificate Holder only (or, in the case of joint Certificate Holders, the first-named Certificate Holder) appearing in the records maintained by CDP. Any payment made pursuant to this Condition 4(c) shall be delivered at the risk and expense of the Certificate Holder and posted to the Certificate Holder's address appearing in the records maintained by CDP (or, in the case of joint Certificate Holders, to the address of the first-named Certificate Holder appearing in the records maintained by CDP). If the Cash Settlement Amount is equal to or less than the determined Exercise Expenses, no amount is payable.

If the Issuer determines, in its sole discretion, that on any Settlement Business Day during the period of five Settlement Business Days following the Expiry Date a Settlement Disruption Event has occurred, such Settlement Business Day shall be postponed to the next Settlement Business Day on which the Issuer determines that the Settlement Disruption Event is no longer subsisting and such period shall be extended accordingly, provided that the Issuer and/or the Guarantor shall make their best endeavours to implement remedies as soon as reasonably practicable to eliminate

the impact of the Settlement Disruption Event on its/their payment obligations under the Certificates and/or the Guarantee.

“**Settlement Disruption Event**” means the occurrence or existence of any malicious action or attempt initiated to steal, expose, alter, disable or destroy information through unauthorised access to, or maintenance or use of, the Computer Systems of the Issuer, the Guarantor, the Calculation Agent, their respective affiliates (the “SG Group”), their IT service providers, by (and without limitation) the use of malware, ransomware, phishing, denial or disruption of service or cryptojacking or any unauthorized entry, removal, reproduction, transmission, deletion, disclosure or modification preventing the Issuer, the Guarantor and/or the Calculation Agent to perform their obligations under the Certificates, and notwithstanding the implementation of processes, required, as the case may be, by the laws and regulations applicable to the Issuer, the Guarantor, the Calculation Agent and their affiliates, or their IT service providers to improve their resilience to these actions and attempts.

“**Computer System**” means all the computer resources including, in particular: hardware, software packages, software, databases and peripherals, equipment, networks, electronic installations for storing computer data, including Data. The Computer System shall be understood to be that which (i) belongs to the SG Group and/or (ii) is rented, operated or legally held by the SG Group under a contract with the holder of the rights to the said system and/or (iii) is operated on behalf of the SG Group by a third party within the scope of a contractual relationship and/or (iv) is made available to the SG Group under a contract within the framework of a shared system (in particular cloud computing).

“**Data**” means any digital information, stored or used by the Computer System, including confidential data.

- (d) *CDP not liable.* CDP shall not be liable to any Certificate Holder with respect to any action taken or omitted to be taken by the Issuer or the Warrant Agent in connection with the exercise of the Certificates or otherwise pursuant to or in connection with these Conditions.
- (e) *Business Day.* In these Conditions, a “**Business Day**” shall be a day on which the SGX-ST is open for dealings in Singapore during its normal trading hours and banks are open for business in Singapore.

## 5. Warrant Agent

- (a) *Warrant Agent.* The Issuer reserves the right, subject to the appointment of a successor, at any time to vary or terminate the appointment of the Warrant Agent and to appoint another Warrant Agent provided that it will at all times maintain a Warrant Agent which, so long as the Certificates are listed on the SGX-ST, shall be in Singapore. Notice of any such termination or appointment and of any change in the specified office of the Warrant Agent will be given to the Certificate Holders in accordance with Condition 9.
- (b) *Agent of Issuer.* The Warrant Agent will be acting as agent of the Issuer and will not assume any obligation or duty to or any relationship of agency or trust for the Certificate Holders. All determinations and calculations by the Warrant Agent under these Conditions shall (save in the case of manifest error) be final and binding on the Issuer and the Certificate Holders.

## 6. Adjustments

- (a) *Potential Adjustment Event.* Following the declaration by a Company of the terms of any Potential Adjustment Event (as defined below), the Issuer will determine whether such Potential Adjustment Event has a dilutive or concentrative or other effect on the theoretical value of the Underlying Stock and, if so, will (i) make the corresponding adjustment, if any, to any one or more of the Conditions as the Issuer determines appropriate to account for that dilutive or concentrative or other effect, and (ii) determine the effective date of that adjustment. The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an exchange on which options or futures contracts on the Underlying Stock are traded.
- (b) *Definitions.* “**Potential Adjustment Event**” means any of the following:
- (i) a subdivision, consolidation, reclassification or other restructuring of the Underlying Stock (excluding a Merger Event) or a free distribution or dividend of any such Underlying Stock to existing holders by way of bonus, capitalisation or similar issue;
  - (ii) a distribution or dividend to existing holders of the Underlying Stock of (1) such Underlying Stock, or (2) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Company equally or proportionately with such payments to holders of such Underlying Stock, or (3) share capital or other securities of another issuer acquired by the Company as a result of a “spin-off” or other similar transaction, or (4) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or otherwise) at less than the prevailing market price as determined by the Issuer;
  - (iii) an extraordinary dividend;
  - (iv) a call by the Company in respect of the Underlying Stock that is not fully paid;
  - (v) a repurchase by the Company of the Underlying Stock whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
  - (vi) with respect to a Company an event that results in any shareholder rights pursuant to a shareholder rights agreement or other plan or arrangement of the type commonly referred to as a “poison pill” being distributed, or becoming separated from shares of common stock or other shares of the capital stock of such Company (provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights); or
  - (vii) any other event that may have, in the opinion of the Issuer, a dilutive or concentrative or other effect on the theoretical value of the Underlying Stock.
- (c) *Merger Event, Tender Offer, Nationalisation and Insolvency.* If a Merger Event, Tender Offer, Nationalisation or Insolvency occurs in relation to the Underlying Stock, the Issuer may take any action described below:
- (i) determine the appropriate adjustment, if any, to be made to any one or more of the Conditions to account for the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, and determine the effective

date of that adjustment. The Issuer may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of the Merger Event, Tender Offer, Nationalisation or Insolvency made by an options exchange to options on the Underlying Stock traded on that options exchange;

- (ii) cancel the Certificates by giving notice to the Certificate Holders in accordance with Condition 9. If the Certificates are so cancelled, the Issuer will pay an amount to each Certificate Holder in respect of each Certificate held by such Certificate Holder which amount shall be the fair market value of a Certificate taking into account the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, less the cost to the Issuer and/or any of its affiliates of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its reasonable discretion. Payment will be made in such manner as shall be notified to the Certificate Holders in accordance with Condition 9; or
- (iii) following any adjustment to the settlement terms of options on the Underlying Stock on such exchange(s) or trading system(s) or quotation system(s) as the Issuer in its reasonable discretion shall select (the “**Option Reference Source**”) make a corresponding adjustment to any one or more of the Conditions, which adjustment will be effective as of the date determined by the Issuer to be the effective date of the corresponding adjustment made by the Option Reference Source. If options on the Underlying Stock are not traded on the Option Reference Source, the Issuer will make such adjustment, if any, to any one or more of the Conditions as the Issuer determines appropriate, with reference to the rules and precedents (if any) set by the Option Reference Source, to account for the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, that in the determination of the Issuer would have given rise to an adjustment by the Option Reference Source if such options were so traded.

Once the Issuer determines that its proposed course of action in connection with a Merger Event, Tender Offer, Nationalisation or Insolvency, it shall give notice to the Certificate Holders in accordance with Condition 9 stating the occurrence of the Merger Event, Tender Offer, Nationalisation or Insolvency, as the case may be, giving details thereof and the action proposed to be taken in relation thereto. Certificate Holders should be aware that due to the nature of such events, the Issuer will not make an immediate determination of its proposed course of action or adjustment upon the announcement or occurrence of a Merger Event, Tender Offer, Nationalisation or Insolvency.

- (d) *Definitions.* “**Insolvency**” means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting a Company (i) all the Underlying Stock of that Company is required to be transferred to a trustee, liquidator or other similar official or (ii) holders of the Underlying Stock of that Company become legally prohibited from transferring them. “**Merger Date**” means the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Issuer. “**Merger Event**” means, in respect of the Underlying Stock, any (i) reclassification or change of such Underlying Stock that results in a transfer of or an irrevocable commitment to transfer all of such Underlying

Stock outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of a Company with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Company is the continuing entity and which does not result in reclassification or change of all of such Underlying Stock outstanding), (iii) takeover offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Underlying Stock of the Company that results in a transfer of or an irrevocable commitment to transfer all such Underlying Stock (other than such Underlying Stock owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the Company or its subsidiaries with or into another entity in which the Company is the continuing entity and which does not result in a reclassification or change of all such Underlying Stock outstanding but results in the outstanding Underlying Stock (other than Underlying Stock owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Underlying Stock immediately following such event, in each case if the Merger Date is on or before the Valuation Date. “**Nationalisation**” means that all the Underlying Stock or all or substantially all of the assets of a Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof. “**Tender Offer**” means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of the Company, as determined by the Issuer, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Issuer deems relevant.

- (e) *Subdivision or Consolidation of the Certificates.* The Issuer reserves the right to subdivide or consolidate the Certificates, provided that such adjustment is considered by the Issuer not to be materially prejudicial to the Certificate Holders generally (without considering the circumstances of any individual Certificate Holder or the tax or other consequences of such adjustment or amendment in any particular jurisdiction) and subject to the approval of the SGX-ST.
- (f) *Other Adjustments.* Except as provided in this Condition 6 and Conditions 10 and 12, adjustments will not be made in any other circumstances, subject to the right reserved by the Issuer (such right to be exercised in the Issuer's sole discretion and without any obligation whatsoever) to make such adjustments and amendments as it believes appropriate in circumstances where an event or events occur which it believes in its sole discretion (and notwithstanding any prior adjustment made pursuant to the above) should, in the context of the issue of the Certificates and the obligations of the Issuer, give rise to such adjustment or, as the case may be, amendment provided that such adjustment or, as the case may be, amendment is considered by the Issuer not to be materially prejudicial to the Certificate Holders generally (without considering the circumstances of any individual Certificate Holder or the tax or other consequences of such adjustment or amendment in any particular jurisdiction).

- (g) *Notice of Adjustments.* All determinations made by the Issuer pursuant hereto will be conclusive and binding on the Certificate Holders. The Issuer will give, or procure that there is given, notice as soon as practicable of any adjustment and of the date from which such adjustment is effective by publication in accordance with Condition 9. For the avoidance of doubt, no notice will be given if the Issuer determines that adjustments will not be made.

#### **6A. US withholding tax implications on the Payment**

Notwithstanding any other provision of these Conditions, in no event will the Issuer or the Guarantor be required to pay any additional amounts in respect of the Certificates for, or on account of, any withholding or deduction (i) required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the “**US Code**”), or otherwise imposed pursuant to Sections 1471 through 1474 of the US Code, any regulations or agreements thereunder, or any official interpretations thereof, or any law implementing an intergovernmental approach thereto, (ii) imposed pursuant to the Section 871(m) Regulations (“**Section 871(m) Withholding**”) or (iii) imposed by any other law of the United States. In addition, in determining the amount of Section 871(m) Withholding imposed on any payments on the Certificates, the Issuer shall be entitled to withhold on any “dividend equivalent” (as defined for purposes of Section 871(m) of the US Code) at the highest rate applicable to such payments regardless of any exemption from, or reduction in, such withholding otherwise available under applicable law.

With respect to Specified Warrants that provide for net dividend reinvestment in respect of either an underlying U.S. security (i.e. a security that pays U.S. source dividends) or an index that includes U.S. securities, all payments on Certificates that reference such U.S. securities or an index that includes U.S. securities may be calculated by reference to dividends on such U.S. securities that are reinvested at a rate of 70%. In such case, in calculating the relevant payment amount, the holder will be deemed to receive, and the Issuer or the Guarantor will be deemed to withhold, 30% of any dividend equivalent payments (as defined in Section 871(m) of the Code) in respect of the relevant U.S. securities. The Issuer or the Guarantor will not pay any additional amounts to the holder on account of the Section 871(m) amount deemed withheld.

For the purpose of this Condition:

“**Section 871(m) Regulations**” means the U.S. Treasury regulations issued under Section 871(m) of the Code.

“**Specified Warrants**” means, subject to special rules from 2017 through 2026 set out in Notice 2024-44 (the Notice), Warrants issued on or after 1 January 2017 that substantially replicate the economic performance of one or more U.S. underlying equities as determined by the Issuer on the date for such Warrants as of which the expected delta of the product is determined by the Issuer, based on tests set out in the applicable Section 871(m) Regulations, such that the Warrants are subject to withholding under the Section 871(m) Regulations.

#### **7. Purchases**

The Issuer, the Guarantor or any of their respective subsidiaries may at any time purchase Certificates at any price in the open market or by tender or by private treaty. Any Certificates so purchased may be held or resold or surrendered for cancellation.

#### **8. Meetings of Certificate Holders; Modification**

- (a) *Meetings of Certificate Holders.* The Master Warrant Agent Agreement or Warrant Agent Agreement contains provisions for convening meetings of the Certificate Holders to consider any matter affecting their interests, including the sanctioning by

Extraordinary Resolution (as defined in the Master Warrant Agent Agreement or Warrant Agent Agreement) of a modification of the provisions of the Certificates or of the Master Warrant Agent Agreement or Warrant Agent Agreement.

At least 21 days' notice (exclusive of the day on which the notice is given and of the day on which the meeting is held) specifying the date, time and place of the meeting shall be given to the Certificate Holders.

Such a meeting may be convened by the Issuer or by Certificate Holders holding not less than ten per cent. of the Certificates for the time being remaining unexercised. The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing not less than 25 per cent. of the Certificates for the time being remaining unexercised, or at any adjourned meeting, two or more persons being or representing Certificate Holders whatever the number of Certificates so held or represented.

A resolution will be an Extraordinary Resolution when it has been passed at a duly convened meeting by not less than three-quarters of the votes cast by such Certificate Holders who, being entitled to do so, vote in person or by proxy.

An Extraordinary Resolution passed at any meeting of the Certificate Holders shall be binding on all the Certificate Holders whether or not they are present at the meeting. Resolutions can be passed in writing if passed unanimously.

- (b) *Modification.* The Issuer may, without the consent of the Certificate Holders, effect (i) any modification of the provisions of the Certificates or the Master Instrument which is not materially prejudicial to the interests of the Certificate Holders or (ii) any modification of the provisions of the Certificates or the Master Instrument which is of a formal, minor or technical nature, which is made to correct an obvious error or which is necessary in order to comply with mandatory provisions of Singapore law. Any such modification shall be binding on the Certificate Holders and shall be notified to them by the Warrant Agent before the date such modification becomes effective or as soon as practicable thereafter in accordance with Condition 9.

## 9. Notices

- (a) *Documents.* All cheques and other documents required or permitted by these Conditions to be sent to a Certificate Holder or to which a Certificate Holder is entitled or which the Issuer shall have agreed to deliver to a Certificate Holder may be delivered by hand or sent by post addressed to the Certificate Holder at his address appearing in the records maintained by CDP or, in the case of joint Certificate Holders, addressed to the joint holder first named at his address appearing in the records maintained by CDP, and airmail post shall be used if that address is not in Singapore. All documents delivered or sent in accordance with this paragraph shall be delivered or sent at the risk of the relevant Certificate Holder.
- (b) *Notices.* All notices to Certificate Holders will be validly given if published in English on the web-site of the SGX-ST. Such notices shall be deemed to have been given on the date of the first such publication. If publication on the web-site of the SGX-ST is not practicable, notice will be given in such other manner as the Issuer may determine. The Issuer shall, at least one month prior to the expiry of any Certificate, give notice of the date of expiry of such Certificate in the manner prescribed above.

## 10. Liquidation

In the event of a liquidation or dissolution of the Company or the appointment of a liquidator (including a provisional liquidator) or receiver or judicial manager or trustee or administrator or analogous person under Singapore or other applicable law in respect of the whole or substantially the whole of its undertaking, property or assets, all unexercised Certificates will lapse and shall cease to be valid for any purpose, in the case of voluntary liquidation, on the effective date of the relevant resolution and, in the case of an involuntary liquidation or dissolution, on the date of the relevant court order or, in the case of the appointment of a liquidator (including a provisional liquidator) or receiver or judicial manager or trustee or administrator or analogous person under Singapore or other applicable law in respect of the whole or substantially the whole of its undertaking, property or assets, on the date when such appointment is effective but subject (in any such case) to any contrary mandatory requirement of law. In the event of the voluntary liquidation of the Company, the Issuer shall make such adjustments or amendments as it reasonably believes are appropriate in the circumstances.

## 11. Further Issues

The Issuer shall be at liberty from time to time, without the consent of the Certificate Holders, to create and issue further certificates so as to form a single series with the Certificates, subject to the approval of the SGX-ST.

## 12. Delisting

- (a) **Delisting.** If at any time, the Underlying Stock ceases to be listed on the Relevant Stock Exchange, the Issuer shall give effect to these Conditions in such manner and make such adjustments and amendments to the rights attaching to the Certificates as it shall, in its absolute discretion, consider appropriate to ensure, so far as it is reasonably able to do so, that the interests of the Certificate Holders generally are not materially prejudiced as a consequence of such delisting (without considering the individual circumstances of any Certificate Holder or the tax or other consequences that may result in any particular jurisdiction).
- (b) **Issuer's Determination.** The Issuer shall determine, in its absolute discretion, any adjustment or amendment and its determination shall be conclusive and binding on the Certificate Holders save in the case of manifest error. Notice of any adjustments or amendments shall be given to the Certificate Holders in accordance with Condition 9 as soon as practicable after they are determined.

## 13. Early Termination

- (a) *Early Termination for Illegality and Force Majeure, etc.* If the Issuer determines that a Regulatory Event (as defined below) has occurred and, for reasons beyond its control, the performance of its obligations under the Certificates has become illegal or impractical in whole or in part for any reason, or the Issuer determines that, for reasons beyond its control, it is no longer legal or practical for it to maintain its hedging arrangements with respect to the Certificates for any reason, the Issuer may in its discretion and without obligation terminate the Certificates early in accordance with Condition 13(e).

Should any one or more of the provisions contained in the Conditions be or become invalid, the validity of the remaining provisions shall not in any way be affected thereby.

For the purposes of this Condition:

**“Regulatory Event”** means, following the occurrence of a Change in Law (as defined below) with respect to the Issuer and/or Societe Generale as Guarantor or in any other capacity (including without limitation as hedging counterparty of the Issuer, market maker of the Certificates or direct or indirect shareholder or sponsor of the Issuer) or any of its affiliates involved in the issuer of the Certificates (hereafter the **“Relevant Affiliates”** and each of the Issuer, Societe Generale and the Relevant Affiliates, a **“Relevant Entity”**) that, after the Certificates have been issued, (i) any Relevant Entity would incur a materially increased (as compared with circumstances existing prior to such event) amount of tax, duty, liability, penalty, expense, fee, cost or regulatory capital charge however defined or collateral requirements for performing its obligations under the Certificates or hedging the Issuer’s obligations under the Certificates, including, without limitation, due to clearing requirements of, or the absence of, clearing of the transactions entered into in connection with the issue of, or hedging the Issuer’s obligation under, the Certificates, (ii) it is or will become for any Relevant Entity impracticable, impossible (in each case, after using commercially reasonable efforts), unlawful, illegal or otherwise prohibited or contrary, in whole or in part, under any law, regulation, rule, judgement, order or directive of any governmental, administrative or judicial authority, or power, applicable to such Relevant Entity (a) to hold, acquire, issue, reissue, substitute, maintain, settle, or as the case may be, guarantee, the Certificates, (b) to acquire, hold, sponsor or dispose of any asset(s) (or any interest thereof) of any other transaction(s) such Relevant Entity may use in connection with the issue of the Certificates or to hedge the Issuer’s obligations under the Certificates, (c) to perform obligations in connection with, the Certificates or any contractual arrangement entered into between the Issuer and Societe Generale or any Relevant Affiliate (including without limitation to hedge the Issuer’s obligations under the Certificates) or (d) to hold, acquire, maintain, increase, substitute or redeem all or a substantial part of its direct or indirect shareholding in the Issuer’s capital or the capital of any Relevant Affiliate or to directly or indirectly sponsor the Issuer or any Relevant Affiliate, or (iii) there is or may be a material adverse effect on a Relevant Entity in connection with the issue of the Certificates.

**“Change in law”** means (i) the adoption, enactment, promulgation, execution or ratification of any applicable new law, regulation or rule (including, without limitation, any applicable tax law, regulation or rule) after the Certificates have been issued, (ii) the implementation or application of any applicable law, regulation or rule (including, without limitation, any applicable tax law, regulation or rule) already in force when the Certificates have been issued but in respect of which the manner of its implementation or application was not known or unclear at the time, or (iii) the change of any applicable law, regulation or rule existing when the Certificates are issued, or the change in the interpretation or application or practice relating thereto, existing when the Certificates are issued of any applicable law, regulation or rule, by any competent court, tribunal, regulatory authority or any other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any additional or alternative court, tribunal, authority or entity, to that existing when the Certificates are issued).

- (b) *Early Termination for Holding Limit Event.* The Issuer may in its discretion and without obligation terminate the Certificates early in accordance with Condition 13(e) where a Holding Limit Event (as defined below) occurs.

For the purposes of this Condition:

**"Holding Limit Event"** means, assuming the investor is the Issuer and/or any of its affiliates, the Issuer together with its affiliates, in aggregate hold, an interest in the Underlying Stock, constituting or likely to constitute (directly or indirectly) ownership, control or the power to vote a percentage of any class of voting securities of the Underlying Stock, of the Underlying Stock in excess of a percentage permitted or advisable, as determined by the Issuer, for the purpose of its compliance with the Bank Holding Company Act of 1956 as amended by Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Volcker Rule), including any requests, regulations, rules, guidelines or directives made by the relevant governmental authority under, or issued by the relevant governmental authority in connection with, such statutes.

- (c) *Early Termination for Hedging Disruption.* If the Issuer or any of its affiliates is, following commercially reasonable efforts, not in the position (i) to enter, re-enter, replace, maintain, liquidate, acquire or dispose of any Hedge Positions (as defined below) or (ii) to freely realize, recover, receive, repatriate, remit, regain or transfer the proceeds of any Hedge Position (where either (i) or (ii) shall constitute a **"Hedging Disruption"**), the Issuer may terminate the Certificates early in accordance with Condition 13(e) provided that the intrinsic value on the previous trading day of the relevant Certificate is at or above the Issue Price. The Issuer's decision on whether a Hedging Disruption has occurred is final and conclusive. For the avoidance of doubt, Hedging Disruptions shall include the scenario where any Hedge Position cannot be maintained up to the amount necessary to cover all of the Issuer's obligations under the Certificates.

For the purposes hereof, **"Hedge Positions"** means any one or more commercially reasonable (i) positions (including long or short positions) or contracts in, or relating to, securities, options, futures, other derivatives contracts or foreign exchange, (ii) stock loan or borrowing transactions or (iii) other instruments, contracts, transactions or arrangements (howsoever described) that the Issuer or any of its affiliates determines necessary to hedge, individually or on a portfolio basis, any risk (including, without limitation, market risk, price risk, foreign exchange risk and interest rate risk) in relation to the assumption and fulfilment of the Issuer's obligations under the Certificates.

- (d) *Early Termination for other reasons.* The Issuer reserves the right (such right to be exercised in the Issuer's sole and unfettered discretion and without any obligation whatsoever) to terminate the Certificates in accordance with Condition 13(e) where an event or events occur which it believes in its sole discretion should, in the context of the issue of the Certificates and the obligations of the Issuer, give rise to such termination provided that such termination (i) is considered by the Issuer not to be materially prejudicial to the interests of Certificate Holders generally (without considering the circumstances of any individual Certificate Holder or the tax or other consequences of such termination in any particular jurisdiction); or (ii) is otherwise considered by the Issuer to be appropriate and such termination is approved by the SGX-ST.

- (e) *Termination.* If the Issuer terminates the Certificates early, the Issuer will give notice to the Certificate Holders in accordance with Condition 9. The Issuer will, if and to the extent permitted by applicable law, pay an amount to each Certificate Holder in respect of each Certificate held by such holder equal to the fair market value of a Certificate notwithstanding such illegality, impracticality or the relevant event less the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion. The determination of the fair market value may deviate from the determination of the Cash Settlement Amount under different scenarios, including but not limited to, where (i) the Daily Reset (as defined in the relevant Supplemental Listing Document) mechanism is suspended and/or (ii) the Final Reference Level is determined based on the closing price of the Underlying Stock on multiple Underlying Stock Business Days or Exchange Business Days, as the case may be. Payment will be made in such manner as shall be notified to the Certificate Holders in accordance with Condition 9.

#### **14. Substitution of the Issuer**

The Issuer may be replaced by the Guarantor or any subsidiary of the Guarantor as principal obligor in respect of the Certificates without the consent of the relevant Certificate Holders. If the Issuer determines that it shall be replaced by the Guarantor or any subsidiary of the Guarantor (the “**Substituted Obligor**”), it shall give at least 90 days’ notice (exclusive of the day on which the notice is given and of the day on which the substitution is effected) specifying the date of the substitution, in accordance with Condition 9, to the Certificate Holders of such event and, immediately on the expiry of such notice, the Substituted Obligor shall become the principal obligor in place of the Issuer and the Certificate Holders shall thereupon cease to have any rights or claims whatsoever against the Issuer.

Upon any such substitution, all references to the Issuer in the Conditions and all agreements relating to the Certificates will be to the Substituted Obligor and the Certificates will be modified as required, and the Certificate Holders will be notified of the modified terms and conditions of such Certificates in accordance with Condition 9.

For the purposes of this Condition, it is expressly agreed that by subscribing to, acquiring or otherwise purchasing or holding the Certificates, the Certificate Holders are expressly deemed to have consented to the substitution of the Issuer by the Substituted Obligor and to the release of the Issuer from any and all obligations in respect of the Certificates and all agreements relating thereto and are expressly deemed to have accepted such substitution and the consequences thereof.

#### **15. Governing Law**

The Certificates, the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement will be governed by and construed in accordance with Singapore law. The Issuer and the Guarantor and each Certificate Holder (by its purchase of the Certificates) shall be deemed to have submitted for all purposes in connection with the Certificates, the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement to the non-exclusive jurisdiction of the courts of Singapore. The Guarantee shall be governed by and construed in accordance with Singapore law.

#### **16. Prescription**

Claims against the Issuer for payment of any amount in respect of the Certificates will become void unless made within six years of the Expiry Date and, thereafter, any sums payable in respect of such Certificates shall be forfeited and shall revert to the Issuer.

**17. Contracts (Rights of Third Parties) Act 2001 of Singapore**

Unless otherwise provided in the Global Warrant, the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement, a person who is not a party to any contracts made pursuant to the Global Warrant, the Master Instrument and the Master Warrant Agent Agreement or Warrant Agent Agreement has no rights under the Contracts (Rights of Third Parties) Act 2001 of Singapore to enforce any terms of such contracts. Except as expressly provided herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts.

## SUMMARY OF THE ISSUE

*The following is a summary of the issue and should be read in conjunction with, and is qualified by reference to, the other information set out in this document and the Base Listing Document. Terms used in this Summary are defined in the Conditions.*

Issuer:	SG Issuer
Company:	Tesla, Inc.
The Certificates:	European Style Cash Settled Long Certificates relating to the Underlying Stock
Number:	3,000,000 Certificates
Form:	The Certificates will be issued subject to, and with the benefit of, a master instrument by way of deed poll dated 13 June 2025 (the “ <b>Master Instrument</b> ”) and executed by the Issuer and the Guarantor and a master warrant agent agreement dated 29 May 2017 (the “ <b>Master Warrant Agent Agreement</b> ”) and made between the Issuer, the Guarantor and the Warrant Agent (as amended and/or supplemented from time to time).
Cash Settlement Amount:	In respect of each Certificate, is the amount (if positive) equal to:  Notional Amount per Certificate x Closing Level
Denominations:	Certificates are represented by a global warrant in respect of all the Certificates.
Exercise:	The Certificates may only be exercised on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, in a Board Lot or integral multiples thereof. Certificate Holders will not be required to deliver an exercise notice. If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Certificates will be deemed to have been automatically exercised at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day. The Cash Settlement Amount less the Exercise Expenses in respect of the Certificates shall be paid in the manner set out in Condition 4(c) of the Conditions. In the event the Cash Settlement Amount (less any Exercise Expenses) is zero, all Certificates shall be deemed to have expired at 10:00 a.m. (Singapore time) on the Expiry Date or if the Expiry Date is not a Business Day, the immediately preceding Business Day, and Certificate Holders shall not be entitled to receive any payment from the Issuer in respect of the Certificates.
Exercise and Trading Currency:	SGD
Board Lot:	100 Certificates

- Transfers of Certificates: Certificates may only be transferred in Board Lots (or integral multiples thereof). All transfers in Certificates, in the open market or otherwise, must be effected through a securities account with CDP. Title will pass upon registration of the transfer in the records of CDP.
- Listing: Application has been made to the SGX-ST for permission to deal in and for quotation of the Certificates and the SGX-ST has agreed in principle to grant permission to deal in and for quotation of the Certificates. Issue of the Certificates is conditional on such listing being granted. It is expected that dealings in the Certificates on the SGX-ST will commence on or about 9 June 2026.
- Governing Law: The laws of Singapore
- Warrant Agent: The Central Depository (Pte) Limited  
4 Shenton Way  
#02-01 SGX Centre 2  
Singapore 068807
- Further Issues: Further issues which will form a single series with the Certificates will be permitted, subject to the approval of the SGX-ST.

The above summary is qualified in its entirety by reference to the detailed information appearing elsewhere in this document and the Base Listing Document.

## INFORMATION RELATING TO THE EUROPEAN STYLE CASH SETTLED LONG CERTIFICATES ON SINGLE EQUITIES

### What are European Style Cash Settled Long Certificates on Single Equities?

European style cash settled long certificates on single equities (the “**Certificates**”) are structured products relating to the Underlying Stock and the return on a Certificate is linked to the performance of the Leverage Strategy.

#### **A) Cash Settlement Amount Payable upon the Exercise of the Certificates at Expiry**

Upon the exercise of the Certificates at expiry, the Certificate Holders would be paid a Cash Settlement Amount in respect of each Certificate.

The Cash Settlement Amount, in respect of each Certificate, shall be an amount payable in the Settlement Currency equal to the Closing Level multiplied by the Notional Amount per Certificate.

The Closing Level, in respect of each Certificate, shall be an amount payable in the Settlement Currency equal to (1) divided by (2) less (3) subject to any adjustments such as (4), where:

- (1) is the Final Reference Level multiplied by the Final Exchange Rate;
- (2) is the Initial Reference Level multiplied by the Initial Exchange Rate;
- (3) is the Strike Level; and
- (4) is the Hedging Fee Factor.

If the Cash Settlement Amount (less any Exercise Expenses) is positive, all Certificates shall be deemed to have been automatically exercised and investors will receive a Cash Settlement Amount. If the Cash Settlement Amount (less any Exercise Expenses) is zero, all Certificates shall be deemed to have expired. Please refer to the section headed “Terms and Conditions of the European Style Cash Settled Long/Short Certificates on Single Equities” for further details on the calculation of the Cash Settlement Amount.

The Certificates are only suitable for investors who believe that the price of the Underlying Stock will increase and are seeking short-term leveraged exposure to the Underlying Stock.

#### **B) Trading the Certificates before Expiry**

If the Certificate Holders want to cash out their investments in the Certificates before the expiry of the Certificates, they may sell the Certificates in the secondary market during the life of the Certificates, and would be subject to the following fees and charges:

- (i) For Certificate Holders who trade the Certificates intraday: shall pay normal transaction and brokerage fees for the trading of the Certificates on the SGX-ST, and may be required to pay stamp taxes or other documentary charges in accordance with the laws and practices of the country where the Certificates are transferred; and
- (ii) For Certificate Holders who hold the Certificates beyond market close of the SGX-ST: in addition to the normal transaction and brokerage fees and applicable stamp taxes, would also be required to bear the Management Fee and Gap Premium as well as certain costs embedded within the Leverage Strategy including the Funding Cost and Rebalancing Cost. Due to the difference in trading hours of the SGX-ST and the Relevant Stock Exchange for the Underlying Stock, unless investors exit their position within the same SGX-ST trading day, they would bear the annualised costs.

### Illustration of the Calculation of Hedging Fee Factor

Hedging Fee Factor	=	Product of the Daily Fees
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Daily Fees	=	<b>Daily Management Fee Adjustment</b>
		$1 - \text{Management Fee} \times \text{ACT}(t-1;t) / 360$
		x
		<b>Daily Gap Premium Adjustment</b>
		$1 - \text{Gap Premium}(t-1) \times \text{ACT}(t-1;t) / 360$

### Illustration of the Calculation of Cash Settlement Amount

Cash Settlement Amount = Final Value of Certificates – Strike Level (zero)

Value of Certificates	=	$t=0$	x	$t=1$	x	$t=2$	x ...	$t=i$							
		Notional Amount		Leverage Strategy daily performance <sup>7</sup>		x		Daily Fees	Leverage Strategy daily performance	x	Daily Fees	Leverage Strategy Daily performance	x	Daily Fees	

Value of Certificates	=	$t=0$	x	<b>Product of the daily Leverage Strategy Performance</b>	x	<b>Product of the Daily Fees (Hedging Fee Factor)</b>					
		Notional Amount		Leverage Strategy daily performance		x	Leverage Strategy daily performance	x	Daily Fees	x	Daily Fees

Final Value of Certificates	=	$t=0$	x	Final Reference Level x Final Exchange Rate	÷	Initial Reference Level x Initial Exchange Rate	x	Hedging Fee Factor
		Notional Amount						

### Illustration of the applicable fees and charges for an intraday trading scenario

Hedging Fee is implemented overnight in the price of the Certificate. As a consequence, when trading intraday within SGX-ST trading hours, investors will not bear any Hedging Fee.

Investors will only support bid/ask costs, which are the difference between the price at which the Designated Market Maker purchases (bid) and sells (ask) the Certificate at any point of time.

<sup>6</sup> "t" refers to "Observation Date" which means each Underlying Stock Business Day (subject to Market Disruption Event) from (and including) the Underlying Stock Business Day immediately preceding the Expected Listing Date to the Valuation Date on which no Market Disruption Event occurs.

<sup>7</sup> Leverage Strategy daily performance is computed as the Leverage Strategy Closing Level on Business Day (t) divided by the Leverage Strategy Closing Level on Business Day (t-1).

## Example of Calculation of Hedging Fee Factor and Cash Settlement Amount

*The example is purely hypothetical. We include the example to illustrate how the Certificates work, and you MUST NOT rely on them as any indication of the actual return or what the payout on the Certificates might actually be. The example also assumes a product which expires 16 days after listing date, to illustrate the daily calculation of price, costs and fees from listing date to expiry date.*

Assuming an investor purchases the following Certificates at the Issue Price:

Underlying Stock:	Common Stock of Tesla, Inc.
Expected Listing Date:	03/07/2018
Expiry Date:	18/07/2018
Initial Reference Level:	1,000
Initial Exchange Rate:	1
Final Reference Level:	1,200
Final Exchange Rate:	1
Issue Price:	5.00 SGD
Notional Amount per Certificate:	5.00 SGD
Management Fee (p.a.):	0.40%
Gap Premium (p.a.):	15.00%
Strike Level:	Zero

### Hedging Fee Factor

Hedging Fee Factor on the  $n^{\text{th}}$  Underlying Stock Business Day after issuance of Certificate ("HFF (n)") is calculated as follows:

$$\text{HFF}(0) = 100\%$$

On Next Calendar Day (assuming it is an Underlying Stock Business Day):

$$\text{HFF}(1) = \text{HFF}(0) \times \left(1 - \text{Management Fee} \times \frac{\text{ACT}(t-1; t)}{360}\right) \times \left(1 - \text{Gap Premium} \times \frac{\text{ACT}(t-1; t)}{360}\right)$$

$$\text{HFF}(1) = 100\% \times \left(1 - 0.40\% \times \frac{1}{360}\right) \times \left(1 - 15.00\% \times \frac{1}{360}\right)$$

$$\text{HFF}(1) = 100\% \times 99.9989\% \times 99.9583\% \approx 99.9572\%$$

Assuming 2<sup>nd</sup> Underlying Stock Business Day falls 3 Calendar Days after 1<sup>st</sup> Underlying Stock Business Day:

$$\text{HFF}(2) = \text{HFF}(1) \times \left(1 - \text{Management Fee} \times \frac{\text{ACT}(t-1; t)}{360}\right) \times \left(1 - \text{Gap Premium} \times \frac{\text{ACT}(t-1; t)}{360}\right)$$

$$\text{HFF (2)} = 99.9572\% \times \left(1 - 0.40\% \times \frac{3}{360}\right) \times \left(1 - 15.00\% \times \frac{3}{360}\right)$$

$$\text{HFF (2)} = 99.9572\% \times 99.9967\% \times 99.8750\% \approx 99.8289\%$$

The same principle applies to the following Underlying Stock Business Days:

$$\text{HFF (n)} = \text{HFF (n - 1)} \times \left(1 - \text{Management Fee} \times \frac{\text{ACT (t - 1; t)}}{360}\right) \times \left(1 - \text{Gap Premium} \times \frac{\text{ACT (t - 1; t)}}{360}\right)$$

In this example, the Hedging Fee Factor as of the Valuation Date would be equal to 99.3602% as illustrated below:

Date	HFF
03/07/2018	100.0000%
04/07/2018	99.9572%
05/07/2018	99.9145%
06/07/2018	99.8717%
09/07/2018	99.7436%
10/07/2018	99.7009%
11/07/2018	99.6582%
12/07/2018	99.6156%
13/07/2018	99.5730%
16/07/2018	99.4452%
17/07/2018	99.4027%
18/07/2018	99.3602%

### Cash Settlement Amount

In this example, the Closing Level and the Cash Settlement Amount would be computed as follows:

$$\begin{aligned} \text{Closing Level} &= [(\text{Final Reference Level} \times \text{Final Exchange Rate}) / (\text{Initial Reference Level} \times \text{Initial Exchange Rate}) - \text{Strike Level}] \times \text{Hedging Fee Factor} \\ &= [(1200 \times 1) / (1000 \times 1) - 0] \times 99.3602\% \\ &= 119.23\% \end{aligned}$$

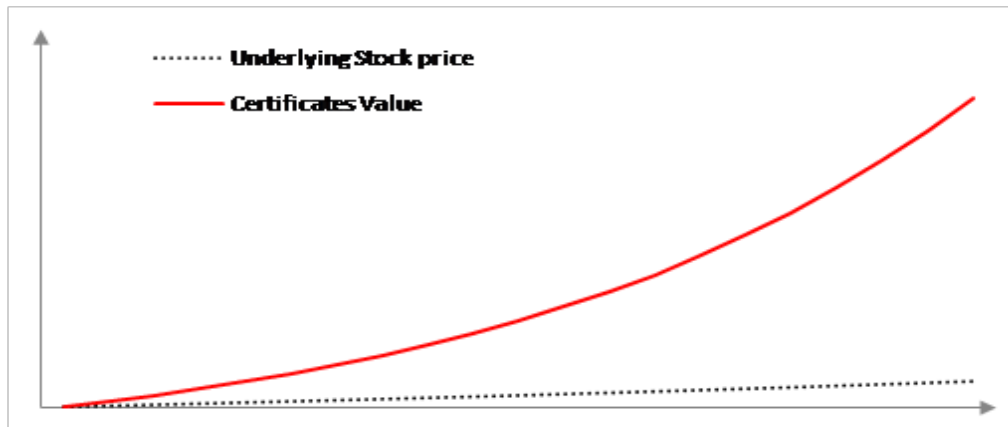
$$\begin{aligned} \text{Cash Settlement Amount} &= \text{Closing Level} \times \text{Notional Amount per Certificate} \\ &= 119.23\% \times 5.00 \text{ SGD} \\ &= \mathbf{5.962 \text{ SGD}} \end{aligned}$$

### Illustration on how returns and losses can occur under different scenarios

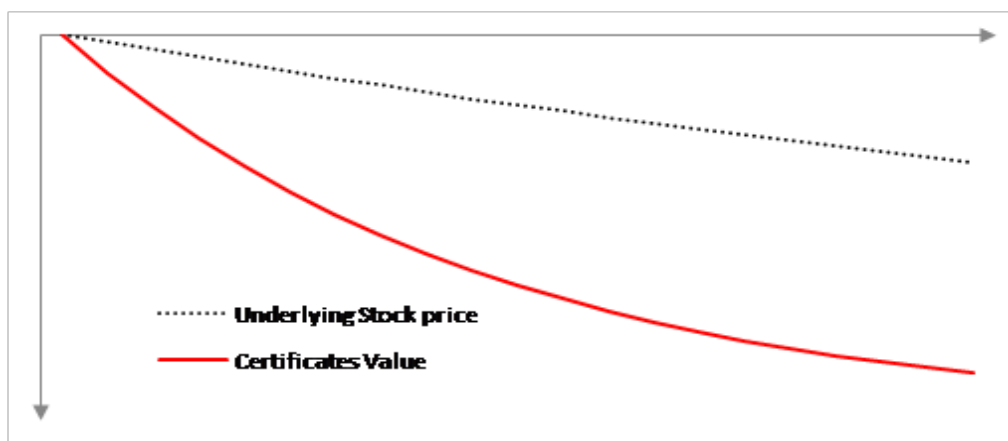
The examples are purely hypothetical and do not take fees and charges payable by investors into consideration. The examples highlight the effect of the Underlying Stock performance on the value of the Certificates and do not take into account the possible influence of fees or any other market parameters.

#### 1. Illustrative examples

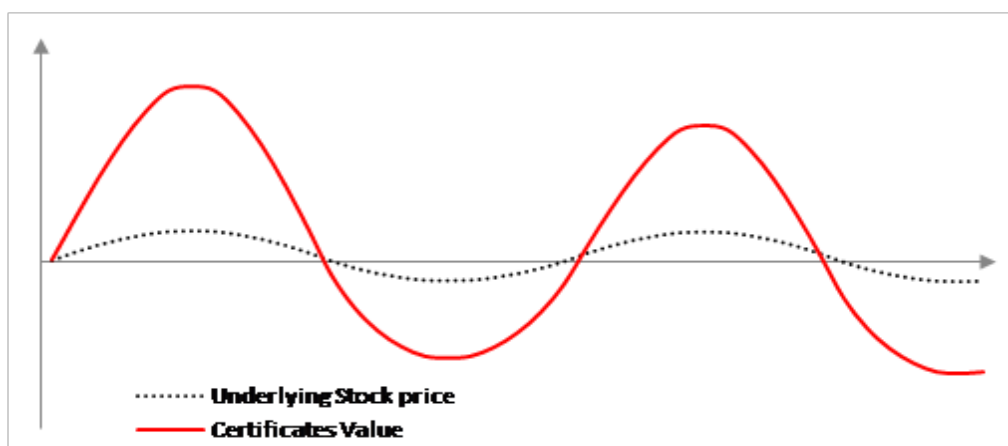
*Scenario 1 – Upward Trend (during US trading hours)*



*Scenario 2 – Downward Trend (during US trading hours)*



*Scenario 3 – Volatile Market (during US trading hours)*



## 2. Numerical Examples

### Scenario 1 – Upward Trend

<b>Underlying Stock</b>						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		2.0%	2.0%	2.0%	2.0%	2.0%
Value at end of US trading day	10,000.0	10,200.0	10,404.0	10,612.1	10,824.3	11,040.8
Accumulated Return	0.00%	2.00%	4.04%	6.12%	8.24%	10.41%

<b>Value of the Certificates</b>						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		6.0%	6.0%	6.0%	6.0%	6.0%
Value at end of US trading day	5.00	5.30	5.62	5.96	6.31	6.69
Accumulated Return	0.00%	6.00%	12.36%	19.10%	26.25%	33.82%

### Scenario 2 – Downward Trend

<b>Underlying Stock</b>						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		-2.0%	-2.0%	-2.0%	-2.0%	-2.0%
Value at end of US trading day	10,000.0	9,800.0	9,604.0	9,411.9	9,223.7	9,039.2
Accumulated Return	0.00%	-2.00%	-3.96%	-5.88%	-7.76%	-9.61%

<b>Value of the Certificates</b>						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		-6.0%	-6.0%	-6.0%	-6.0%	-6.0%
Value at end of US trading day	5.00	4.70	4.42	4.15	3.90	3.67
Accumulated Return	0.00%	-6.00%	-11.64%	-16.94%	-21.93%	-26.61%

### Scenario 3 – Volatile Market

<b>Underlying Stock</b>						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		2.0%	-2.0%	2.0%	-2.0%	2.0%
Value at end of US trading day	10,000.0	10,200.0	9,996.0	10,195.9	9,992.0	10,191.8
Accumulated Return	0.00%	2.00%	-0.04%	1.96%	-0.08%	1.92%

<b>Value of the Certificates</b>						
	Day 0	Day 1	Day 2	Day 3	Day 4	Day 5
Daily return		6.0%	-6.0%	6.0%	-6.0%	6.0%
Value at end of US trading day	5.00	5.30	4.98	5.28	4.96	5.26
Accumulated Return	0.00%	6.00%	-0.36%	5.62%	-0.72%	5.24%

## Description of Air Bag Mechanism

The Certificates integrate an “Air Bag Mechanism” which is designed to reduce exposure to the Underlying Stock during extreme market conditions.

When the Air Bag triggers, the following events occur:

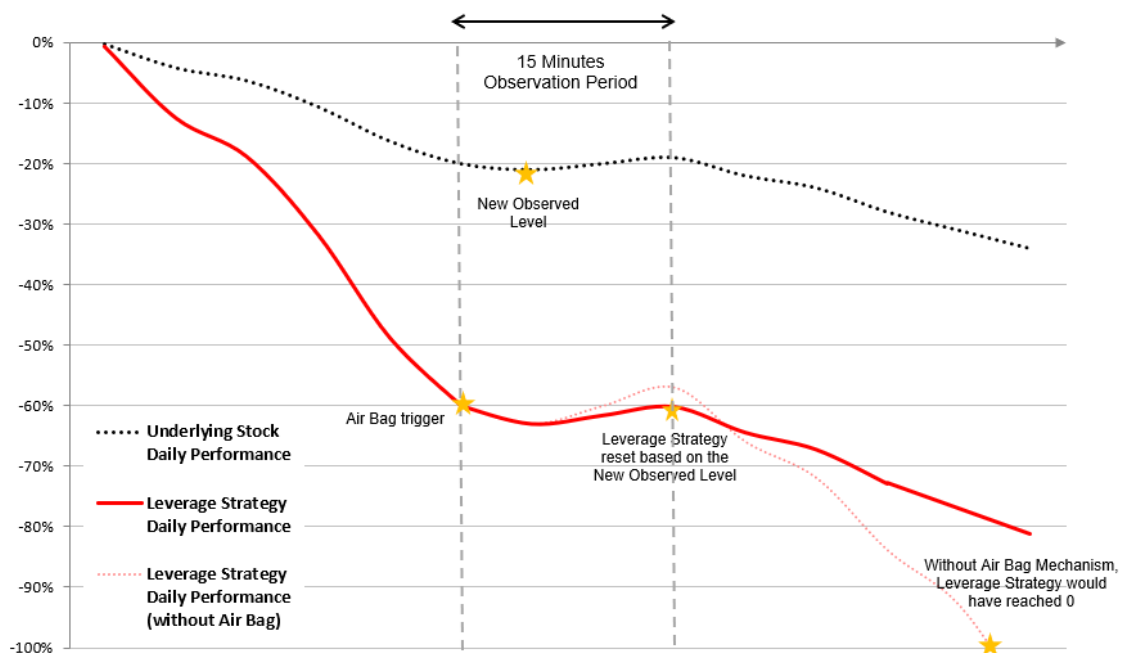
- **Observation Period:** the price of the Underlying Stock is observed and its minimum price is recorded (i) during 15 minutes of continuous trading after the Air Bag is triggered, or (ii) until Market Close if there is less than 15 minutes of continuous trading until Market Close when the Air Bag Mechanism is triggered; and thereafter
- **Reset Period:** the Leverage Strategy is reset using the minimum price of the Underlying Stock during the Observation Period as the New Observed Price. The New Observed Price replaces the last closing price of the Underlying Stock in order to compute the performance of the Leverage Strategy after the reset.

With **Market Close** defined as:

- the Underlying Stock closing time with respect to the Observation Period

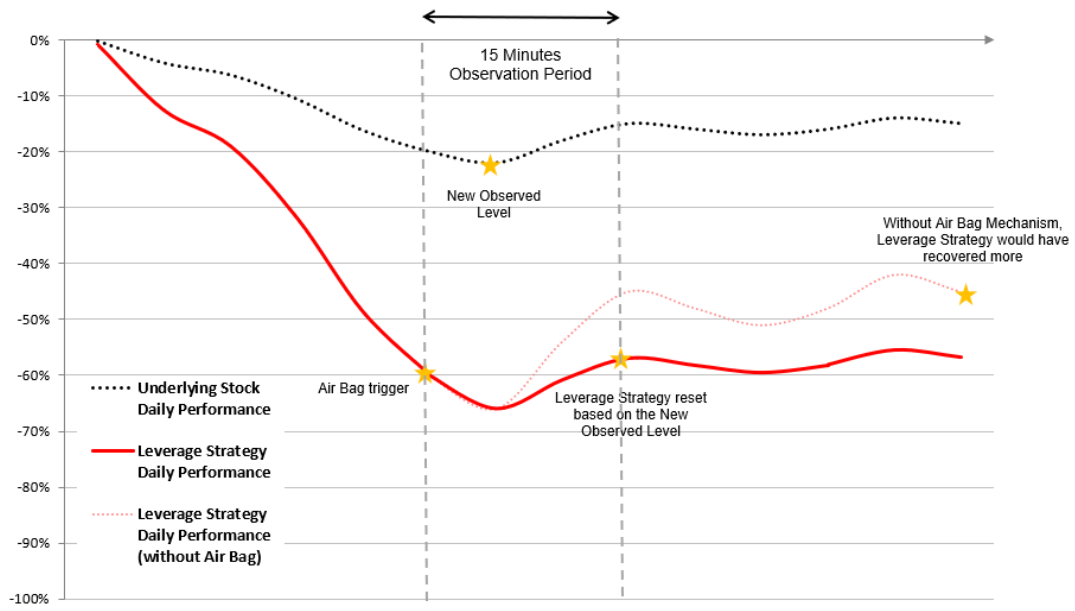
### Illustrative examples of the Air Bag Mechanism<sup>8</sup>

#### *Scenario 1 – Downward Trend after Air Bag trigger (during US trading hours)*

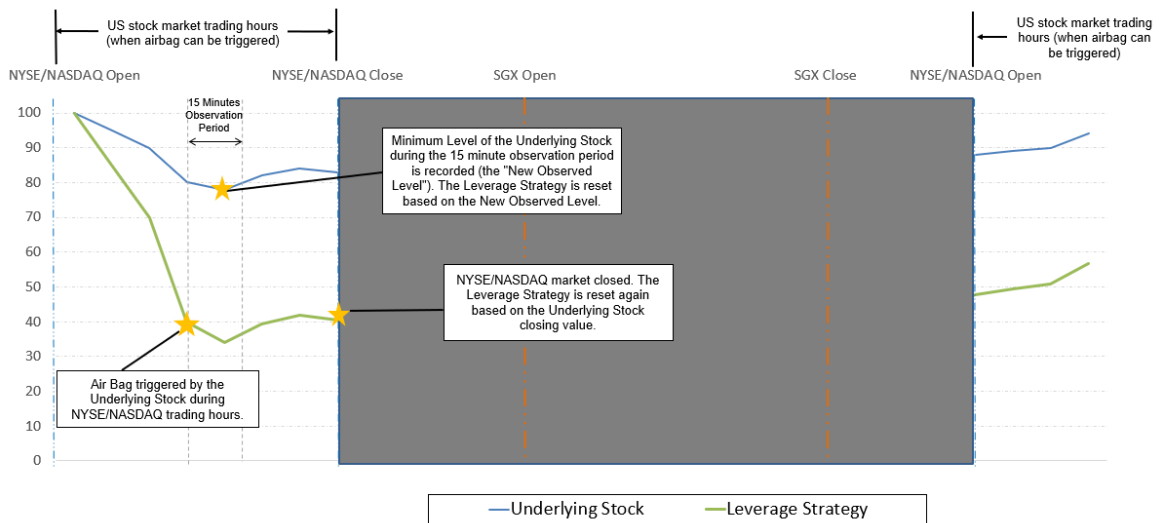


<sup>8</sup> The illustrative examples are not exhaustive. The illustrative examples above are designed to illustrate the impact of the Air Bag Mechanism on the assumption that there will be a residual value in the Certificates following the Air Bag triggers. Please refer to “Scenarios where the investor may lose the entire value of the investment” on pages 54 to 55 on hypothetical scenarios when investors may lose their entire value of the investment.

**Scenario 2 – Upward Trend after Air Bag trigger (during US trading hours)**



- **The Air Bag Mechanism can only be triggered during trading hours of the Relevant Stock Exchange for the Underlying Stock**

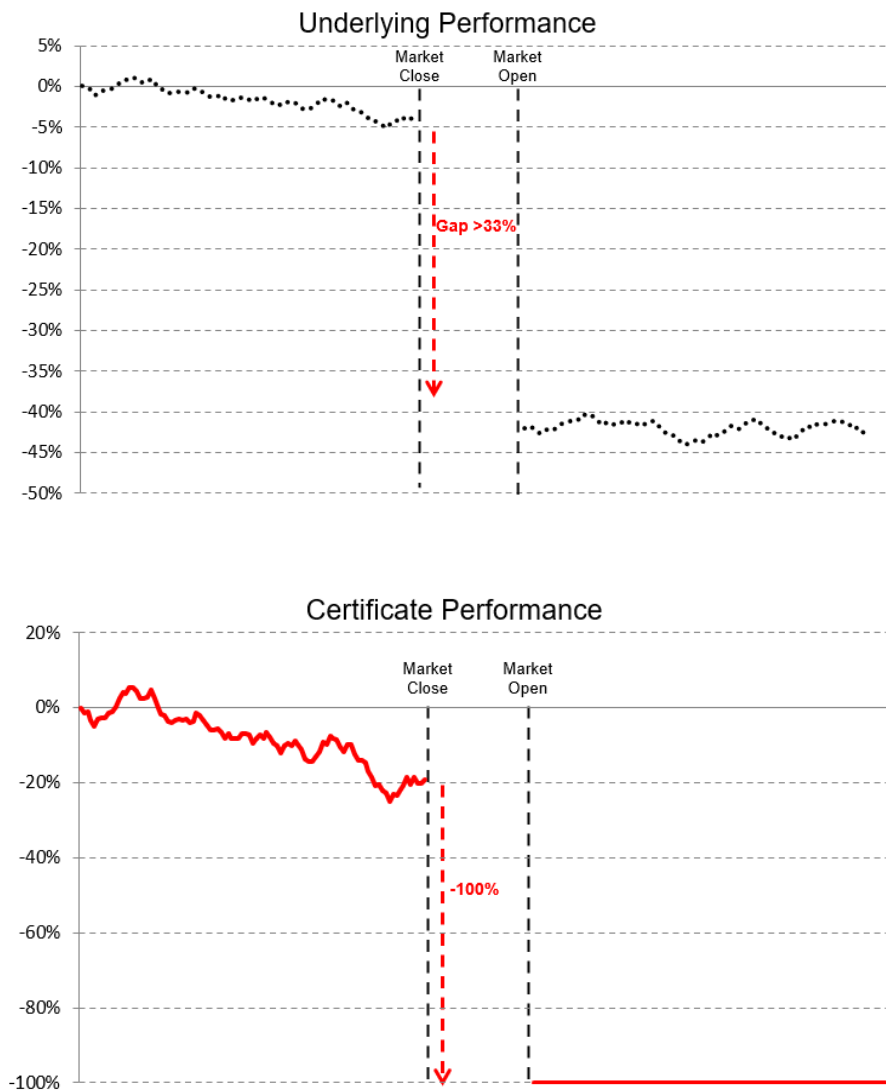


## Scenarios where the investor may lose the entire value of the investment

The scenarios below are purely hypothetical and do not take fees and charges payable by investors into consideration. The scenarios highlight cases where the Certificates may lose 100% of their value.

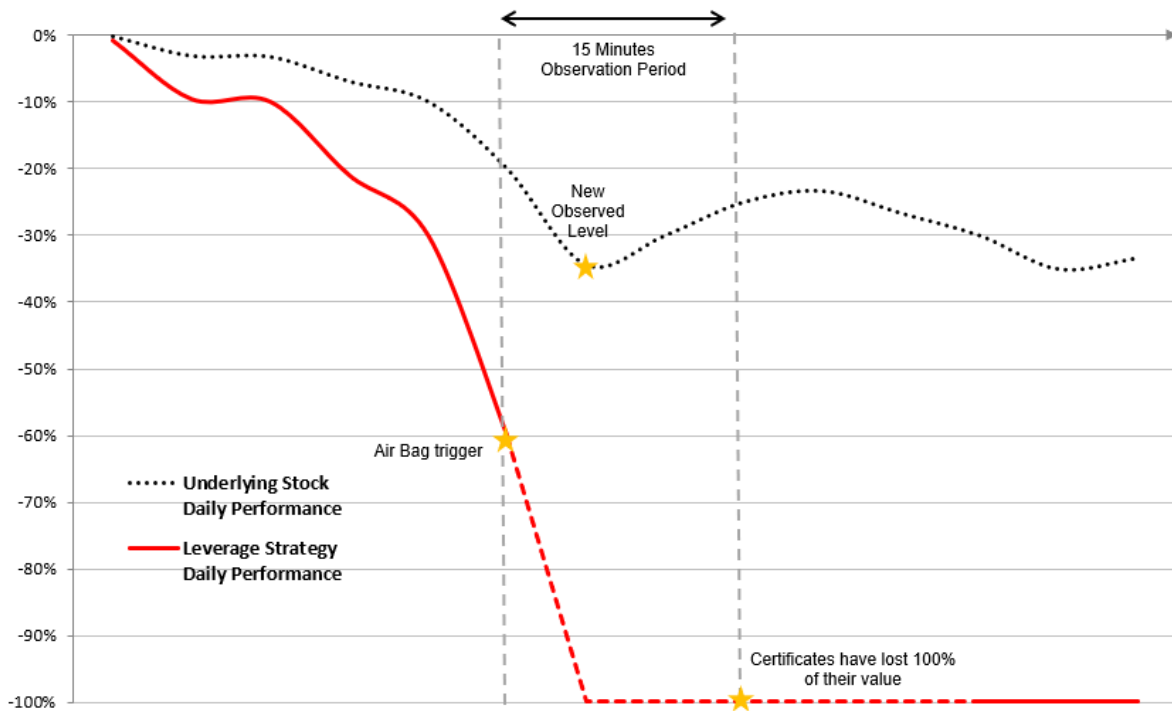
### Scenario 1 – Fall of the Underlying Stock outside of US trading hours

On any Underlying Stock Business Day, the opening price of the Underlying Stock may be higher or lower than the closing price on the previous trading day of the Relevant Stock Exchange for the Underlying Stock. The difference between the previous closing price and the opening price of the Underlying Stock is termed a “gap”. If the opening price of the Underlying Stock is approximately 33% or more below the closing price on the previous trading day of the Relevant Stock Exchange for the Underlying Stock, the Air Bag Mechanism may only be triggered during the trading hours of the Relevant Stock Exchange for the Underlying Stock, and the Certificates would lose their entire value in such event. In such case, as the Certificates became valueless during the US trading hours, at subsequent SGX-ST open, the DMM may not provide any quotation on the Certificates and the Issuer may apply to suspend trading of the Certificates.



Scenario 2 – Sharp intraday fall of the Underlying Stock during US trading hours

Although the Air Bag Mechanism is designed to reduce the exposure to the Underlying Stock during extreme market conditions, the Certificates can lose 100% of their value in the event the price of the Underlying Stock falls by approximately 33% or more within the 15 minutes Observation Period compared to the reference price, being: (i) if air bag has not been previously triggered on the same day, the previous closing price of the Underlying Stock, or (ii) if one or more air bag have been previously triggered on the same day, the latest New Observed Price. The Certificates would lose their entire value in such event. In such case, as the Certificates became valueless during the US trading hours, at subsequent SGX-ST open, the DMM may not provide any quotation on the Certificates and the Issuer may apply to suspend trading of the Certificates.



## Examples and illustrations of adjustments due to certain corporate actions

*The examples are purely hypothetical and do not take fees and charges payable by investors into consideration. The examples highlight the effect of corporate actions on the value of the Certificates and do not take into account the possible influence of fees, exchange rates, or any other market parameters.*

In the case of any corporate action on the Underlying Stock, the Calculation Agent will, as soon as reasonably practical after it becomes aware of such event, determine whether such corporate action has a dilutive or concentrative effect on the theoretical value of the Underlying Stock, and if so, will (a) calculate the corresponding adjustment, if any, to be made to the elements relating to the Underlying Stock which are used to determine any settlement or payment terms under the Certificates and/or adjust at its discretion any other terms of the Certificates as it determines appropriate to preserve the economic equivalent of the obligations of the Issuer under the Certificates and (b) determine the effective date of such adjustment.

Notwithstanding the foregoing, in the event Observation Date (t) is an ex-date with respect to a corporate action related to the Underlying Stock, the Calculation Agent may, in its sole and absolute discretion, replace the  $Rfactor_t$  with respect to such Observation Date (t) by an amount computed according to the following generic formula:

$$Rfactor_t = \left[ 1 - \frac{Div_t + DivExc_t - M \times R}{S_{t-1}} \right] \times \frac{1}{1 + M}$$

This formula is provided for indicative purposes and the Calculation Agent may determine that this formula is not appropriate for certain corporate actions and may apply a different formula instead.

Such adjustment of  $Rfactor_t$  would affect the Leveraged Return, the Rebalancing Cost, and the Underlying Reference Price used to determine the Intraday Restrike Event. The Air Bag Mechanism would not be triggered if the stock price falls by 20% exclusively because of the dilutive effect of a corporate action.

Where:

$DivExc_t$  is the amount received as an Extraordinary Dividend by a holder of existing Shares for each Share held prior to the Extraordinary Dividend, net of any applicable withholding taxes.

$M$  is the number of new Share(s) (whether a whole or a fraction) per existing Share each holder thereof is entitled to subscribe or to receive (positive amount) or the number of existing Shares redeemed or canceled per existing Share (negative amount), as the case may be, resulting from the corporate action.

$R$  is the subscription price per Share (positive amount) or the redemption price per Share (negative amount) including any dividends or other benefits forgone to be subscribe to or to receive (as applicable), or to redeem a Share.

### 1. Stock split

Assuming the Underlying Stock is subject to a 1 to 2 stock split (i.e. 1 new Share for every 1 existing share):

$$S_{t-1} = \$100$$

$$S_t = \$51$$

$$Div_t = \$0$$

$$DivExc_t = \$0$$

M = 1 (i.e. 1 new Shares for 1 existing Share)

R = \$0 (no subscription price / redemption price)

$$Rfactor_t = \left[ 1 - \frac{0 + 0 - 2 \times 0}{100} \right] \times \frac{1}{1 + 1} = 50\%$$

As a consequence:

$$LR_{t-1,t} = \text{Leverage} \times \left( \frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right) = 3 \times \left( \frac{51}{100 \times 50\%} - 1 \right) = 6\%$$

$S_{t-1}$	$S_{t-1} \times Rfactor_t$	$S_t$	Adjusted Underlying Stock Performance
100	50	51	2%

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
5.00	5.30	6%

In such case an Intraday Restrike Event would occur if the Underlying Stock price falls to \$40.0, which is 20% below \$50, the Underlying Stock Reference Price.

## 2. Share Consolidation

Assuming the Underlying Stock is subject to a 2 to 1 share consolidation (i.e. 1 Share canceled for every 2 existing Shares):

$$S_{t-1} = \$100$$

$$S_t = \$202$$

$$Div_t = \$0$$

$$DivExc_t = \$0$$

M = -0.5 (i.e. 0.5 Shares canceled for each 1 existing Share)

R = \$0 (no subscription price / redemption price)

$$Rfactor_t = \left[ 1 - \frac{0 + 0 - (-0.5) \times 0}{100} \right] \times \frac{1}{1 + (-0.5)} = 200\%$$

As a consequence:

$$LR_{t-1,t} = \text{Leverage} \times \left( \frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right) = 3 \times \left( \frac{202}{100 \times 200\%} - 1 \right) = 3\%$$

$S_{t-1}$	$S_{t-1} \times Rfactor_t$	$S_t$	Adjusted Underlying Stock Performance
100	200	202	1%

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
5.00	5.15	3%

In such case an Intraday Restrike Event would occur if the Underlying Stock price falls to \$160, which is 20% below \$200, the Underlying Stock Reference Price.

### 3. Rights Issues

Assuming there is a rights issue with respect to the Underlying Stock, with a right to receive 1 new Share for every 2 existing Shares, for a subscription price of \$40.

$$S_{t-1} = \$100$$

$$S_t = \$84$$

$$Div_t = \$0$$

$$DivExc_t = \$0$$

$$R = \$40 \text{ (i.e. subscription price of \$40)}$$

$$M = 0.5 \text{ (i.e. 1 new share for every 2 existing shares)}$$

$$Rfactor_t = \left[ 1 - \frac{0 + 0 - 0.5 \times 40}{100} \right] \times \frac{1}{1 + 0.5} = 80\%$$

As a consequence:

$$LR_{t-1,t} = \text{Leverage} \times \left( \frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right) = 3 \times \left( \frac{84}{100 \times 80\%} - 1 \right) = 15\%$$

$S_{t-1}$	$S_{t-1} \times Rfactor_t$	$S_t$	Adjusted Underlying Stock Performance
100	80	84	5%

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
5.00	5.75	15%

In such case an Intraday Restrike Event would occur if the Underlying Stock price falls to \$64, which is 20% below \$80, the Underlying Stock Reference Price.

#### 4. Bonus Issues

Assuming there is a bonus issue with respect to the Underlying Stock, where shareholders receive 1 bonus share for 5 existing shares:

$$S_{t-1} = \$100$$

$$S_t = \$85$$

$$\text{Div}_t = \$0$$

$$\text{DivExc}_t = \$0$$

$$R = \$0$$

$$M = 0.2 \text{ (i.e. 1 new share for 5 existing shares)}$$

$$Rfactor_t = \left[ 1 - \frac{0 + 0 - 0.2 \times 0}{100} \right] \times \frac{1}{1 + 0.2} = 83.33\%$$

As a consequence:

$$LR_{t-1,t} = \text{Leverage} \times \left( \frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right) = 3 \times \left( \frac{85}{100 \times 83.33\%} - 1 \right) = 6\%$$

$S_{t-1}$	$S_{t-1} \times Rfactor_t$	$S_t$	Adjusted Underlying Stock Performance
100	83.33	85	2%

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
5.00	5.30	6%

In such case an Intraday Restrike Event would occur if the Underlying Stock price falls to \$66.66, which is 20% below \$83.33, the Underlying Stock Reference Price.

#### 5. Extraordinary Dividend

Assuming there is an extraordinary dividend of \$20 (net of taxes) paid in respect of each stock.

$$S_{t-1} = \$100$$

$$S_t = \$84$$

$$\text{Div}_t = \$0$$

$$\text{DivExc}_t = \$20$$

$$R = \$0$$

$$M = 0$$

$$Rfactor_t = \left[ 1 - \frac{0 + 20 - 0 \times 0}{100} \right] \times \frac{1}{1 + 0} = 80\%$$

As a consequence:

$$LR_{t-1,t} = \text{Leverage} \times \left( \frac{S_t}{S_{t-1} \times Rfactor_t} - 1 \right) = 3 \times \left( \frac{84}{100 \times 80\%} - 1 \right) = 15\%$$

$S_{t-1}$	$S_{t-1} \times Rfactor_t$	$S_t$	Adjusted Underlying Stock Performance
100	80	84	5%

Value of the Certificate (t-1)	Value of the Certificate (t)	Certificates' performance (excluding any cost and fees)
5.00	5.75	15%

In such case an Intraday Restrike Event would occur if the Underlying Stock price falls to \$64, which is 20% below \$80, the Underlying Stock Reference Price.

## INFORMATION RELATING TO THE COMPANY

*All information contained in this document regarding the Company, including, without limitation, its financial information, is derived from publicly available information which appears on the web-site of NASDAQ at [www.nasdaq.com](http://www.nasdaq.com) and/or the Company's web-site at <https://ir.tesla.com/>. The Issuer has not independently verified any of such information.*

Tesla, Inc. (the “**Company**” or “**Tesla**”) is a vertically integrated sustainable energy company that also aims to transition the world to electric mobility by making electric vehicles. The company sells solar panels and solar roofs for energy generation plus batteries for stationary storage for residential and commercial properties including utilities. Tesla has multiple vehicles in its fleet, which include luxury and midsize sedans and crossover SUVs. The company also plans to begin selling more affordable sedans and small SUVs, a light truck, a semi truck, and a sports car. Global deliveries in 2021 were a little over 936,000 units.

The information set out in Appendix I of this document relates to the quarterly report of the Company and its subsidiaries for the period ended 31 March 2026 and has been extracted and reproduced from an announcement by the Company released on 23 April 2026 in relation to the same. Further information relating to the Company may be located on the web-site of NASDAQ at [www.nasdaq.com](http://www.nasdaq.com).

## INFORMATION RELATING TO THE DESIGNATED MARKET MAKER

Societe Generale has been appointed the designated market maker (“DMM”) for the Certificates. The DMM will provide competitive buy and sell quotes for the Certificates continuously during the trading hours of the SGX-ST on the following basis:

- (a) Maximum bid and offer spread : (i) when the best bid price of the Certificate is S\$10 and below: 10 ticks or S\$0.20 whichever is greater; and  
(ii) when the best bid price of the Certificate is above S\$10: 5% of the best bid price of the Certificate.
- (b) Minimum quantity subject to bid and offer spread : 10,000 Certificates
- (c) Last Trading Day for Market Making : The date falling 5 Business Days immediately preceding the Expiry Date

In addition, the DMM may not provide quotations in the following circumstances:

- (i) during the pre-market opening and five minutes following the opening of the SGX-ST on any trading day;
- (ii) if the Certificates are valueless (where the Issuer’s bid price is below the minimum bid size for such securities as prescribed by the SGX-ST);
- (iii) when trading in the Underlying Stock is suspended or limited in a material way for any reason (including price quote limits activated by the Relevant Stock Exchange for the Underlying Stock or otherwise<sup>9</sup>), for the avoidance of doubt, the DMM is not obliged to provide quotation for the Certificate at any time when the Underlying Stock is not negotiated/traded for any reason during the last trading session of the Relevant Stock Exchange for the Underlying Stock;
- (iv) when trading of the Underlying Stock on any Related Exchange, or access to pricing information of the Underlying Stock on any Related Exchange is suspended, not available, or limited in a material way for any reason (including price quote limits activated by the Related Exchange on such Underlying Stock or otherwise);
- (v) where the Certificates are suspended from trading for any reason including, but without limitation, as a result of trading in the Underlying Stock on any Related Exchange being suspended, or trading generally on any Related Exchange being suspended;
- (vi) market disruption events, including, without limitation, any suspension of or limitation imposed on trading (including but not limited to unforeseen circumstances such as by reason of movements in price exceeding limits permitted by the SGX-ST or the Relevant Stock Exchange for the Underlying Stock<sup>9</sup> or any Related Exchange for the Underlying Stock, or any act of God, war, riot, public disorder, explosion, terrorism or otherwise) in the Underlying Stock, or in trading of the Underlying Stock on any Related Exchange;

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<sup>9</sup> Price quote limits activated by the Relevant Stock Exchange for the Underlying Stock are not applicable to the market making of the Certificates (as defined herein).

- (vii) where the Issuer or the DMM faces technical problems affecting the ability of the DMM to provide bids and offer quotations;
- (viii) where the ability of the Issuer to source a hedge or unwind an existing hedge, as determined by the Issuer in good faith, is materially affected by the prevailing market conditions, and the Issuer informs the SGX-ST of its inability to do so as soon as practicable;
- (ix) in cases where the Issuer has no Certificates to sell, then the DMM will only provide bid quotations. The DMM may provide intermittent offer quotations when it has inventory of the Certificates;
- (x) if the SGX-ST, the Relevant Stock Exchange for the Underlying Stock or any Related Exchange experiences exceptional price movement and volatility;
- (xi) when any Related Exchange(s) relating to the trading of the Underlying Stock and the Relevant Stock Exchange for the Underlying Stock are not open for dealings concurrently;
- (xii) when it is a public holiday in Singapore and the SGX-ST is not open for dealings; and
- (xiii) during trading hours of the SGX-ST on any Business Day when it is a public holiday in the United States and the Relevant Stock Exchange for the Underlying Stock is not open for dealings.

The last trading day on which the DMM will provide competitive quotations for the Certificates would be the fifth Business Day immediately preceding the Expiry Date.

## SUPPLEMENTAL INFORMATION RELATING TO THE ISSUER

The information set out in Appendix II of this document is a reproduction of the Issuer's condensed financial statements as at and for the year ended 31 December 2025.

The information below sets out the updated information relating to the Issuer and supersedes in its entirety the section in Appendix 2 of the Base Listing Document entitled "**4. Management and Supervision**":

"Pursuant to SG Issuer's Articles of Association, SG Issuer is managed by a board of directors under the supervision of a supervisory board. The members of the board of directors as at 15 May 2026 are Laurent Simonet, Thierry Bodson, Yves Cacclin, François Caralp, Olivier Pelsser, Simon-Pierre Silga and Samuel Worobel (each individually a "**Director**" and collectively the "**Board of Directors**"). The members of the supervisory board as at 15 May 2026 are Peggy Veniant Cottin, Laurent Weil, Faouzi Borgi, Pinon Charles and Gregory Claudy. Save for Gregory Claudy who is an independent director, all members of the Board of Directors and the Supervisory Board hold full-time positions within the Societe Generale Group.

The business address of Laurent Simonet, François Caralp, Samuel Worobel, Laurent Weil and Faouzi Borgi as at 15 May 2026 is Tour Societe Generale, 17, Cours Valmy, F-92897 Paris-La Défense 7, France. The business address of Thierry Bodson, Yves Cacclin, Peggy Veniant Cottin, Simon-Pierre Silga, Pinon Charles and Olivier Pelsser as at 15 May 2026 is 11, avenue Emile Reuter, L-2420 Luxembourg. The business address of Gregory Claudy as at 15 May 2026 is 225a, rue du Burgknapp, B-6717 Heinstert."

## **SUPPLEMENTAL INFORMATION RELATING TO THE GUARANTOR**

The information set out in Appendix III of this document is a reproduction of the press release dated 30 April 2026 containing the Guarantor's consolidated financial results for the first quarter ended 31 March 2026.

On 7 May 2026, the share capital of Societe Generale changed to EUR 930,492,767.50, divided into 744,394,214 ordinary shares with a nominal value of EUR 1.25 each.

## SUPPLEMENTAL GENERAL INFORMATION

The information set out herein is supplemental to, and should be read in conjunction with the information set out in the Base Listing Document.

1. Save as disclosed in this document and the Base Listing Document, neither the Issuer nor the Guarantor is involved in any legal or arbitration proceedings (including any proceedings which are pending or threatened of which the Issuer or the Guarantor is aware) which may have or have had in the previous 12 months a significant effect on the financial position of the Issuer or the Guarantor in the context of the issuance of the Certificates.
2. Settlement of trades done on a normal “ready basis” on the SGX-ST generally take place on the second Business Day following the transaction. Dealing in the Certificates will take place in Board Lots in Singapore Dollar. For further details on the transfer of Certificates and their exercise, please refer to the section headed “Summary of the Issue” above.
3. It is not the current intention of the Issuer to apply for a listing of the Certificates on any stock exchange other than the SGX-ST.
4. Save as disclosed in the Base Listing Document and herein, there has been no material adverse change in the financial position or prospects of the Issuer since 31 December 2025 or the Guarantor since 31 March 2026, in the context of the issuance of Certificates hereunder.
5. The following contracts, relating to the issue of the Certificates, have been or will be entered into by the Issuer and/or the Guarantor and may be material to the issue of the Certificates:
  - (a) the Guarantee;
  - (b) the Master Instrument; and
  - (c) the Master Warrant Agent Agreement.

None of the directors of the Issuer and the Guarantor has any direct or indirect interest in any of the above contracts.

6. The reports of the Auditors of the Issuer and the Guarantor were not prepared exclusively for incorporation into this document.

The Auditors of the Issuer and the Guarantor have no shareholding in the Issuer or the Guarantor or any of its subsidiaries, nor do they have the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities of the Issuer or the Guarantor or any of its subsidiaries.
7. The Certificates are not fully covered by the Underlying Stock held by Issuer or a trustee for and on behalf of the Issuer. The Issuer has appropriate risk management capabilities to manage the issue of the Certificates.
8. Societe Generale, Singapore Branch, currently of 8 Marina Boulevard, #12-01 Marina Bay Financial Centre Tower 1, Singapore 018981, has been authorised to accept, on behalf of the Issuer and the Guarantor, service of process and any other notices required to be served on the Issuer or the Guarantor. Any notices required to be served on the Issuer or the Guarantor should be sent to Societe Generale at the above address for the attention of Societe Generale Legal Department.

9. Copies of the following documents may be inspected during usual business hours on any weekday (Saturdays, Sundays and holidays excepted) at the offices of Societe Generale, Singapore Branch at 8 Marina Boulevard, #12-01 Marina Bay Financial Centre Tower 1, Singapore 018981, during the period of 14 days from the date of this document:
- (a) the Memorandum and Articles of Association of the Issuer and the Constitutional Documents of the Guarantor;
  - (b) the latest financial reports (including the notes thereto) of the Issuer;
  - (c) the latest financial reports (including the notes thereto) of the Guarantor;
  - (d) the Base Listing Document (which can also be viewed at: <https://www.sgx.com/securities/prospectus-circulars-offer-documents>);
  - (e) this document; and
  - (f) the Guarantee.

## PLACING AND SALE

### General

No action has been or will be taken by the Issuer that would permit a public offering of the Certificates or possession or distribution of any offering material in relation to the Certificates in any jurisdiction where action for that purpose is required. No offers, sales or deliveries of any Certificates, or distribution of any offering material relating to the Certificates may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws or regulations and will not impose any obligation on the Issuer. In the event that the Issuer contemplates a placing, placing fees may be payable in connection with the issue and the Issuer may at its discretion allow discounts to placees.

Each Certificate Holder undertakes that it will inform any subsequent purchaser of the terms and conditions of the Certificates and all such subsequent purchasers as may purchase such securities from time to time shall be deemed to be a Certificate Holder for the purposes of the Certificates and shall be bound by the terms and conditions of the Certificates.

### Singapore

This document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Certificates may not be circulated or distributed, nor may Certificates be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than pursuant to, and in accordance with the conditions of, any applicable provision of the Securities and Futures Act 2001 of Singapore.

### Hong Kong

Each dealer has represented and agreed, and each further dealer appointed in respect of the Certificates and each other purchaser will be required to represent and agree, that:

- (a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Certificates (except for Certificates which are a "structured product" as defined in the Securities and Futures Ordinance (Cap.571) of Hong Kong ("**SFO**")) other than (i) to "professional investors" as defined in the SFO and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a "prospectus", as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong ("**CWUMPO**") or which do not constitute an offer to the public within the meaning of the CWUMPO; and
- (b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Certificates, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Certificates which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

## European Economic Area

Each dealer represents and agrees, and each further dealer appointed in respect of the Certificates will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell, or otherwise make available any Certificates which are the subject of the offering as contemplated by this document to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or
  - (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the Insurance Distribution Directive), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended and superseded, the Prospectus Regulation); and
- (b) the expression “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to purchase or subscribe for the Certificates.

## United Kingdom

Each dealer represents and agrees, and each further dealer appointed in respect of the Certificates will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Certificates which are the subject of the offering as contemplated by this document to any retail investor in the United Kingdom. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
  - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); or
  - (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act, as amended (the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
  - (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA; and
- (b) the expression an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to purchase or subscribe for the Certificates.

Each dealer further represents and agrees, and each further dealer appointed in respect of the Certificates will be required to further represent and agree, that:

- (a) in respect to Certificates having a maturity of less than one year: (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and (ii) it has not offered or sold and will not offer or

sell any Certificates other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Certificates would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Certificates in circumstances in which section 21(1) of the FSMA does not apply to the Issuer or the Guarantor; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Certificates in, from or otherwise involving the United Kingdom.

### **United States**

The Certificates and the Guarantee have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or any state securities law, and trading in the Certificates has not been approved by the United States Commodity Futures Trading Commission (the “**CFTC**”) under the United States Commodity Exchange Act of 1936, as amended (the “**Commodity Exchange Act**”) and the Issuer has not been and will not be registered as an investment company under the United States Investment Company Act of 1940, as amended, and the rules and regulations thereunder. None of the Securities and Exchange Commission, any state securities commission or regulatory authority or any other United States, French or other regulatory authority has approved or disapproved of the Certificates or the Guarantee or passed upon the accuracy or adequacy of this document. Accordingly, Certificates, or interests therein, may not at any time be offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, nor may any U.S. person at any time trade, own, hold or maintain a position in the Certificates or any interests therein. In addition, in the absence of relief from the CFTC, offers, sales, re-sales, trades, pledges, exercises, redemptions, transfers or deliveries of Certificates, or interests therein, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. persons, may constitute a violation of United States law governing commodities trading and commodity pools. Consequently, any offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery made, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. person will not be recognised.

Each dealer has represented and agreed, and each further dealer will be required to represent and agree, that it has not and will not at any time offer, sell, resell, trade, pledge, exercise, redeem, transfer or deliver, directly or indirectly, Certificates in the United States or to, or for the account or benefit of, any U.S. person or to others for offer, sale, resale, trade, pledge, exercise, redeem, transfer or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any such U.S. person. Any person purchasing Certificates of any tranches must agree with the relevant dealer or the seller of such Certificates that (i) it is not a U.S. Person, (ii) it will not at any time offer, sell, resell, trade, pledge, exercise, redeem, transfer or deliver, directly or indirectly, any Certificates in the United States or to, or for the account or benefit of, any U.S. person or to others for offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. person, and (iii) it is not purchasing any Certificates, directly or indirectly, in the United States or for the account or benefit of any U.S. person.

Exercise or otherwise redemption of Certificates will be conditional upon certification that each person exercising or otherwise redeeming a Certificate is not a U.S. person or in the United States and that the Certificate is not being exercised or otherwise redeemed on behalf of a U.S. person. No payment will be made to accounts of holders of the Certificates located in the United States.

As used in the preceding paragraphs, the term “**United States**” includes the territories, the possessions and all other areas subject to the jurisdiction of the United States of America, and the term “**U.S. person**” means any person who is (i) a U.S. person as defined under Regulation S under the Securities Act, (ii) a U.S. person as defined in paragraph 7701(a)(30) of the Internal Revenue Code of 1986, (iii) a person who comes within any definition of U.S. person for the purposes of the United States Commodity Exchange Act of 1936, as amended (the “**CEA**”) or any rules thereunder of the CFTC (the “**CFTC Rules**”), guidance or order proposed or issued under the CEA (for the avoidance of doubt, any person who is not a “Non-United States person” defined under CFTC Rule 4.7(a)(1)(iv), but excluding, for purposes of subsection (D) thereof, the exception for qualified eligible persons who are not “Non-United States persons”, shall be considered a U.S. person), or (iv) a U.S. Person for purposes of the final rules implementing the credit risk retention requirements of Section 15G of the U.S. Securities Exchange Act of 1934, as amended.

## **APPENDIX I**

### **REPRODUCTION OF THE QUARTERLY REPORT FOR THE PERIOD ENDED 31 MARCH 2026 OF TESLA, INC. AND ITS SUBSIDIARIES**

The information set out below is a reproduction of the quarterly report of the Company and its subsidiaries for the period ended 31 March 2026 and has been extracted and reproduced from an announcement by the Company released on 23 April 2026 in relation to the same.

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM 10-Q**

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2026  
OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 001-34756

**Tesla, Inc.**

(Exact name of registrant as specified in its charter)

Texas  
(State or other jurisdiction of  
incorporation or organization)

91-2197729  
(I.R.S. Employer  
Identification No.)

1 Tesla Road  
Austin, Texas  
(Address of principal executive offices)

78725  
(Zip Code)

(512) 516-8177  
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock	TSLA	The Nasdaq Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 ("Exchange Act") during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act:

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

As of April 16, 2026, there were 3,755,723,871 shares of the registrant's common stock outstanding.

TESLA, INC.

FORM 10-Q FOR THE QUARTER ENDED MARCH 31, 2026

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## **Forward-Looking Statements**

*The discussions in this Quarterly Report on Form 10-Q contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on assumptions with respect to the future and management's current expectations, involve certain risks and uncertainties and are not guarantees. These forward-looking statements include, but are not limited to, statements concerning supply chain constraints, our strategy, competition, future operations and production capacity, future financial position, future revenues, projected costs, profitability, expected cost reductions, capital adequacy, expectations regarding demand and acceptance for our technologies, growth opportunities and trends in the markets in which we operate, prospects and plans and objectives of management. The words "anticipates," "believes," "could," "estimates," "expects," "intends," "may," "plans," "projects," "will," "would," "predicts" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements and you should not place undue reliance on our forward-looking statements. Future results may differ materially from the plans, intentions and expectations disclosed in the forward-looking statements that we make. These forward-looking statements involve risks and uncertainties that could cause our actual results to differ materially from those in the forward-looking statements, including, without limitation, the risks set forth in Part I, Item 1A, "Risk Factors" of the Annual Report on Form 10-K for the fiscal year ended December 31, 2025 and that are otherwise described or updated from time to time in our other filings with the Securities and Exchange Commission (the "SEC"). The discussion of such risks is not an indication that any such risks have occurred at the time of this filing. We do not assume any obligation to update any forward-looking statements.*

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**PART I. FINANCIAL INFORMATION**  
**ITEM 1. FINANCIAL STATEMENTS**

**Tesla, Inc.**  
**Consolidated Balance Sheets**  
**(in millions, except per share data)**  
**(unaudited)**

	March 31, 2026	December 31, 2025
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 16,603	\$ 16,513
Short-term investments	28,140	27,546
Accounts receivable, net	3,959	4,576
Inventory	14,434	12,392
Prepaid expenses and other current assets	6,612	7,615
Total current assets	69,748	68,642
Operating lease vehicles, net	4,530	4,912
Energy generation and storage systems, net	4,565	4,604
Property, plant and equipment, net	43,213	40,643
Operating lease right-of-use assets	6,332	6,027
Digital assets	786	1,008
Deferred tax assets	7,060	6,925
Other non-current assets	7,490	5,045
<b>Total assets</b>	<b>\$ 143,724</b>	<b>\$ 137,806</b>
<b>Liabilities</b>		
Current liabilities		
Accounts payable	\$ 14,696	\$ 13,371
Accrued liabilities and other	14,554	13,279
Deferred revenue	3,441	3,424
Current portion of debt and finance leases	1,447	1,640
Total current liabilities	34,138	31,714
Debt and finance leases, net of current portion	7,782	6,736
Deferred revenue, net of current portion	3,847	3,631
Other long-term liabilities	13,155	12,860
<b>Total liabilities</b>	<b>58,922</b>	<b>54,941</b>
Commitments and contingencies (Note 10)		
Redeemable noncontrolling interests in subsidiaries	57	58
<b>Equity</b>		
Stockholders' equity		
Preferred stock; \$0.001 par value; 100 shares authorized; no shares issued and outstanding	—	—
Common stock; \$0.001 par value; 6,000 shares authorized; 3,755 and 3,751 shares issued and outstanding as of March 31, 2026 and December 31, 2025, respectively	3	3
Additional paid-in capital	44,299	42,770
Accumulated other comprehensive income	334	361
Retained earnings	39,480	39,003
Total stockholders' equity	84,116	82,137
Noncontrolling interests in subsidiaries	629	670
<b>Total liabilities and equity</b>	<b>\$ 143,724</b>	<b>\$ 137,806</b>

The accompanying notes are an integral part of these consolidated financial statements.

**Tesla, Inc.**  
**Consolidated Statements of Operations**  
(in millions, except per share data)  
(unaudited)

	Three Months Ended March 31,	
	2026	2025
<b>Revenues</b>		
Automotive sales	\$ 15,473	\$ 12,925
Automotive regulatory credits	380	595
Automotive leasing	381	447
Total automotive revenues	16,234	13,967
Energy generation and storage	2,408	2,730
Services and other	3,745	2,638
Total revenues	22,387	19,335
<b>Cost of revenues</b>		
Automotive sales	12,616	11,461
Automotive leasing	196	239
Total automotive cost of revenues	12,812	11,700
Energy generation and storage	1,456	1,945
Services and other	3,399	2,537
Total cost of revenues	17,667	16,182
<b>Gross profit</b>	4,720	3,153
<b>Operating expenses</b>		
Research and development	1,946	1,409
Selling, general and administrative	1,833	1,251
Restructuring and other	—	94
Total operating expenses	3,779	2,754
<b>Income from operations</b>	941	399
Interest income	434	400
Interest expense	(92)	(91)
Other expense, net	(535)	(119)
<b>Income before income taxes</b>	748	589
Provision for income taxes	257	169
<b>Net income</b>	491	420
Net income attributable to noncontrolling interests and redeemable noncontrolling interests in subsidiaries	14	11
<b>Net income attributable to common stockholders</b>	\$ 477	\$ 409
Net income per share of common stock attributable to common stockholders		
Basic	\$ 0.15	\$ 0.13
Diluted	\$ 0.13	\$ 0.12
Weighted average shares used in computing net income per share of common stock		
Basic	3,234	3,218
Diluted	3,538	3,521

The accompanying notes are an integral part of these consolidated financial statements.

**Tesla, Inc.**  
**Consolidated Statements of Comprehensive Income**  
**(in millions)**  
**(unaudited)**

	<b>Three Months Ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
<b>Net income</b>	\$ 491	\$ 420
Other comprehensive (loss) income:		
Foreign currency translation adjustment	(17)	251
Unrealized net loss on short-term investments, net of tax	(10)	(5)
<b>Total other comprehensive (loss) income:</b>	<b>(27)</b>	<b>246</b>
<b>Comprehensive income</b>	<b>464</b>	<b>666</b>
Less: Comprehensive income attributable to noncontrolling interests and redeemable noncontrolling interests in subsidiaries	14	11
<b>Comprehensive income attributable to common stockholders</b>	<b>\$ 450</b>	<b>\$ 655</b>

The accompanying notes are an integral part of these consolidated financial statements.

**Tesla, Inc.**  
**Consolidated Statements of Redeemable Noncontrolling Interests and Equity**  
(in millions)  
(unaudited)

Three Months Ended March 31, 2026	Redeemable Noncontrolling Interests	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income	Retained Earnings	Total Stockholders' Equity	Noncontrolling Interests in Subsidiaries	Total Equity
		Shares	Amount						
<b>Balance as of December 31, 2025</b>	\$ 58	3,751	\$ 3	\$ 42,770	\$ 361	\$ 39,003	\$ 82,137	\$ 670	\$ 82,807
Issuance of common stock for equity incentive awards	—	4	—	361	—	—	361	—	361
Stock-based compensation	—	—	—	1,093	—	—	1,093	—	1,093
Distributions to noncontrolling interests	(2)	—	—	—	—	—	—	(54)	(54)
Shareholder settlement, net of \$23 tax	—	—	—	75	—	—	75	—	75
Net income	1	—	—	—	—	477	477	13	490
Other comprehensive loss	—	—	—	—	(27)	—	(27)	—	(27)
<b>Balance as of March 31, 2026</b>	<b>\$ 57</b>	<b>3,755</b>	<b>\$ 3</b>	<b>\$ 44,299</b>	<b>\$ 334</b>	<b>\$ 39,480</b>	<b>\$ 84,116</b>	<b>\$ 629</b>	<b>\$ 84,745</b>

Three Months Ended March 31, 2025	Redeemable Noncontrolling Interests	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Retained Earnings	Total Stockholders' Equity	Noncontrolling Interests in Subsidiaries	Total Equity
		Shares	Amount						
<b>Balance as of December 31, 2024</b>	\$ 63	3,216	\$ 3	\$ 38,371	\$ (670)	\$ 35,209	\$ 72,913	\$ 704	\$ 73,617
Issuance of common stock for equity incentive awards	—	4	—	313	—	—	313	—	313
Stock-based compensation	—	—	—	662	—	—	662	—	662
Distributions to noncontrolling interests	(2)	—	—	—	—	—	—	(11)	(11)
Shareholder settlement, net	—	—	—	110	—	—	110	—	110
Net income	1	—	—	—	—	409	409	10	419
Other comprehensive income	—	—	—	—	246	—	246	—	246
<b>Balance as of March 31, 2025</b>	<b>\$ 62</b>	<b>3,220</b>	<b>\$ 3</b>	<b>\$ 39,456</b>	<b>\$ (424)</b>	<b>\$ 35,618</b>	<b>\$ 74,653</b>	<b>\$ 703</b>	<b>\$ 75,356</b>

The accompanying notes are an integral part of these consolidated financial statements.

**Tesla, Inc.**  
**Consolidated Statements of Cash Flows**  
(in millions)  
(unaudited)

	Three Months Ended March 31,	
	2026	2025
<b>Cash Flows from Operating Activities</b>		
Net income	\$ 491	\$ 420
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation, amortization and impairment	1,590	1,447
Stock-based compensation	1,030	573
Inventory write-downs	77	112
Foreign currency transaction net unrealized loss	287	30
Deferred income taxes	(136)	(43)
Digital assets loss, net	222	125
Non-cash interest and other operating activities	1	46
Changes in operating assets and liabilities:		
Accounts receivable	561	630
Inventory	(2,255)	(1,704)
Operating lease vehicles	174	(76)
Prepaid expenses and other assets	231	(419)
Accounts payable, accrued and other liabilities	1,401	706
Deferred revenue	263	309
Net cash provided by operating activities	3,937	2,156
<b>Cash Flows from Investing Activities</b>		
Purchases of property and equipment excluding finance leases, net of sales	(2,493)	(1,492)
Purchase of SpaceX equity investment	(2,002)	—
Purchases of short-term investments	(8,318)	(6,015)
Proceeds from maturities of short-term investments	7,790	5,856
Net cash used in investing activities	(5,023)	(1,651)
<b>Cash Flows from Financing Activities</b>		
Proceeds from issuances of debt	4,331	625
Repayments of debt	(3,530)	(1,301)
Proceeds from exercises of stock options and other stock issuances	361	313
Principal payments on finance leases	(18)	(48)
Proceeds received from directors in shareholder settlement	—	277
Recovery (payment) of legal fees associated with shareholder settlement	98	(176)
Distributions paid to noncontrolling interests in subsidiaries	(70)	(22)
Net cash provided by (used in) financing activities	1,172	(332)
Effect of exchange rate changes on cash and cash equivalents and restricted cash	(47)	40
Net increase in cash and cash equivalents and restricted cash	39	213
Cash and cash equivalents and restricted cash, beginning of period	17,616	17,037
Cash and cash equivalents and restricted cash, end of period	\$ 17,655	\$ 17,250
<b>Supplemental Non-Cash Investing and Financing Activities</b>		
Acquisitions of property and equipment included in liabilities	\$ 2,814	\$ 1,581
Leased assets obtained in exchange for finance lease liabilities	\$ 6	\$ —
Leased assets obtained in exchange for operating lease liabilities	\$ 565	\$ 342

The accompanying notes are an integral part of these consolidated financial statements.

**Tesla, Inc.**  
**Notes to Consolidated Financial Statements**  
**(unaudited)**

**Note 1 – Summary of Significant Accounting Policies***Unaudited Interim Financial Statements*

The consolidated financial statements of Tesla, Inc. (“Tesla”, the “Company”, “we”, “us” or “our”), including the consolidated balance sheet as of March 31, 2026, the consolidated statements of operations, the consolidated statements of comprehensive income, the consolidated statements of redeemable noncontrolling interests and equity, and the consolidated statements of cash flows for the three months ended March 31, 2026 and 2025, as well as other information disclosed in the accompanying notes, are unaudited. The consolidated balance sheet as of December 31, 2025 was derived from the audited consolidated financial statements as of that date. The interim consolidated financial statements and the accompanying notes should be read in conjunction with the annual consolidated financial statements and the accompanying notes contained in our Annual Report on Form 10-K for the year ended December 31, 2025.

The interim consolidated financial statements and the accompanying notes have been prepared on the same basis as the annual consolidated financial statements and, in the opinion of management, reflect all adjustments, which include only normal recurring adjustments, necessary for a fair statement of the results of operations for the periods presented. The consolidated results of operations for any interim period are not necessarily indicative of the results to be expected for the full year or for any other future years or interim periods.

*Reclassifications*

Certain prior period balances have been reclassified to conform to the current period presentation in the consolidated financial statements and the accompanying notes.

*Revenue Recognition**Revenue by source*

The following table disaggregates our revenue by major source (in millions):

	<b>Three Months Ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
Automotive sales	\$ 15,473	\$ 12,925
Automotive regulatory credits	380	595
Energy generation and storage sales	2,305	2,621
Services and other	3,745	2,638
Total revenues from sales and services	21,903	18,779
Automotive leasing	381	447
Energy generation and storage leasing	103	109
Total revenues	<u>\$ 22,387</u>	<u>\$ 19,335</u>

*Automotive Segment*Automotive Sales

Deferred revenue related to internet connectivity, access to our Full Self-Driving (“FSD”) (Supervised) features and their ongoing maintenance, free Supercharging programs and over-the-air software updates primarily on automotive sales amounted to \$4.00 billion and \$3.87 billion as of March 31, 2026 and December 31, 2025, respectively.

Deferred revenue is equivalent to the total transaction price allocated to the performance obligations that are unsatisfied, or partially unsatisfied, as of the balance sheet date. Revenue recognized from the deferred revenue balances as of December 31, 2025 and 2024 was \$218 million and \$258 million for the three months ended March 31, 2026 and 2025, respectively. Of the total deferred revenue balance as of March 31, 2026, we expect to recognize \$941 million of revenue in the next 12 months. The remaining balance will be recognized at the time of transfer of control of the product or over the performance period.

We have financing receivables on our consolidated balance sheets related to loans we provide for financing our automotive deliveries. As of March 31, 2026 and December 31, 2025, we had current net financing receivables of \$243 million and \$247 million, respectively, in Accounts receivable, net, and \$506 million and \$554 million, respectively, in Other non-current assets for the long-term portion.

We offer resale value guarantees to our commercial banking partners in connection with certain vehicle leasing programs. Under these programs, we originate the lease with our end customer and immediately transfer the lease and the underlying vehicle to our commercial banking partner, with the transaction being accounted for as a sale under ASC 606, *Revenue from Contracts with Customers*.

We receive upfront payment for the vehicle, do not bear casualty and credit risks during the lease term, and we provide a guarantee capped to a limit if they are unable to sell the vehicle at or above the vehicle's contractual or determined residual value at the end of the lease term. We estimate a guarantee liability in accordance with ASC 460, *Guarantees* and record it within other liabilities on our consolidated balance sheets. On a quarterly basis, we assess the estimated market value of vehicles sold under these programs to determine whether there have been changes to the amount of expected resale value guarantee liabilities. As we accumulate more data related to the resale values of our vehicles or as market conditions change, there may be material changes to their estimated values. The total recorded guarantee liabilities on vehicles sold under these programs were immaterial as of March 31, 2026 and December 31, 2025. Our maximum exposure on the guarantees we provide if they are unable to sell the vehicle at or above the vehicle's contractual residual value at the end of the lease term was \$3.67 billion and \$3.45 billion as of March 31, 2026 and December 31, 2025, respectively.

Automotive Regulatory Credits

As of March 31, 2026, total transaction price allocated to performance obligations that were unsatisfied or partially unsatisfied for contracts with an original expected length of more than one year was \$303 million. Of this amount, we expect to recognize \$198 million in the next 12 months and the rest over the remaining performance obligation period. Changes in regulations on automotive regulatory credits may significantly impact our remaining performance obligations and revenue to be recognized under these contracts. Recent governmental and regulatory actions have restricted certain regulatory credit programs tied to our products.

Automotive Leasing Revenue

Direct Sales-Type Leasing Program

Lease receivables relating to sales-type leases are presented on the consolidated balance sheets as follows (in millions):

	March 31, 2026	December 31, 2025
Gross lease receivables	\$ 205	\$ 259
Unearned interest income	(10)	(14)
Allowance for expected credit losses	(4)	(5)
Net investment in sales-type leases	<u>\$ 191</u>	<u>\$ 240</u>
<b>Reported as:</b>		
Prepaid expenses and other current assets	\$ 116	\$ 130
Other non-current assets	75	110
Net investment in sales-type leases	<u>\$ 191</u>	<u>\$ 240</u>

## *Energy Generation and Storage Segment*

### Energy Generation and Storage Sales

We record as deferred revenue any non-refundable amounts that are primarily related to prepayments from customers, which is recognized as revenue as or when the performance obligations are satisfied. As of March 31, 2026 and December 31, 2025, deferred revenue related to such customer payments amounted to \$2.17 billion and \$2.04 billion, respectively, mainly due to contractual payment terms. Revenue recognized from the deferred revenue balances as of December 31, 2025 and 2024 was \$781 million and \$623 million for the three months ended March 31, 2026 and 2025, respectively. We have elected the practical expedient to omit disclosure of the amount of the transaction price allocated to remaining performance obligations for contracts with an original expected contract length of one year or less and the amount that we have the right to invoice when that amount corresponds directly with the value of the performance to date. As of March 31, 2026, total transaction price allocated to performance obligations that were unsatisfied or partially unsatisfied for contracts with an original expected length of more than one year was \$10.15 billion. Of this amount, we expect to recognize \$5.02 billion in the next 12 months and the rest over the remaining performance obligation period. Changes in government and economic incentives or tariffs may impact the transaction price or our ability to execute these existing contracts.

We have financing receivables on our consolidated balance sheets related to loans we provide for financing our energy products. As of March 31, 2026 and December 31, 2025, we had current net financing receivables of \$39 million and \$38 million, respectively, in Accounts receivable, net, and \$722 million and \$731 million, respectively, in Other non-current assets for the long-term portion.

### *Income Taxes*

We are subject to income taxes in the U.S. and in many foreign jurisdictions. Significant judgment is required in determining our provision for income taxes, our deferred tax assets and liabilities and any valuation allowance recorded against our net deferred tax assets that are not more likely than not to be realized. We monitor the realizability of our deferred tax assets taking into account all relevant factors at each reporting period. In completing our assessment of realizability of our deferred tax assets, we consider our history of income (loss) measured at pre-tax income (loss) adjusted for permanent book-tax differences on a jurisdictional basis, volatility in actual earnings, excess tax benefits related to stock-based compensation in recent prior years and impacts of the timing of reversal of existing temporary differences. We also rely on our assessment of the Company's projected future results of business operations, including uncertainty in future operating results relative to historical results, volatility in the market price of our common stock and its performance over time, variable macroeconomic conditions impacting our ability to forecast future taxable income, and changes in business that may affect the existence and magnitude of future taxable income. Our valuation allowance assessment is based on our best estimate of future results considering all available information.

Our provision for income taxes for interim periods is determined using an estimate of our annual effective tax rate, adjusted for discrete items, if any, that are taken into account in the relevant period. Each quarter, we update our estimate of the annual effective tax rate, and if our estimated tax rate changes, we make a cumulative adjustment.

### *Net Income per Share of Common Stock Attributable to Common Stockholders*

Restricted stock awards will be excluded from the computation of diluted weighted average shares until the shares have been deemed to be earned. The following table presents the reconciliation of basic to diluted weighted average shares used in computing net income per share of common stock attributable to common stockholders (in millions):

	Three Months Ended March 31,	
	2026	2025
Weighted average shares used in computing net income per share of common stock, basic	3,234	3,218
Add: Stock-based awards	304	303
Weighted average shares used in computing net income per share of common stock, diluted	3,538	3,521

The following table presents the potentially dilutive shares that were excluded from the computation of diluted net income per share of common stock attributable to common stockholders, because their effect was anti-dilutive (in millions):

	Three Months Ended March 31,	
	2026	2025
Stock-based awards	7	13

#### *Restricted Cash*

Our total cash and cash equivalents and restricted cash, as presented in the consolidated statements of cash flows, was as follows (in millions):

	March 31, 2026	December 31, 2025	March 31, 2025	December 31, 2024
Cash and cash equivalents	\$ 16,603	\$ 16,513	\$ 16,352	\$ 16,139
Restricted cash included in prepaid expenses and other current assets	327	389	415	494
Restricted cash included in other non-current assets	725	714	483	404
Total as presented in the consolidated statements of cash flows	<u>\$ 17,655</u>	<u>\$ 17,616</u>	<u>\$ 17,250</u>	<u>\$ 17,037</u>

#### *SpaceX Equity Investment*

We are presumed to have significant influence over our equity method investment in SpaceX under ASC 323, *Equity Method Investments and Joint Ventures*, as our CEO also serves as the CEO of SpaceX but as we do not have control over the investee, we have elected the fair value option in accordance with ASC 825, *Financial Instruments*, to provide a more relevant measure of the investment's current economic value to financial statement users. The fair value is determined on a quarterly basis in accordance with ASC 820, *Fair Value Measurement*, based on market observable inputs. The equity investment is presented within Other non-current assets on our consolidated balance sheet. Realized and unrealized gains and losses are recorded to Other expense, net in our consolidated statement of operations. See Note 12, *Related Party Transactions*, for further information regarding our equity investment.

#### *Accounts Receivable and Allowance for Doubtful Accounts*

Depending on the day of the week on which the end of a fiscal quarter falls, our accounts receivable balance may fluctuate as we are waiting for certain customer payments to clear through our banking institutions and receipts of payments from our financing partners, which can take up to approximately two weeks based on the contractual payment terms with such partners. Our accounts receivable balances associated with sales of energy storage products are dependent on billing milestones and payment terms negotiated for each contract, and our accounts receivable balances associated with our sales of regulatory credits are dependent on contractual payment terms. These various factors may have a significant impact on our accounts receivable balance from period to period. As of March 31, 2026 and December 31, 2025, government rebates receivable was \$144 million and \$108 million, respectively, in Accounts receivable, net.

#### *Financing Receivables*

As of March 31, 2026 and December 31, 2025, the vast majority of our financing receivables were at current status with an immaterial balance being past due. As of March 31, 2026 and December 31, 2025, the majority of our financing receivables, excluding MyPower notes receivable, were originated in the past four years.

As of March 31, 2026 and December 31, 2025, the total outstanding balance of MyPower customer notes receivable, net of allowance for expected credit losses, was \$238 million and \$241 million, respectively, of which immaterial amounts were due in the next 12 months. As of March 31, 2026 and December 31, 2025, the allowance for expected credit losses was \$24 million and \$26 million, respectively.

### Concentration of Risk

#### Credit Risk

Financial instruments that potentially subject us to a concentration of credit risk consist of cash, cash equivalents, short-term investments, restricted cash, accounts receivable and other finance receivables. Our cash and short-term investments balances are primarily on deposit at high credit quality financial institutions or invested in highly rated, investment-grade securities. These deposits are typically in excess of insured limits. As of March 31, 2026 and December 31, 2025, no entity represented 10% or more of our total receivables balance.

#### Supply Risk

We are dependent on our suppliers, including single source suppliers, and the inability of these suppliers to deliver necessary components of our products in a timely manner at prices, quality levels and volumes acceptable to us, or our inability to efficiently manage these components from these suppliers, could have a material adverse effect on our business, prospects, financial condition and operating results.

### Warranties

Accrued warranty activity consisted of the following (in millions):

	Three Months Ended March 31,	
	2026	2025
Accrued warranty - beginning of period	\$ 8,607	\$ 6,716
Warranty costs incurred	(468)	(392)
Net changes in liability for pre-existing warranties, including expirations and foreign exchange impact	(175)	347
Provision for warranty	508	543
Accrued warranty - end of period	\$ 8,472	\$ 7,214

### Recent Accounting Pronouncements

#### Recently issued accounting pronouncements not yet adopted

In November 2024, the FASB issued ASU No. 2024-03, Disaggregation of Income Statement Expenses (Subtopic 220-40). The ASU requires the disaggregated disclosure of specific expense categories, including purchases of inventory, employee compensation, depreciation, and amortization, within relevant income statement captions. This ASU also requires disclosure of the total amount of selling expenses along with the definition of selling expenses. The ASU is effective for annual periods beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. Adoption of this ASU can either be applied prospectively to consolidated financial statements issued for reporting periods after the effective date of this ASU or retrospectively to any or all prior periods presented in the consolidated financial statements. Early adoption is also permitted. We are currently evaluating the provisions of this ASU and expect this ASU will likely result in the required additional disclosures being included in our consolidated financial statements, once adopted.

In September 2025, the FASB issued ASU No. 2025-06, Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software. The ASU simplifies the capitalization guidance by removing all references to prescriptive and sequential software development stages (referred to as “project stages”) throughout ASC 350-40. The ASU is effective for annual periods beginning after December 15, 2027, and interim periods within those fiscal years. Adoption of this ASU can be applied prospectively for reporting periods after its effective date; or following a modified transition approach that is based on the status of the respective projects and whether software costs were capitalized before the date of adoption; or retrospectively to any or all prior periods presented in the consolidated financial statements. Early adoption is permitted. We are currently evaluating the provisions of this ASU and do not expect this ASU to have a material impact on our consolidated financial statements.

In December 2025, the FASB issued ASU No. 2025-10, Government Grants (Topic 832): Accounting for Government Grants Received by Business Entities. The ASU establishes authoritative guidance in GAAP about accounting for government grants received by business entities, clarifies the appropriate accounting, in an effort to reduce diversity in practice, and increase consistency of application across business entities. The ASU is effective for annual reporting periods beginning after December 15, 2028, and interim reporting periods within those annual reporting periods. Adoption of this ASU can be applied a modified prospective approach, a modified retrospective approach, or a retrospective approach. Early adoption is permitted. We are currently evaluating the provisions of this ASU and do not expect this ASU to have a material impact on our consolidated financial statements.

In December 2025, the FASB issued ASU No. 2025-11, Interim Reporting (Topic 270): Narrow-Scope Improvements. The ASU clarifies interim disclosure requirements and the applicability of Topic 270. The objective of the amendments is to provide further clarity about the current interim disclosure requirements. The ASU is effective for interim reporting periods within annual reporting periods beginning after December 15, 2027. Adoption of this ASU can be applied either a prospective or a retrospective approach. Early adoption is permitted. We are currently evaluating the provisions of this ASU and do not expect this ASU to have a material impact on our consolidated financial statements.

In December 2025, the FASB issued ASU No. 2025-12, Codification Improvements. The ASU addresses thirty-three items, representing the changes to the Codification that (1) clarify, (2) correct errors, or (3) make minor improvements. Generally, the amendments in this Update are not intended to result in significant changes for most entities. The ASU is effective for interim reporting periods within annual reporting periods beginning after December 15, 2026. The adoption method of this ASU may vary, on an issue-by-issue basis. Early adoption is permitted. We are currently evaluating the provisions of this ASU and do not expect this ASU to have a material impact on our consolidated financial statements.

*Recently adopted accounting pronouncements*

ASU 2025-05

In July 2025, the FASB issued ASU No. 2025-05, Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets. The amendments in this update provide a practical expedient permitting an entity to assume that conditions at the balance sheet date remain unchanged over the life of the asset when estimating expected credit losses for current classified accounts receivable and contract assets. We adopted this ASU on a prospective basis effective January 1, 2026. While this ASU was adopted, we did not elect practical expedient permitted under this ASU. Therefore, the adoption has no impact on our consolidated financial statements.

**Note 2 – Fair Value of Financial Instruments**

ASC 820, *Fair Value Measurement*, states that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or a liability. The three-tiered fair value hierarchy, which prioritizes which inputs should be used in measuring fair value, is comprised of: (Level I) observable inputs such as quoted prices in active markets; (Level II) inputs other than quoted prices in active markets that are observable either directly or indirectly and (Level III) unobservable inputs for which there is little or no market data. The fair value hierarchy requires the use of observable market data when available in determining fair value. Our assets and liabilities that were measured at fair value on a recurring basis were as follows (in millions):

	March 31, 2026				December 31, 2025			
	Fair Value	Level I	Level II	Level III	Fair Value	Level I	Level II	Level III
Certificates of deposit and time deposits	\$ 13,397	\$ —	\$ 13,397	\$ —	\$ 14,600	\$ —	\$ 14,600	\$ —
U.S. government securities	7,936	—	7,936	—	7,321	—	7,321	—
Commercial paper	6,804	—	6,804	—	5,617	—	5,617	—
Money market funds	2,133	2,133	—	—	1,890	1,890	—	—
SpaceX equity investment	2,002	—	2,002	—	—	—	—	—
Digital assets (1)	786	786	—	—	1,008	1,008	—	—
Corporate debt securities	3	—	3	—	8	—	8	—
<b>Total</b>	<b>\$ 33,061</b>	<b>\$ 2,919</b>	<b>\$ 30,142</b>	<b>\$ —</b>	<b>\$ 30,444</b>	<b>\$ 2,898</b>	<b>\$ 27,546</b>	<b>\$ —</b>

(1) As of March 31, 2026 and December 31, 2025, the majority of our digital assets were comprised of 11,509 units of Bitcoin held at an acquisition cost of \$386 million.

Our cash, cash equivalents and short-term investments classified by security type as of March 31, 2026 and December 31, 2025 consisted of the following (in millions):

	March 31, 2026					
	Adjusted Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Cash and Cash Equivalents	Short-Term Investments
Cash	\$ 14,470	\$ —	\$ —	\$ 14,470	\$ 14,470	\$ —
Certificates of deposit and time deposits	13,398	—	(1)	13,397	—	13,397
U.S. government securities	7,942	2	(8)	7,936	—	7,936
Commercial paper	6,808	—	(4)	6,804	—	6,804
Money market funds	2,133	—	—	2,133	2,133	—
Corporate debt securities	3	—	—	3	—	3
<b>Total cash, cash equivalents and short-term investments</b>	<b>\$ 44,754</b>	<b>\$ 2</b>	<b>\$ (13)</b>	<b>\$ 44,743</b>	<b>\$ 16,603</b>	<b>\$ 28,140</b>

	December 31, 2025					
	Adjusted Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Cash and Cash Equivalents	Short-Term Investments
Cash	\$ 14,623	\$ —	\$ —	\$ 14,623	\$ 14,623	\$ —
Certificates of deposit and time deposits	14,598	2	—	14,600	—	14,600
U.S. government securities	7,318	5	(2)	7,321	—	7,321
Commercial paper	5,619	—	(2)	5,617	—	5,617
Money market funds	1,890	—	—	1,890	1,890	—
Corporate debt securities	8	—	—	8	—	8
<b>Total cash, cash equivalents and short-term investments</b>	<b>\$ 44,056</b>	<b>\$ 7</b>	<b>\$ (4)</b>	<b>\$ 44,059</b>	<b>\$ 16,513</b>	<b>\$ 27,546</b>

As of March 31, 2026 and December 31, 2025, short-term investments held and restricted for our insurance business were \$282 million and \$254 million, respectively.

As of March 31, 2026, the majority of our short-term investments had contractual maturity dates within one year.

*Disclosure of Fair Values*

Our financial instruments that are not re-measured at fair value include accounts receivable, financing receivables, other receivables, accounts payable, accrued liabilities, customer deposits and debt. The carrying values of these financial instruments materially approximate their fair values.

**Note 3 – Inventory**

Our inventory consisted of the following (in millions):

	March 31, 2026	December 31, 2025
Raw materials	\$ 4,310	\$ 4,522
Work in process	1,922	1,725
Finished goods (1)	6,842	4,849
Service parts	1,360	1,296
Total	<u>\$ 14,434</u>	<u>\$ 12,392</u>

(1) Finished goods inventory includes products-in-transit to fulfill customer orders, new vehicles, used vehicles and energy products available for sale.

We write-down inventory for any excess or obsolete inventory or when we believe that the net realizable value of inventory is less than the carrying value. During the three months ended March 31, 2026 and 2025, we recorded write-downs of \$77 million and \$79 million, respectively, in Cost of revenues in the consolidated statements of operations.

**Note 4 – Property, Plant and Equipment, Net**

Our property, plant and equipment, net, consisted of the following (in millions):

	March 31, 2026	December 31, 2025
Machinery, equipment, vehicles and office furniture	\$ 21,788	\$ 20,864
Land and buildings	12,558	11,837
AI infrastructure	7,690	6,816
Tooling	4,924	4,868
Leasehold improvements	4,608	4,439
Computer equipment, hardware and software	3,367	3,206
Construction in progress	9,629	8,786
Property, plant and equipment	64,564	60,816
Less: Accumulated depreciation	(21,351)	(20,173)
Property, plant and equipment, net	<u>\$ 43,213</u>	<u>\$ 40,643</u>

Construction in progress is primarily comprised of ongoing construction and expansion of our facilities, equipment and tooling related to the manufacturing of our products as well as AI-related assets which have not yet been placed in service.

Depreciation expense during the three months ended March 31, 2026 and 2025 was \$1.34 billion and \$1.15 billion, respectively.

**Note 5 – Accrued Liabilities and Other**

Our accrued liabilities and other current liabilities consisted of the following (in millions):

	March 31, 2026	December 31, 2025
Accrued purchases (1)	\$ 3,181	\$ 2,577
Accrued warranty reserve, current portion	2,444	2,475
Payroll and related costs	1,884	1,907
Customer deposits	1,742	1,311
Taxes payable (2)	1,613	1,594
Operating lease liabilities, current portion	988	954
Sales return reserve, current portion	571	529
Other current liabilities	2,131	1,932
<b>Total</b>	<b>\$ 14,554</b>	<b>\$ 13,279</b>

- (1) Accrued purchases primarily reflects goods received and services incurred for which we had not yet been invoiced. As we are invoiced for these goods and services, this balance will reduce and accounts payable will increase.
- (2) Taxes payable primarily includes income tax, value added tax, sales tax, property tax and use tax payables.

**Note 6 – Other Long-Term Liabilities**

Our other long-term liabilities consisted of the following (in millions):

	March 31, 2026	December 31, 2025
Accrued warranty reserve	\$ 6,028	\$ 6,132
Operating lease liabilities	5,673	5,389
Other non-current liabilities	1,454	1,339
<b>Total other long-term liabilities</b>	<b>\$ 13,155</b>	<b>\$ 12,860</b>

**Note 7 – Debt**

The following is a summary of our debt and finance leases as of March 31, 2026 (in millions):

	Net Carrying Value		Unpaid Principal Balance	Unused Committed Amount (1)	Contractual Interest Rates	Contractual Maturity Date
	Current	Long-Term				
<b>Recourse debt:</b>						
RCF Credit Agreement	\$ —	\$ —	\$ —	\$ 5,000	Not applicable	January 2028
Other	—	2	2	—	5.45-5.75%	March 2030-January 2031
<b>Total recourse debt</b>	<b>—</b>	<b>2</b>	<b>2</b>	<b>5,000</b>		
<b>Non-recourse debt:</b>						
Automotive Asset-backed Notes	1,319	1,417	2,746	—	2.52-6.57%	June 2027-June 2035
China Working Capital Facility	—	5,794	5,794	—	2.01-2.11%	September 2026-March 2027 (2)
Energy Asset-backed Notes	44	331	379	—	5.08-6.25%	June 2050
Cash Equity Debt	11	101	118	—	5.25%	July 2034
<b>Total non-recourse debt</b>	<b>1,374</b>	<b>7,643</b>	<b>9,037</b>	<b>—</b>		
<b>Total debt</b>	<b>1,374</b>	<b>7,645</b>	<b>\$ 9,039</b>	<b>\$ 5,000</b>		
Finance leases	73	137				
<b>Total debt and finance leases</b>	<b>\$ 1,447</b>	<b>\$ 7,782</b>				

The following is a summary of our debt and finance leases as of December 31, 2025 (in millions):

	Net Carrying Value		Unpaid Principal Balance	Unused Committed Amount (1)	Contractual Interest Rates	Contractual Maturity Date
	Current	Long-Term				
<b>Recourse debt:</b>						
RCF Credit Agreement	\$ —	\$ —	\$ —	\$ 5,000	Not applicable	January 2028
Other	1	2	3	—	4.70-5.75%	January 2026-January 2031
Total recourse debt	1	2	3	5,000		
<b>Non-recourse debt:</b>						
Automotive Asset-backed Notes	1,492	1,745	3,249	—	2.47-6.57%	October 2026-June 2035
China Working Capital Facility	—	4,288	4,288	1,429	2.01-2.11%	March 2026-December 2026 (2)
Energy Asset-backed Notes	55	337	397	—	5.08-6.25%	June 2050
Cash Equity Debt	21	212	240	—	5.25-5.81%	July 2034-January 2035
Total non-recourse debt	1,568	6,582	8,174	1,429		
Total debt	1,569	6,584	\$ 8,177	\$ 6,429		
Finance leases	71	152				
Total debt and finance leases	\$ 1,640	\$ 6,736				

- Refer to the notes to the consolidated financial statements included in our reporting on Form 10-K for the year ended December 31, 2025 for restrictions on draw-down or use for general corporate purposes with respect to any available committed funds under our debt facilities, as applicable.
- As we have the intent and ability to refinance the loan on a long-term basis, we classify it as Debt and finance leases, net of current portion in the consolidated balance sheets.

Recourse debt refers to debt that is recourse to our general assets. Non-recourse debt refers to debt that is recourse to only assets of our subsidiaries. The differences between the unpaid principal balances and the net carrying values are due to debt discounts or deferred issuance costs. As of March 31, 2026, we were in material compliance with all financial debt covenants.

### Warehouse Agreement

In the first quarter of 2026, we entered into an uncommitted revolving Loan and Security Agreement (the "Warehouse Agreement") with a syndicate of banks. Under the Warehouse Agreement, we may borrow up to \$1.50 billion in total principal amount which is secured by certain financing receivables and/or beneficial interests related to certain leased vehicles. Subject to extension in accordance with the terms of the Warehouse Agreement, the ability to draw under the Warehouse Agreement expires in March 2027, and the maturity date for borrowings is the earlier of the end of the underlying lease and loan terms or March 2034. Amounts drawn under the Warehouse Agreement bear interest at a rate equal to SOFR plus 0.65% to 1.00%. As of March 31, 2026, we have no borrowings outstanding under the Warehouse Agreement.

We are subject to certain conditions and limitations, including advance rate limits, a required reserve account, various performance triggers and excess concentration limits.

### Note 8 – Equity Incentive Plans

#### 2025 CEO Interim Award

Following the Delaware Supreme Court's decision reversing the Court of Chancery's rescission order and reinstating the performance-based stock option award our CEO was granted by the Company on January 21, 2018 (the "2018 CEO Performance Award"), on March 18, 2026 the Court of Chancery entered a final order implementing such reversal. On April 21, 2026 the Board approved the determination that the final order and judgment allowing our CEO to exercise the 2018 CEO Performance Award in full constituted a Tornetta Decision Event (as defined in the restricted stock award granted to our CEO on August 3, 2025 (the "2025 CEO Interim Award")), resulting in the immediate forfeiture of the 2025 CEO Interim Award by our CEO. These actions are consistent with the "no double dip" principle, which precludes Mr. Musk from getting a windfall in the event that he may exercise the 2018 CEO Performance Award. As of March 31, 2026, no stock-based compensation expense was recognized related to the 2025 CEO Interim Award.

## **2026 Implementation Agreement**

As previously disclosed in the Company's Annual Report on Form 10-K for the year ended December 31, 2025, a special committee of the Board consisting of disinterested directors Robyn Denholm and Kathleen Wilson-Thompson (the "Special Committee"), consistent with its purpose, reconvened to consider, evaluate and determine all aspects of the retention and incentivization of our chief executive officer, Mr. Elon Musk, and any methods, approaches or manners for doing so, including with respect to the 2025 CEO Interim Award and the 2018 CEO Performance Award.

As a result of the foregoing events, the Special Committee considered the impact of the potential exercise of the 2018 CEO Performance Award on the Company. The Special Committee considered a number of factors, including the negative impact on the Company resulting from the likely sale of a significant number of shares of the Company's stock to cover the exercise price and tax obligations. On April 17, 2026, the Special Committee recommended and on April 21, 2026 (the "effective date"), the Board (with Mr. Elon Musk and Mr. Kimbal Musk recused) approved the Company's entry into the Implementation Agreement, implementing a process for Mr. Musk's exercise of the 2018 CEO Performance Award that the Board determined is in the best interests of the Company and intended to mitigate any negative impact of significant share sales on the Company.

The Implementation Agreement provides Mr. Musk with no additional economic benefit and incorporates features similar to those in the performance-based restricted stock granted to our CEO in 2025 (the "2025 CEO Performance Award") and the 2025 CEO Interim Award that were each designed and approved by the Special Committee to retain and incentivize Mr. Musk. Consequently, the Implementation Agreement (i) focuses on retaining Mr. Musk's continued service at a critical time for the Company and restricts the timing of Mr. Musk's access to the economics associated with the 2018 CEO Performance Award by imposing a service-based vesting condition on restricted shares of common stock (the "Restricted Shares") to be issued to Mr. Musk upon exercise of the 2018 CEO Performance Award, requiring him to remain in continuous service as CEO or as an executive officer responsible for product development or operations (as approved by the Board's disinterested directors) through January 19, 2028, and by commencing the five-year holding period on such vesting date (rather than the exercise date), (ii) provides that Mr. Musk may satisfy the exercise price of the 2018 CEO Performance Award by electing net settlement by the Company or paying cash, and (iii) provides for cooperation between the Company and Mr. Musk to create a mutually-agreeable plan to address satisfaction of applicable tax obligations between the Company and Mr. Musk, thus providing a path to mitigate potential negative impacts on the Company.

We assessed whether there is any incremental fair value that needs to be recognized as a result of the Implementation Agreement. As of the effective date, we determined that the fair value of the original stock option awards immediately before the effective date was greater than the fair value of the Restricted Shares after the effective date. The stock options underlying the 2018 CEO Performance Award were fully vested and their grant-date fair value has already been fully recognized. As such, no incremental stock-based compensation expense will be recorded during the service period of the award.

## **2025 CEO Performance Award**

On September 3, 2025 (the "2025 CEO Performance Award Grant Date"), the Board of Directors granted the 2025 CEO Performance Award to our CEO, consisting of approximately 423.7 million shares of performance-based restricted stock to our CEO, which was approved on November 6, 2025 by our shareholders (the "2025 CEO Performance Award Accounting Grant Date").

Until such time as there are no shares under the 2025 CEO Performance Award that are not earned (the “Unearned Shares”), our CEO’s Unearned Shares will vote proportionately to the votes of all other shares of our capital stock that are present and entitled to vote at any annual or special meeting (or similar action) of our shareholders (including our CEO). Generally, each of the 12 tranches of the 2025 CEO Performance Award will become “Earned Shares” upon our CEO remaining in Eligible Service (as defined below) and the certification by disinterested directors that the following have been achieved: (i) the market capitalization milestone for such tranche and (ii) any one of the twelve operational milestones (clauses (i) and (ii), together the “Performance Milestones”). Our CEO will be able to direct the vote of such Earned Shares.

Tranche #	Number of Shares Subject to Tranche	Market Capitalization Milestones (2)	Operational Milestones	Achievement Status
1	35,311,992	\$2.0 trillion	Achievement of any 1 of the 12 Operational Milestones	-
2	35,311,992	\$2.5 trillion	Achievement of any 2 of the 12 Operational Milestones	-
3	35,311,992	\$3.0 trillion	Achievement of any 3 of the 12 Operational Milestones	-
4	35,311,992	\$3.5 trillion	Achievement of any 4 of the 12 Operational Milestones	-
5	35,311,992	\$4.0 trillion	Achievement of any 5 of the 12 Operational Milestones	-
6	35,311,992	\$4.5 trillion	Achievement of any 6 of the 12 Operational Milestones	-
7	35,311,992	\$5.0 trillion	Achievement of any 7 of the 12 Operational Milestones	-
8	35,311,992	\$5.5 trillion	Achievement of any 8 of the 12 Operational Milestones	-
9	35,311,992	\$6.0 trillion	Achievement of any 9 of the 12 Operational Milestones	-
10	35,311,992	\$6.5 trillion	Achievement of any 10 of the 12 Operational Milestones	-
11	35,311,992	\$7.5 trillion	Achievement of any 11 of the 12 Operational Milestones (1)	-
12	35,311,992	\$8.5 trillion	Achievement of any 12 of the 12 Operational Milestones (1)	-
Total	<u>423,743,904</u>			

- The 11th and 12th tranches are earned upon the later of (i) the date on which the last Performance Milestone applicable to such tranche is completed and (ii) the date on which the CEO succession framework developed by our CEO is approved by the Board of Directors.
- Market capitalization milestones are measured on a trailing average basis over both a six-month period and a 30-day period. Achievement may also be measured over a one-year period in connection with the deemed achievement of certain product goals.

The operational milestones generally required for any shares to become Earned Shares are defined as follows:

Milestone #	Operational Milestones (3)
1	20 million Tesla vehicles delivered
2	10 million active FSD subscriptions
3	1 million bots delivered
4	1 million Robotaxis in commercial operation
5	\$50 billion of Adjusted EBITDA
6	\$80 billion of Adjusted EBITDA
7	\$130 billion of Adjusted EBITDA
8	\$210 billion of Adjusted EBITDA
9	\$300 billion of Adjusted EBITDA
10	\$400 billion of Adjusted EBITDA (4)
11	\$400 billion of Adjusted EBITDA (4)
12	\$400 billion of Adjusted EBITDA (4)

- Adjusted EBITDA is defined as net income (loss) attributable to common stockholders before interest expense, provision (benefit) for income taxes, depreciation, amortization and impairment, stock-based compensation and digital assets gains and losses for the four consecutive quarters that immediately precede such determination date.
- Meeting the last three Adjusted EBITDA operational milestones requires achieving Adjusted EBITDA of \$400 billion in three non-overlapping periods, each made up of four consecutive quarters.

The vesting date for each tranche of shares depends on when such shares become Earned Shares, which is based on the achievement of Performance Milestones. Generally, shares earned prior to the 5th anniversary of the 2025 CEO Performance Award Grant Date vest on the 7.5th anniversary, and shares that are earned after the 5th anniversary of the 2025 CEO Performance Award Grant Date vest on the 10th anniversary (each such 7.5 and 10-year period, a “Post-Milestone Service Period”), in each case our CEO must maintain continued employment either as our CEO or as an executive officer responsible for product development or operations through the applicable Post-Milestone Service Period (“Eligible Service”). Upon vesting, the vested shares will be reduced by an offset amount of \$334.09 per share, unless our CEO elects to pay such amounts in cash.

Unearned Shares will be forfeited and returned upon the 10-year anniversary of the 2025 CEO Performance Award Grant Date. Unvested shares (including any Earned Shares that have not vested) will be forfeited upon cessation of Eligible Service. Any stock-based compensation expense related to forfeited shares will be reversed during the period in which such a forfeiture occurs.

Our CEO must hold shares for five years after they become Earned Shares (regardless of whether such Earned Shares vest), subject to exceptions on or after vesting for (i) a change in control, (ii) satisfying taxes due in respect of vesting or (iii) transfers for estate planning purposes that involve a mere change of form or as may be permitted by our disinterested directors in their discretion consistent with our internal policies.

Stock-based compensation expense recognition commences when an operational milestone is considered probable of achievement regardless of the progress made towards achieving the next market capitalization milestone. The probability of meeting an operational milestone is based on a subjective assessment of the product roadmap, regulatory environment, industry and adoption trends, competitive environment, macroeconomic conditions and risks, and our future financial projections, among other estimates and assumptions. These inputs, which are subjective and generally require significant judgment, are based on historical experience, as appropriate, and on various other assumptions that we believe to be reasonable under the circumstances. Changes in the accounting estimates are reasonably likely to occur from period to period. Accordingly, actual results could differ significantly from the estimates made by our management. As of March 31, 2026, we determined that the operational milestone involving the delivery of 20 million Tesla vehicles, is probable over the term of the award based on our current assumptions.

Once an operational milestone is considered probable of achievement, stock-based compensation expense associated with the tranche will be recognized over the relevant Post-Milestone Service Period, which is based on the expected achievement date of the operational milestone. By design of this award, the recognition period will be approximately 7.5 or 10 years from the 2025 CEO Performance Award Accounting Grant Date. Stock-based compensation expense associated with this award is recorded as Selling, general and administrative expense on our consolidated statement of operations.

As of March 31, 2026, based on our current estimate of the achievement date, we had unrecognized stock-based compensation expense of \$9.97 billion for the operational milestone that was considered probable of achievement over the term of the award, which we expect to be recognized over 9.4 years. As of March 31, 2026, we had unrecognized stock-based compensation expense of \$105.82 billion to \$120.37 billion for the operational milestones that were considered not probable of achievement. For the three months ended March 31, 2026, we recorded stock-based compensation expense of \$260 million related to the 2025 CEO Performance Award.

#### **Other Performance-Based Grants**

From time to time, the Compensation Committee of our Board of Directors grants certain employees performance-based restricted stock units and stock options.

As of March 31, 2026, we had unrecognized stock-based compensation expense of \$1.84 billion under these grants to purchase or receive an aggregate 13.6 million shares of our common stock. For awards probable of achievement, we estimate the unrecognized stock-based compensation expense of \$721 million will be recognized over a weighted-average period of 3.1 years.

For the three months ended March 31, 2026 and 2025, we recorded \$136 million and an immaterial amount, respectively, of stock-based compensation expense related to these grants, net of forfeitures, primarily in Research and development in the consolidated statements of operations.

**Summary Stock-Based Compensation Information**

The following table summarizes our stock-based compensation expense by line item in the consolidated statements of operations (in millions):

	Three Months Ended March 31,	
	2026	2025
Cost of revenues	\$ 227	\$ 209
Research and development	421	277
Selling, general and administrative	382	87
Total	<u>\$ 1,030</u>	<u>\$ 573</u>

**Note 9 – Income Taxes**

Our effective tax rate was 34% for the three months ended March 31, 2026 compared to 29% for the three months ended March 31, 2025. The change in our effective tax rate was primarily due to changes in the mix of our jurisdictional earnings and the non-deductibility of stock-based compensation expense related to the 2025 CEO Performance Award.

Our effective tax rates for the three months ended March 31, 2026 and 2025 as compared to the U.S. federal statutory rate of 21% were primarily impacted by the mix of our jurisdictional earnings subject to different tax rates, tax deduction limitations on executive compensation expense, valuation allowances on our deferred tax assets, and benefits from our U.S. research and development credits and manufacturing production credits.

**Note 10 – Commitments and Contingencies*****Tariffs***

In February 2026, the U.S. Supreme Court issued a ruling invalidating certain tariffs previously imposed under the International Emergency Economic Powers Act (IEEPA). As a result of this ruling, we may be eligible for a refund of tariffs previously paid on imported goods. As the recoverability and timing of any such refund remains uncertain, we have not recognized a receivable and corresponding offset to expense or asset as of March 31, 2026 and will not until such amounts are realized or realizable. We continue to monitor these developments and their potential impact on our results of operations, including reduction of revenue for any potential refunds to certain energy storage customers for which a contractual obligation exists.

***Legal Proceedings******Litigation Related to Directors' Compensation***

On June 17, 2020, a purported Tesla stockholder filed a derivative action in the Delaware Court of Chancery, purportedly on behalf of Tesla, against certain of Tesla's current and former directors regarding compensation awards granted to Tesla's directors, other than Elon Musk, between 2017 and 2020. The suit asserted claims for breach of fiduciary duty and unjust enrichment and seeks declaratory and injunctive relief, unspecified damages and other relief. Defendants filed their answer on September 17, 2020.

On July 14, 2023, the parties filed a Stipulation and Agreement of Compromise and Settlement, which does not involve an admission of any wrongdoing by any party. Pursuant to the terms of the agreement, Tesla provided notice of the proposed settlement to stockholders of record as of July 14, 2023. The Court held a hearing regarding the settlement on October 13, 2023, after which it took the settlement and Plaintiff's counsel fees request under advisement. On January 8, 2025, the Court approved the settlement and awarded Plaintiff's counsel fees in the amount of approximately \$176 million. A final judgment was entered by the Court on January 13, 2025.

The Company disagreed with the amount of attorneys' fees awarded by the court. On February 10, 2025, Tesla appealed the attorneys' fee award amount to the Delaware Supreme Court. Tesla did not appeal the Delaware Court of Chancery's approval of the underlying settlement. Also on February 10, 2025, a single shareholder appealed the approval of the settlement. This shareholder's appeal did not seek to alter any material terms (e.g., financial contributions or the defendants' obligations under the Settlement Agreement). The Delaware Court of Chancery had previously rejected this shareholder's objections when approving the Settlement Agreement. On January 30, 2026, the Delaware Supreme Court affirmed the Court of Chancery's approval of the settlement agreement, resolving the derivative claims related to board compensation. The Court then significantly reduced the attorney fee award from \$176 million to \$71 million.

Because neither Tesla's appeal nor the shareholder's appeal sought to vacate the Settlement Agreement or materially modify its terms, the Company implemented the provisions of the Settlement Agreement in May 2025 by cancelling the options requiring cancellation under its terms.

In connection with the settlement, Tesla received \$277 million from certain directors and paid Plaintiff's counsel fees of \$176 million (which, as noted above, the Company appealed) in the three months ended March 31, 2025. We recorded a \$31 million reversal of previously recognized stock-based compensation expense in association with the returned awards and increased our provision for income taxes in relation to the return of directors' compensation. As the settlement was an equity transaction, the net impact to additional paid-in-capital was \$110 million in the three months ended March 31, 2025. Following the January 30, 2026 decision by the Delaware Supreme Court, the reduction of attorneys' fees are recorded to additional paid-in-capital.

#### *Litigation Relating to Potential Going Private Transaction*

Between October 17, 2018 and March 8, 2021, seven derivative lawsuits were filed in the Delaware Court of Chancery, purportedly on behalf of Tesla, against Mr. Musk and the members of Tesla's board of directors, as constituted at relevant times, in relation to statements made and actions connected to a potential going private transaction, with certain of the lawsuits challenging additional Twitter posts by Mr. Musk, among other things. Several of those actions were consolidated. In addition to these cases, two derivative lawsuits were filed on October 25, 2018 and February 11, 2019 in the U.S. District Court for the District of Delaware, purportedly on behalf of Tesla, against Mr. Musk and the members of the Tesla board of directors as then constituted. All of these cases have been dismissed through stipulations and orders.

On October 21, 2022, a lawsuit was filed in the Delaware Court of Chancery by a purported shareholder of Tesla alleging, among other things, that board members breached their fiduciary duties in connection with their oversight of the Company's 2018 settlement with the SEC, as amended. Among other things, the plaintiff sought reforms to the Company's corporate governance and internal procedures, unspecified damages, and attorneys' fees. On March 30, 2026, the plaintiff voluntarily dismissed the case.

#### *Certain Derivative Lawsuits in Delaware*

Before converting from a Delaware to Texas corporation on June 13, 2024, three separate derivative actions brought by purported Tesla stockholders were filed in the Delaware Court of Chancery on May 24, June 10 and June 13, 2024, purportedly on behalf of Tesla, against current and former directors regarding topics involving Elon Musk and others, X Corp. (formerly Twitter) and xAI. These suits asserted various claims, including breach of fiduciary duty and breach of contract, and sought unspecified damages and other relief. On August 6, 2024, the plaintiffs in these three actions moved to consolidate the matters into a single case. The Court consolidated two of the three cases. Tesla and the directors filed motions to dismiss, and oral argument on those motions occurred on October 22, 2025. On April 2, 2026, these cases were reassigned to a different judge. On April 13, 2026, the Court granted Tesla's motions to dismiss and dismissed the cases.

#### *Litigation and Investigations Relating to Alleged Discrimination and Harassment*

We are also subject to various lawsuits that assert claims related to alleged discrimination and harassment. For example, on February 9, 2022, the California Civil Rights Department ("CRD," formerly "DFEH") filed a civil complaint against Tesla in Alameda County, California Superior Court, alleging systemic race discrimination, hostile work environment and pay equity claims, among others. CRD's amended complaint seeks monetary damages and injunctive relief. The trial is currently set for July 20, 2026. Additionally, on June 1, 2022, the Equal Employment Opportunity Commission ("EEOC") issued a cause finding against Tesla that closely parallels the CRD's allegations. On September 28, 2023, the EEOC filed a civil complaint against Tesla in the United States District Court for the Northern District of California asserting claims for race harassment and retaliation and seeking, among other things, monetary and injunctive relief. The case is in discovery with no trial date set. In another matter, on November 13, 2017, a putative class action was filed against Tesla in Alameda County Superior Court, alleging race discrimination, including allegations that Tesla created a hostile work environment by failing to take necessary steps to prevent race-based harassment and by failing to take corrective action once the alleged harassment occurred. On May 17, 2024, the court certified the case as a class action on limited issues, but on November 17, 2025, the court decertified the class. Trials of the three remaining named plaintiffs are scheduled to begin on May 11, 2026, and will proceed one after the other.

The Company intends to vigorously defend itself in these matters; however, we cannot predict the outcome or impact. We are unable to reasonably estimate the possible loss or range of loss, if any, associated with these claims, unless noted.

*Other Litigation Related to Our Products and Services*

We are also subject to various lawsuits that seek monetary and other injunctive relief. These lawsuits include proposed class actions and other consumer claims that allege, among other things, purported defects and misrepresentations related to our products and services. For example, on September 14, 2022, a proposed class action was filed against Tesla, Inc. and related entities in the U.S. District Court for the Northern District of California, alleging various claims about the Company's driver assistance technology systems under state and federal law. This case was later consolidated with several other proposed class actions, and a Consolidated Amended Complaint was filed on October 28, 2022, which seeks damages and other relief on behalf of all persons who purchased or leased from Tesla between January 1, 2016, to the present. On March 22, 2023, the plaintiffs filed a motion for a preliminary injunction to order Tesla to (1) cease using the term "Full Self-Driving Capability" (FSD Capability), (2) cease the sale and activation of FSD Capability and deactivate FSD Capability on Tesla vehicles, and (3) provide certain notices to consumers about proposed court-findings about the accuracy of the use of the terms Autopilot and FSD Capability. Tesla opposed the motion. On September 30, 2023, the Court denied the request for a preliminary injunction, compelled four of five plaintiffs to arbitration, and dismissed the claims of the fifth plaintiff with leave to amend the complaint. On October 31, 2023, the remaining plaintiff filed an amended complaint, which Tesla moved to dismiss, and on May 15, 2024, the Court granted in part and denied in part Tesla's motion. On May 6, 2025, the plaintiff filed a motion for class certification, which Tesla opposed, and on August 18, 2025, the Court certified a limited class comprised of California consumers who are not subject to an arbitration agreement. On September 1, 2025, Tesla filed a petition in the United States Court of Appeals for the Ninth Circuit for permission to appeal the class certification order, and on December 18, 2025, the Ninth Circuit granted Tesla's petition. On January 5, 2026, the district court stayed the case pending resolution of the proceedings before the Ninth Circuit. Tesla filed its opening brief in the Ninth Circuit on March 12, 2026, and the plaintiff filed a response brief on April 13, 2026.

On August 4, 2025, a proposed class action was filed in the U.S. District Court Western District of Texas against Tesla, Inc., Elon Musk, and certain current and former Company executives. The complaint alleges that the defendants violated federal securities laws through alleged material misrepresentations in public filings regarding the effectiveness of Autopilot, Full-Self Driving (Supervised), and Robotaxi. The complaint seeks monetary damages and other relief on behalf of persons who purchased Tesla stock between April 19, 2023, and June 22, 2025. The plaintiffs filed an amended complaint on February 17, 2026, and Tesla moved to dismiss the amended complaint on April 20, 2026.

The Company intends to vigorously defend itself in these matters; however, we cannot predict the outcome or impact. We are unable to reasonably estimate the possible loss or range of loss, if any, associated with these claims, unless noted.

*Benavides v. Tesla, Inc.*

On August 1, 2025, a jury in the U.S. District Court for the Southern District of Florida reached a verdict in a product liability trial relating to certain allegations regarding the use of our Autopilot technology in a 2019 accident that resulted in a fatality and injuries. The jury awarded \$129 million in total compensatory damages, finding the driver 67% at fault and the Company 33% at fault. The jury also awarded \$200 million in punitive damages. On September 15, 2025, the Company filed a post-trial motion for judgment as a matter of law or, in the alternative, a new trial on all issues or an amended judgment to lesser compensatory and punitive damages. On February 19, 2026, the Court denied the Company's post-trial motions, and on March 16, 2026, the Company filed a notice of appeal with the U.S. Court of Appeals for the Eleventh Circuit. Although we believe that the facts and law do not justify the damages awarded, the Company has recorded an immaterial accrual.

We have experienced, and we expect to continue to face, claims and regulatory scrutiny arising from or related to misuse or claimed failures or alleged misrepresentations of new technologies that we are pioneering. We are unable to reasonably estimate the possible loss or range of loss, if any, associated with these claims, unless noted. An unfavorable outcome in some or all of these proceedings could have a material adverse impact on results of operations or cash flows for a particular period. Our view of these matters is subject to inherent uncertainties and may change in the future.

### *Certain Investigations and Other Matters*

We regularly receive requests for information, including subpoenas, from regulators and governmental authorities such as the National Highway Traffic Safety Administration, the National Transportation Safety Board, the SEC, the Department of Justice (“DOJ”), and various local, state, federal, and international agencies. The ongoing requests for information include topics such as operations, technology (e.g., vehicle functionality, vehicle incidents, Autopilot and FSD Capability and Robotaxi), compliance, finance, data privacy, and other matters related to Tesla’s business, its personnel, and related parties. We routinely cooperate with such formal and informal requests for information, investigations, and other inquiries. To our knowledge no government agency in any ongoing investigation has concluded that any wrongdoing occurred. We cannot predict the outcome or impact of any ongoing matters. Should the government decide to pursue an enforcement action, there exists the possibility of a material adverse impact on our business, results of operations, prospects, cash flows, financial position or brand.

We are also subject to various other legal proceedings, risks and claims that arise from the normal course of business activities. If an unfavorable ruling or development were to occur in these or other possible legal proceedings, risks and claims, there exists the possibility of a material adverse impact on our business, results of operations, prospects, cash flows, financial position or brand.

### **Note 11 – Variable Interest Entity Arrangements**

The aggregate carrying values of the variable interest entities’ assets and liabilities, after elimination of any intercompany transactions and balances, in the consolidated balance sheets were as follows (in millions):

	March 31, 2026	December 31, 2025
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 91	\$ 109
Accounts receivable, net	13	11
Prepaid expenses and other current assets	173	198
Total current assets	277	318
Operating lease vehicles, net	415	456
Energy generation and storage systems, net	2,146	2,177
Other non-current assets	154	183
Total assets	\$ 2,992	\$ 3,134
<b>Liabilities</b>		
Current liabilities		
Accrued liabilities and other	\$ 32	\$ 49
Deferred revenue	6	6
Current portion of debt and finance leases	1,189	1,364
Total current liabilities	1,227	1,419
Deferred revenue, net of current portion	59	60
Debt and finance leases, net of current portion	1,293	1,679
Total liabilities	\$ 2,579	\$ 3,158

### **Note 12 – Related Party Transactions**

Tesla periodically does business with certain entities with which its CEO and directors are affiliated, such as SpaceX, The Boring Company and Redwood Materials, in accordance with our Related Person Transactions Policy. In the three months ended March 31, 2026, we recognized \$87 million of revenues and \$65 million of cost of revenues from SpaceX for its purchase of our Megapack products in the ordinary course of business. Other transactions with SpaceX and other related parties in the three months ended March 31, 2026 were immaterial. Transactions with related parties were immaterial for the three months ended March 31, 2025.

As previously disclosed and upon receiving the applicable regulatory approvals, the Company invested \$2.00 billion in SpaceX common stock (formerly a preferred share investment in xAI) representing an ownership interest of less than 1% in March 2026. We have determined that under the applicable accounting standards, we are presumed to have significant influence over SpaceX and as such, we account for this investment using the equity method of accounting. Refer to Note 1, *Summary of Significant Accounting Policies*, regarding the fair value policy election in relation to the equity investment.

### Note 13 – Segment Reporting and Information about Geographic Areas

We have two operating and reportable segments: (i) automotive and (ii) energy generation and storage. The following table presents revenues, cost of revenues and gross profit by reportable segment (in millions):

	Three Months Ended March 31,	
	2026	2025
<b>Automotive segment</b>		
Revenues	\$ 19,979	\$ 16,605
Cost of revenues (1)	\$ 16,211	\$ 14,237
Gross profit	\$ 3,768	\$ 2,368
<b>Energy generation and storage segment</b>		
Revenues	\$ 2,408	\$ 2,730
Cost of revenues (2)	\$ 1,456	\$ 1,945
Gross profit	\$ 952	\$ 785

- (1) Depreciation and amortization included in Cost of revenues for the automotive segment for the three months ended March 31, 2026 and 2025 was \$1.02 billion and \$954 million, respectively.
- (2) Depreciation and amortization included in Cost of revenues for the energy generation and storage segment for the three months ended March 31, 2026 and 2025 was \$95 million and \$83 million, respectively.

The following table presents revenues by geographic area based on the sales location of our products (in millions):

	Three Months Ended March 31,	
	2026	2025
United States	\$ 10,677	\$ 10,333
China	4,184	4,303
Other international	7,526	4,699
Total	\$ 22,387	\$ 19,335

The following table presents long-lived assets by geographic area (in millions):

	March 31, 2026	December 31, 2025
United States	\$ 38,360	\$ 35,847
Germany	4,750	4,775
Other international	4,668	4,625
Total	\$ 47,778	\$ 45,247

The following table presents inventory by reportable segment (in millions):

	March 31, 2026	December 31, 2025
Automotive	\$ 10,880	\$ 9,678
Energy generation and storage	3,554	2,714
Total	\$ 14,434	\$ 12,392

**Note 14 – Subsequent Events**

In April 2026, the Company entered into an agreement to acquire an AI hardware company for up to \$2.00 billion in Tesla common stock and equity awards, of which approximately \$1.8 billion is subject to certain service conditions and/or performance milestones dependent on the successful deployment of the company's technology.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion and analysis should be read in conjunction with the consolidated financial statements and the related notes included elsewhere in this Quarterly Report on Form 10-Q.*

### Overview

We are focused on bringing artificial intelligence into the real world, through products and services like FSD (Supervised) and Robotaxi, as well as working to develop and commercialize AI robots (including Optimus). We intend to leverage our current operations, in which we design, develop, manufacture, sell and lease high-performance fully electric vehicles and energy generation and storage systems that increasingly deliver AI-related and enhanced software and services to our customers, to achieve that objective.

As a result of rapidly evolving trade and fiscal policy and geopolitical conflicts, uncertainty in the automotive and energy markets continues, posing risks to our global supply chain and cost structure which could have a meaningfully adverse impact on demand for our products and our profitability. The current tariff regime will have a relatively larger impact on our energy generation and storage business compared to our automotive business. While we prepare for near-term challenges to our business under current policies, we are focused on long-term growth opportunities as we continue to make prudent investments.

In 2026, we produced approximately 408 thousand consumer vehicles and delivered approximately 358 thousand consumer vehicles through the first quarter. We are focused on profitable growth, further improving and deploying our FSD (Supervised) capabilities, including future autonomous capabilities through our purpose-built Robotaxi product, Cybercab, advancing our battery and AI compute technologies, vertically integrating and localizing our supply chain, and expanding our global infrastructure. We have continued to expand and refine our Robotaxi service after its June 2025 launch, capitalizing on our AI investments and scalable mobility infrastructure to advance a service-driven business model.

In 2026, we deployed 8.8 GWh of energy storage products through the first quarter. We are focused on ramping the production, increasing the market penetration of our energy storage products, developing our battery technologies and vertically integrating, localizing and expanding our supply chain.

During the three months ended March 31, 2026, we recognized total revenues of \$22.39 billion, representing an increase of \$3.05 billion compared to the same period in the prior year. During the three months ended March 31, 2026, our net income attributable to common stockholders was \$477 million, representing an increase of \$68 million compared to the same period in the prior year. We continue to ramp production and build and optimize our manufacturing capacity, expand our operations while focusing on further cost reductions and operational efficiencies, including through vertical integration of our battery and semiconductor supply chains, to enable increased deliveries and deployments of our products, and invest in research and development to accelerate our AI, software and fleet-based profits for further revenue growth.

We ended the first quarter of 2026 with \$44.74 billion in cash and cash equivalents and short-term investments, representing an increase of \$684 million from the end of 2025. Our cash flows provided by operating activities were \$3.94 billion during the three months ended March 31, 2026, compared to \$2.16 billion during the same period ended March 31, 2025, representing an increase of \$1.78 billion. Capital expenditures amounted to \$2.49 billion during the three months ended March 31, 2026, compared to \$1.49 billion during the same period ended March 31, 2025, representing an increase of \$1.00 billion. Overall growth has allowed our business to generally fund itself. As we make critical high-value investments in our AI initiatives and expand manufacturing capabilities, including for our semiconductor and Optimus businesses, we intend to manage the business such that we maintain a strong balance sheet and sufficient liquidity.

## **Management Opportunities, Challenges and Uncertainties and 2026 Outlook**

### *Automotive and AI Enabled Products—Production*

We are focused on growing and optimizing our manufacturing capacity, which includes capacity for manufacturing newer vehicle models and future vehicles utilizing aspects of our next generation platform, while maximizing production rate and efficiency at our Gigafactories. The next phase of production growth will be initiated by advances in autonomy and the introduction of new products, including those built on our next generation vehicle platform, as well as our ability to efficiently manufacture our own cells that we are developing to have high-volume output, lower capital and production costs and longer range. In the first quarter of 2026, we made significant progress towards these objectives as we began pilot production of Cybercab, as well as ramps across our new battery and material factories, including cathode material and lithium refining in Texas. Our goals are to improve vehicle performance, decrease production costs and increase affordability and customer awareness. We are also capitalizing on our strengths in real-world AI data to advance the development of Optimus, a general purpose, autonomous humanoid robot, as we make preparations and investments in large-scale production.

These plans are subject to uncertainties inherent in establishing and ramping manufacturing operations, which may be exacerbated by new product and manufacturing technologies we introduce, the number of concurrent international projects, any industry-wide component constraints, labor shortages and any future impact from events outside of our control. For example, changes to fiscal and trade policy with respect to tariffs, export controls and other restrictions may impact our global supply chain cost structure and availability, affecting not only vehicle production, but also facility expansions. Moreover, we have set ambitious technological targets with our plans for battery cells as well as for iterative manufacturing and design improvements for our vehicles.

### *Automotive and AI Enabled Products—Demand, Sales and Deliveries and Supporting Infrastructure*

Our cost reduction efforts, cost innovation strategies, and additional localized procurement and manufacturing are key to our vehicles' affordability and have allowed us to competitively price our vehicles. We will also continue to generate demand by improving our vehicles' performance and functionality, including through product offerings and features utilizing artificial intelligence such as FSD (Supervised) and other software, and delivering new vehicles and vehicle options. In addition, we believe the launch of our Robotaxi service unlocks the potential for significant business growth to advance a service-driven business model. We will continue to improve safety and profitability while scaling the network. In addition, we have been increasing awareness, and expanding our vehicle financing programs, including attractive leasing terms for our customers. We will also continue to work on developing our robotics offerings.

However, we operate in a cyclical industry that is sensitive to shifting consumer trends, geopolitical conflicts, political and regulatory uncertainty, including with respect to trade and the environment, all of which can be compounded by inflationary pressures, rising energy prices, interest rate fluctuations and the liquidity of enterprise customers. For example, as inflationary pressures increased across the markets in which we operate, central banks in developed countries raised interest rates rapidly and substantially, which impacted the affordability of vehicle lease and finance arrangements. Further, sales of vehicles in the automotive industry also tend to be cyclical in many markets, which may expose us to increased volatility as we expand and adjust our operations. Moreover, as additional competitors enter the marketplace and help bring the world closer to sustainable transportation, we will have to adjust and continue to execute well to maintain our momentum. Additionally, our suppliers' liquidity and allocation plans may be affected by current challenges in the automotive industry, which could reduce our access to components or result in unfavorable changes to cost. These macroeconomic and industry trends have had, and will likely continue to have, an impact on the pricing of, and order rate for our vehicles, and in turn our operating margin.

Changes in government and economic policies, incentives or tariffs may also impact our production, cost structure and the competitive landscape. For instance, while the final scope and application of recently announced changes in trade policy remain uncertain at this time, tariffs on imports and subsequent retaliatory tariffs could impact consumer spending and demand for durable goods and related services. Furthermore, certain provisions of the OBBBA, including the removal of tax credits for electric vehicles, may also impact consumer demand for electric vehicles in general. We will continue to adjust accordingly to such developments, and we believe our ongoing cost reduction efforts, including through production innovation, process improvements and logistics optimization, and focus on operating leverage, vertical integration and supply chain localization will continue to benefit us in relation to our competitors. Our new products and our advances in autonomy and robotics, position us for future growth.

As our vehicle production increases, we must work constantly to similarly increase vehicle delivery capability so that it does not become a bottleneck on our total deliveries. As we expand our manufacturing operations and vehicle lineup globally, we will also have to continue to increase and staff our delivery, servicing and charging infrastructure accordingly, maintain our vehicle reliability and optimize our Supercharger locations to ensure cost effectiveness and customer satisfaction. In particular, as other automotive manufacturers have announced their adoption of NACS and agreements with us to utilize our Superchargers, we must correspondingly expand our network in order to ensure adequate availability to meet customer demands. We have also begun deploying public Megachargers in preparation for the ramp of Tesla Semi. In addition, we remain focused on continued enhancements of the capability and efficiency of our servicing operations. In tandem with the launch of our Robotaxi business, we are focused on developing and optimizing dedicated infrastructure, including in relation to vehicle cleaning and maintenance, charging, security, teleoperations and fleet management, to ensure service quality as we continue to scale.

#### *Energy Generation and Storage Demand, Production and Deployment*

The long-term success of this business is dependent upon incremental volume growth. We continue to increase the production and capabilities of our energy storage products to meet high levels of demand, including the ramps of our Megafactories in Shanghai and Lathrop, California, and the construction of a new Megafactory near Houston, Texas. In 2025, we introduced Megapack 3 and Megablock, our next-generation industrial storage product, and began manufacturing a new residential retrofit solar panel. For Megapack, energy storage deployments can vary meaningfully quarter to quarter depending on the timing of specific project milestones and logistics. As these product lines grow, we will have to maintain adequate battery cell supply for our energy storage products. At the same time, changes in government and economic incentives or tariffs may also impact our sales, cost structure and the competitive landscape. For instance, import tariffs by the US government and the provisions of the OBBBA could significantly increase battery cell expenses and impact costs for our consumers, negatively impacting consumer demand. Despite these challenges, as AI infrastructure drives rapid load growth, we see opportunities for our energy storage products to stabilize the grid, shift energy when it is needed most and provide additional power capacity.

#### *Infrastructure*

To support our businesses in clean energy and transport and autonomous robots, we are investing in and developing the necessary infrastructure. We continue to expand Cortex, our onsite training clusters at Gigafactory Texas, to provide sufficient compute resources for the development of our AI products and services, and are expanding our scope of manufacturing to include semiconductor fabrication. We are focused on exploring opportunities independently and with strategic partners to develop bespoke and scalable solutions, including through vertical integration, to optimize for cost, functionality, efficiency and safety.

#### *Cash Flow and Capital Expenditure Trends*

Our capital expenditures are typically difficult to project beyond the short-term given the number and breadth of our core projects at any given time, and may further be impacted by uncertainties in future global market conditions and shifting global trade and fiscal policy. We are simultaneously developing and ramping new products, building or ramping manufacturing facilities on three continents, piloting the development and manufacture of new battery cell technologies, expanding our Supercharger network and investing in autonomy, robotics and other artificial intelligence enabled training and products and its supporting infrastructure, and the pace of our capital spend may vary depending on overall priority among projects, the pace at which we meet milestones, production adjustments to and among our various products, increased capital efficiencies and the addition of new projects. We are focused on long-term growth opportunities through critical, high-value investments. We currently expect our capital expenditures to be in excess of \$25 billion in 2026, driven by our AI initiatives, including investments in compute infrastructure and data centers, the expansion and ramp of our manufacturing and R&D production lines and facilities, and growth in our fleet of company-operated AI-enabled assets and our retail, service and charging footprint. We believe this strategy will position our Company for further growth as we make investments in a capital efficient manner.

Our business has generally been consistently generating cash flow from operations in excess of our level of capital spend, and with better working capital management resulting in shorter days sales outstanding than days payable outstanding, our sales growth is also generally facilitating positive cash generation. We have and will continue to utilize such cash flows, among other things, to invest in autonomy and robotics, further vertically integrate our supply chain, expand our product roadmap and provide financing options to our customers. At the same time, periods of heightened levels of capital expenditures due to capital-intensive projects and other potential variables such as rising material prices and increases in supply chain and labor expenses resulting from changes in global trade conditions and labor availability, will necessitate additional funding beyond our operating cash flow.

**Critical Accounting Policies and Estimates**

For a description of our critical accounting policies and estimates, refer to Part II, Item 7, *Critical Accounting Policies and Estimates* in our Annual Report on Form 10-K for the year ended December 31, 2025. There have been no material changes to our critical accounting policies and estimates since our Annual Report on Form 10-K for the year ended December 31, 2025.

**Recent Accounting Pronouncements**

See Note 1, *Summary of Significant Accounting Policies*, to the consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q.

**Results of Operations****Revenues**

(Dollars in millions)	Three Months Ended March 31,		Change	
	2026	2025	\$	%
Automotive sales	\$ 15,473	\$ 12,925	\$ 2,548	20 %
Automotive regulatory credits	380	595	(215)	(36)%
Automotive leasing	381	447	(66)	(15)%
Total automotive revenues	16,234	13,967	2,267	16 %
Services and other	3,745	2,638	1,107	42 %
Total automotive & services and other segment revenue	19,979	16,605	3,374	20 %
Energy generation and storage segment revenue	2,408	2,730	(322)	(12)%
Total revenues	\$ 22,387	\$ 19,335	\$ 3,052	16 %

*Automotive & Services and Other Segment*

Automotive sales revenue increased \$2.55 billion, or 20%, in the three months ended March 31, 2026 as compared to the three months ended March 31, 2025 due to an increase of approximately 10% in cash deliveries, in part from bringing down all of our vehicle factories simultaneously for the changeover to the New Model Y in the prior period, and a higher average selling price per unit primarily driven by sales mix and a positive impact from the weakening of the United States dollar when compared to foreign currencies year over year.

Automotive regulatory credits revenue decreased \$215 million, or 36%, in the three months ended March 31, 2026 as compared to the three months ended March 31, 2025. Fluctuations in automotive regulatory credits are impacted by our supply of credits, subject to changes in regulation, production and sales. Recent governmental and regulatory actions have restricted certain regulatory credit programs tied to our products. Furthermore, we are impacted by the demand for credits by other automobile manufacturers.

Services and other revenue increased \$1.11 billion, or 42%, in the three months ended March 31, 2026 as compared to the three months ended March 31, 2025, primarily due to increases in used vehicle sales volume, non-warranty maintenance services and collision revenue, paid Supercharging sessions and automotive insurance business revenue.

*Energy Generation and Storage Segment*

Energy generation and storage revenue decreased \$322 million, or 12%, in the three months ended March 31, 2026 as compared to the three months ended March 31, 2025, primarily due to decreases in Megapack and Powerwall deployments.

## Cost of Revenues and Gross Margin

(Dollars in millions)	Three Months Ended March 31,		Change	
	2026	2025	\$	%
<b>Cost of revenues</b>				
Automotive sales	\$ 12,616	\$ 11,461	\$ 1,155	10 %
Automotive leasing	196	239	(43)	(18)%
Total automotive cost of revenues	12,812	11,700	1,112	10 %
Services and other	3,399	2,537	862	34 %
Total automotive & services and other segment cost of revenues	16,211	14,237	1,974	14 %
Energy generation and storage segment	1,456	1,945	(489)	(25)%
Total cost of revenues	\$ 17,667	\$ 16,182	\$ 1,485	9 %
<b>Gross profit total automotive</b>	\$ 3,422	\$ 2,267		
<b>Gross margin total automotive</b>	21.1 %	16.2 %		
<b>Gross profit total automotive &amp; services and other segment</b>	\$ 3,768	\$ 2,368		
<b>Gross margin total automotive &amp; services and other segment</b>	18.9 %	14.3 %		
<b>Gross profit energy generation and storage segment</b>	\$ 952	\$ 785		
<b>Gross margin energy generation and storage segment</b>	39.5 %	28.8 %		
<b>Total gross profit</b>	\$ 4,720	\$ 3,153		
<b>Total gross margin</b>	21.1 %	16.3 %		

### Automotive & Services and Other Segment

Cost of automotive sales revenue increased \$1.16 billion, or 10%, in the three months ended March 31, 2026 as compared to the three months ended March 31, 2025, due to the increase in deliveries year over year as discussed above. Average cost per unit was consistent from an unfavorable sales mix and a negative impact from the weakening of the United States dollar when compared to foreign currencies year over year, offset by one-time benefits related to warranty and tariffs.

Cost of services and other revenue increased \$862 million, or 34%, in the three months ended March 31, 2026 as compared to the three months ended March 31, 2025, primarily due to increases in used vehicle sales volume, cost related to non-warranty maintenance services and collision revenue, and cost of paid Supercharging sessions.

Gross margin for total automotive increased from 16.2% to 21.1% in the three months ended March 31, 2026 as compared to the three months ended March 31, 2025, primarily due to the changes in automotive sales revenue and cost of automotive sales revenue and a decrease in regulatory credits revenue, as discussed above.

Gross margin for total automotive & services and other segment increased from 14.3% to 18.9% in the three months ended March 31, 2026 as compared to the three months ended March 31, 2025, primarily due to the changes in automotive sales gross margin, as discussed above.

### Energy Generation and Storage Segment

Cost of energy generation and storage revenue decreased \$489 million, or 25%, in the three months ended March 31, 2026 as compared to the three months ended March 31, 2025, primarily due to decreases in average cost per unit for Megapack and Powerwall driven by lower materials costs and one-time benefits related to tariffs. Additionally, there were decreases in cost of energy generation and storage revenue from decreases in Megapack and Powerwall deployments.

Gross margin for energy generation and storage increased from 28.8% to 39.5% in the three months ended March 31, 2026 as compared to the three months ended March 31, 2025, primarily due to the changes in energy generation and storage revenue and cost of energy generation and storage revenue, as discussed above.

### Research and Development Expense

(Dollars in millions)	Three Months Ended March 31,		Change	
	2026	2025	\$	%
Research and development	\$ 1,946	\$ 1,409	\$ 537	38 %
As a percentage of revenues	9 %	7 %		

Research and development (“R&D”) expenses increased \$537 million, or 38%, in the three months ended March 31, 2026 as compared to the three months ended March 31, 2025, primarily due to increases in costs related to AI and other programs as we continue to expand our product roadmap and technologies and an increase in stock-based compensation of \$145 million.

R&D expenses as a percentage of revenue increased from 7% to 9% in the three months ended March 31, 2026 as compared to the three months ended March 31, 2025, primarily due to higher R&D expense and an increase in total revenues as compared to the prior period.

### Selling, General and Administrative Expense

(Dollars in millions)	Three Months Ended March 31,		Change	
	2026	2025	\$	%
Selling, general and administrative	\$ 1,833	\$ 1,251	\$ 582	47 %
As a percentage of revenues	8 %	6 %		

Selling, general and administrative (“SG&A”) expenses increased \$582 million, or 47%, in the three months ended March 31, 2026 as compared to the three months ended March 31, 2025, driven by a \$294 million increase in stock-based compensation, a \$139 million increase in employee and labor costs, including professional services, and an \$87 million increase in operating expenses including legal charges.

### Interest Income

(Dollars in millions)	Three Months Ended March 31,		Change	
	2026	2025	\$	%
Interest income	\$ 434	\$ 400	\$ 34	9 %

Interest income increased \$34 million, or 9%, in the three months ended March 31, 2026 as compared to the three months ended March 31, 2025, primarily due to higher interest earned on our cash and cash equivalents and short-term investments due to an increase in our average portfolio balance, partially offset by a lower average interest rate.

### Other Expense, Net

(Dollars in millions)	Three Months Ended March 31,		Change	
	2026	2025	\$	%
Other expense, net	\$ (535)	\$ (119)	\$ (416)	350 %

Other expense, net, changed unfavorably by \$416 million in the three months ended March 31, 2026 as compared to the three months ended March 31, 2025, primarily due to fluctuations in foreign currency exchange rates on our intercompany balances and mark-to-market adjustments on our bitcoin digital assets. As our intercompany balances are significant in nature and we do not typically hedge foreign currency risk, we can experience significant fluctuations in foreign currency exchange rate gains and losses from period to period.

**Provision for Income Taxes**

(Dollars in millions)	Three Months Ended March 31,		Change	
	2026	2025	\$	%
Provision for income taxes	\$ 257	\$ 169	\$ 88	52 %
Effective tax rate	34 %	29 %		

Our provision for income taxes increased by \$88 million in the three months ended March 31, 2026 as compared to the three months ended March 31, 2025, primarily due to the change in our pre-tax income year over year. Our effective tax rate increased from 29% to 34% in the three months ended March 31, 2026 as compared to the three months ended March 31, 2025, primarily due to changes in the mix of our jurisdictional earnings and the non-deductibility of stock-based compensation expense related to the 2025 CEO Performance Award.

See Note 9, *Income Taxes*, to the consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for further details.

**Liquidity and Capital Resources**

We generally expect to continue to generate net positive operating cash flow. The cash we generate from our core operations enables us to fund ongoing operations and production, our research and development projects for new products and technologies including our proprietary battery cells, additional manufacturing ramps at existing manufacturing facilities, the construction of future factories, and the continued expansion of our retail and service locations, body shops, Mobile Service fleet, Supercharger, energy product installation capabilities and autonomy and other artificial intelligence enabled products.

In addition, because a large portion of our future expenditures will be to fund our growth, we expect that if needed we will be able to adjust our capital and operating expenditures by operating segment. For example, if our near-term manufacturing operations decrease in scale or ramp more slowly than expected, including due to global economic, tax, trade or business conditions, we may choose to correspondingly slow the pace of our capital expenditures. Finally, we continually evaluate our cash needs and may decide it is best to raise additional capital or seek alternative financing sources to fund the rapid growth of our business, including through drawdowns on existing or new debt facilities or financing funds. Conversely, we may also from time to time determine that it is in our best interests to voluntarily repay certain indebtedness early.

Accordingly, we believe that our current sources of funds will provide us with adequate liquidity during the 12-month period following March 31, 2026, as well as in the long-term.

See the sections below for more details regarding the material requirements for cash in our business and our sources of liquidity to meet such needs.

**Material Cash Requirements**

From time to time in the ordinary course of business, we enter into agreements with vendors for the purchase of components and raw materials to be used in the manufacture of our products. However, due to contractual terms, variability in the precise growth curves of our development and production ramps, and opportunities to renegotiate pricing, we generally do not have binding and enforceable purchase orders under such contracts beyond the short-term, and the timing and magnitude of purchase orders beyond such period is difficult to accurately project.

As discussed in and subject to the considerations referenced in Part I, Item 2, *Management's Discussion and Analysis of Financial Condition and Results of Operations—Management Opportunities, Challenges and Uncertainties and 2026 Outlook—Cash Flow and Capital Expenditure Trends* in this Quarterly Report on Form 10-Q, we currently expect our capital expenditures to exceed \$25 billion in 2026 driven by our AI initiatives, including investments in compute infrastructure and data centers, the expansion and ramp of our manufacturing and R&D production lines and facilities, and growth in our fleet of company-operated AI-enabled assets and our retail, service and charging footprint. Changes in trade policy may necessitate adjustments to our project timelines, potentially impacting our capital expenditure expectations.

As of March 31, 2026, we and our subsidiaries had outstanding \$9.04 billion in aggregate principal amount of indebtedness, of which \$1.38 billion is current. For details regarding our indebtedness, refer to Note 7, *Debt*, to the consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q.

#### *Sources and Conditions of Liquidity*

Our sources to fund our material cash requirements are predominantly from our deliveries and servicing of new and used vehicles, deployments and servicing of our energy storage products, interest income, and proceeds from debt facilities and equity offerings, when applicable.

As of March 31, 2026, we had \$16.60 billion and \$28.14 billion of cash and cash equivalents and short-term investments, respectively. Balances held in foreign currencies had a U.S. dollar equivalent of \$4.11 billion and consisted primarily of euros and Chinese yuan. We had \$5.00 billion of unused committed credit amounts as of March 31, 2026. For details regarding our indebtedness, refer to Note 7, *Debt*, to the consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q.

We continue adapting our strategy to meet our liquidity and risk objectives, such as investing in U.S. government securities and other investments, investing in autonomy, further vertically integrating our supply chain, expanding our product roadmap and providing financing options to our customers.

#### *Summary of Cash Flows*

(Dollars in millions)	Three Months Ended March 31,	
	2026	2025
Net cash provided by operating activities	\$ 3,937	\$ 2,156
Net cash used in investing activities	\$ (5,023)	\$ (1,651)
Net cash provided by (used in) financing activities	\$ 1,172	\$ (332)

#### *Cash Flows from Operating Activities*

Net cash provided by operating activities increased by \$1.78 billion to \$3.94 billion during the three months ended March 31, 2026 from \$2.16 billion during the three months ended March 31, 2025. This increase was primarily due to favorable changes in net operating assets and liabilities of \$929 million and an increase in net income excluding non-cash expenses, gains and losses of \$852 million.

#### *Cash Flows from Investing Activities*

Net cash flows from investing activities and their variability across each period related primarily to capital expenditures, which were \$2.49 billion and \$1.49 billion for the three months ended March 31, 2026 and 2025, respectively, mainly for global AI and operational infrastructure and factory expansion, as well as machinery and equipment as we expand and enhance our product roadmap. We also purchased \$528 million and \$159 million of short-term investments, net of proceeds from maturities and sales, for the three months ended March 31, 2026 and 2025, respectively. Additionally, we invested \$2.00 billion in SpaceX common stock during the three months ended March 31, 2026. Refer to Note 12, *Related Party Transactions*, for additional information regarding the equity investment.

#### *Cash Flows from Financing Activities*

Net cash flows from financing activities changed by \$1.50 billion to \$1.17 billion net cash inflows during the three months ended March 31, 2026 from \$332 million net cash outflows during the three months ended March 31, 2025. The change was primarily due to a \$3.71 billion increase in proceeds from issuances of debt, partially offset by a \$2.23 billion increase in repayments of debt. See Note 7, *Debt*, to the consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for further details regarding our debt obligations.

### **ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

#### **Foreign Currency Risk**

We transact business globally in multiple currencies and hence have foreign currency risks related to our revenue, costs of revenue and operating expenses denominated in currencies other than the U.S. dollar (primarily the Chinese yuan and euro in relation to our current year operations). In general, we are a net receiver of currencies other than the U.S. dollar for our foreign subsidiaries. Accordingly, changes in exchange rates affect our operating results as expressed in U.S. dollars as we do not typically hedge foreign currency risk.

We have also experienced, and will continue to experience, fluctuations in our net income as a result of gains (losses) on the settlement and the re-measurement of monetary assets and liabilities denominated in currencies that are not the local currency (primarily consisting of our intercompany and cash and cash equivalents balances).

We considered the historical trends in foreign currency exchange rates and determined that it is reasonably possible that adverse changes in foreign currency exchange rates of 10% for all currencies could be experienced in the near-term. These changes were applied to our total monetary assets and liabilities denominated in currencies other than our local currencies at the balance sheet date to compute the impact these changes would have had on our net income before income taxes. These changes would have resulted in a gain or loss of \$1.69 billion at March 31, 2026 and \$1.70 billion at December 31, 2025, assuming no foreign currency hedging.

### **ITEM 4. CONTROLS AND PROCEDURES**

#### *Evaluation of Disclosure Controls and Procedures*

Our management, with the participation of our Chief Executive Officer and our Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures pursuant to Rule 13a-15 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”). In designing and evaluating the disclosure controls and procedures, our management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that our management is required to apply its judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Based on this evaluation, our Chief Executive Officer and our Chief Financial Officer concluded that, as of March 31, 2026, our disclosure controls and procedures were designed at a reasonable assurance level and were effective to provide reasonable assurance that the information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and our Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures.

#### *Changes in Internal Control over Financial Reporting*

There was no change in our internal control over financial reporting that occurred during the quarter ended March 31, 2026, which has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

## **PART II. OTHER INFORMATION**

### **ITEM 1. LEGAL PROCEEDINGS**

For a description of our material pending legal proceedings, see Note 10, *Commitments and Contingencies*, to the consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q.

### **ITEM 1A. RISK FACTORS**

Our operations and financial results are subject to various risks and uncertainties, including the factors discussed in Part I, Item 1A, *Risk Factors* in our Annual Report on Form 10-K for the year ended December 31, 2025, which could adversely affect our business, financial conditions and future results.

### **ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**

None.

### **ITEM 3. DEFAULTS UPON SENIOR SECURITIES**

None.

### **ITEM 4. MINE SAFETY DISCLOSURES**

Not applicable.

### **ITEM 5. OTHER INFORMATION**

#### *Rule 10b5-1 Trading Arrangements*

None of the Company's directors or officers adopted, modified or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement during the Company's fiscal quarter ended March 31, 2026, as such terms are defined under Item 408(a) of Regulation S-K.

#### *CEO Compensation*

As previously disclosed in the Company's annual report on Form 10-K for the year ended December 31, 2025, a special committee of the Board consisting of disinterested directors Robyn Denholm and Kathleen Wilson-Thompson (the "Special Committee"), consistent with its purpose, reconvened to consider, evaluate and determine all aspects of the retention and incentivization of our chief executive officer, Mr. Elon Musk, and any methods, approaches or manners for doing so, including with respect to the 2025 CEO Interim Award and the 2018 CEO Performance Award.

Following the Delaware Supreme Court's reinstatement of the 2018 CEO Performance Award on December 19, 2025, reversing the Chancery Court decision purporting to rescind the 2018 CEO Performance Award and the Chancery Court's final order on March 18, 2026 implementing such reversal, on April 21, 2026, the disinterested directors of the Board (with Mr. Elon Musk and Mr. Kimbal Musk recused), acting as administrator of the 2025 CEO Interim Award, approved the determination that a final order and judgment allowing Mr. Elon Musk to exercise the 2018 CEO Performance Award in full constituted a Tornetta Decision Event (as defined in the 2025 CEO Interim Award), resulting in the forfeiture of the 2025 CEO Interim Award by Mr. Musk on April 21, 2026. These actions are consistent with the "no double dip" principle, which precludes Mr. Musk from getting a windfall in the event that he may exercise the 2018 CEO Performance Award, as articulated in the Special Committee's August 3, 2025 letter to shareholders regarding the Interim Award, attached as Exhibit 99.1 to the Current Report on Form 8-K, filed with the SEC on August 4, 2025.

As a result of the foregoing events, the Special Committee considered the impact of the potential exercise of the 2018 CEO Performance Award on the Company. The Special Committee considered a number of factors, including the negative impact on the Company resulting from the likely sale of a significant number of shares of the Company's stock to cover the exercise price and tax obligations. On April 17, 2026, the Special Committee recommended and on April 21, 2026, the Board (with Mr. Elon Musk and Mr. Kimbal Musk recused) approved the Company's entry into the Implementation Agreement, implementing a process for Mr. Musk's exercise of the 2018 CEO Performance Award that the Board determined is in the best interests of the Company and intended to mitigate any negative impact of significant share sales on the Company.

The Implementation Agreement provides Mr. Musk with no additional economic benefit and incorporates features similar to those in the 2025 CEO Performance Award and the 2025 CEO Interim Award that were each designed and approved by the Special Committee to retain and incentivize Mr. Musk. Consequently, the Implementation Agreement (i) focuses on retaining Mr. Musk's continued service at a critical time for the Company and restricts the timing of Mr. Musk's access to the economics associated with the 2018 CEO Performance Award by imposing a service-based vesting condition on restricted shares of common stock to be issued to Mr. Musk upon exercise of the 2018 CEO Performance Award, requiring him to remain in continuous service as CEO or as an executive officer responsible for product development or operations (as approved by the Board's disinterested directors) through January 19, 2028, and by commencing the five-year holding period on such vesting date (rather than the exercise date), (ii) provides that Mr. Musk may satisfy the exercise price of the 2018 CEO Performance Award by electing net settlement by the Company or paying cash, and (iii) provides for cooperation between the Company and Mr. Musk to create a mutually-agreeable plan to address satisfaction of applicable tax obligations between the Company and Mr. Musk, thus providing a path to mitigate potential negative impacts on the Company.

The foregoing summary of the terms of the 2025 CEO Interim Award is qualified in its entirety by reference to the 2025 CEO Interim Restricted Stock Agreement, a copy of which was attached as Exhibit 10.1 to the Current Report on Form 8-K, as filed with the SEC on August 3, 2025, which is incorporated by reference herein. The foregoing summary of the terms of the Implementation Agreement is qualified in its entirety by reference to the Implementation Agreement, a copy of which is attached as Exhibit 10.1 to this Quarterly Report on Form 10-Q, and the Performance Stock Option Award Agreement, dated January 21, 2018, between Mr. Musk and the Company, a copy of which was filed as Exhibit 10.14 to the Company's Annual Report on Form 10-K for the year ended December 31, 2025, each of which is incorporated by reference herein. See Note 8, Equity Incentive Plans, to the consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for more information regarding the accounting consequences of the Implementation Agreement.

**ITEM 6. EXHIBITS**

See Index to Exhibits at the end of this Quarterly Report on Form 10-Q for the information required by this Item.

**INDEX TO EXHIBITS**

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
10.1	<a href="#">Implementation Agreement, dated as of April 21, 2026, between the Registrant and Elon Musk</a>					X
31.1	<a href="#">Rule 13a-14(a) / 15(d)-14(a) Certification of Principal Executive Officer</a>	—	—	—	—	X
31.2	<a href="#">Rule 13a-14(a) / 15(d)-14(a) Certification of Principal Financial Officer</a>	—	—	—	—	X
32.1*	<a href="#">Section 1350 Certifications</a>	—	—	—	—	
101.INS	Inline XBRL Instance Document	—	—	—	—	X
101.SCH	Inline XBRL Taxonomy Extension Schema Document	—	—	—	—	X
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.	—	—	—	—	X
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document	—	—	—	—	X
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document	—	—	—	—	X
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document	—	—	—	—	X
104	Cover Page Interactive Data File (formatted as inline XBRL with applicable taxonomy extension information contained in Exhibits 101)					

\* Furnished herewith

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Tesla, Inc.

Date: April 22, 2026

/s/ Vaibhav Taneja

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Vaibhav Taneja

Chief Financial Officer

(Principal Financial Officer and  
Duly Authorized Officer)

April 21, 2026

Mr. Elon Musk  
Technoking of Tesla and  
Chief Executive Officer  
c/o Tesla, Inc.

Re: 2026 Implementation Agreement

Dear Elon:

Reference is hereby made to that certain Performance Stock Option Award Agreement by and between Elon Musk (the "**Participant**") and Tesla, Inc. (the "**Company**"), dated as of January 21, 2018, pursuant to which the Participant was previously granted a Non-Qualified Stock Option to purchase 303,960,630 Shares (split adjusted from the original grant of 20,264,042 Shares) (the "**2018 Award**"), subject to the terms and conditions contained in Part I (Notice of Stock Option Grant) and Part II (Terms and Conditions of Stock Option Grant) thereof (collectively, the "**Option Agreement**"). The Company represents to the Participant that there has been a final and non-appealable judgment, order or decision with respect to the action captioned *Tornetta v. Elon Musk et al.*, C.A. No. 2018-0408-KSJM (Del. Ch.), and all appeals and related actions (including *In re Tesla, Inc. Derivative Litigation*, Nos. 10, 2025, 11, 2025 (Del. Ch.)), that has resulted in the Participant becoming able to exercise the 2018 Award in full, and, in reliance on such representation, the Company and the Participant acknowledge that the 2025 CEO Interim Restricted Stock Award granted pursuant to the 2025 CEO Interim Restricted Stock Agreement, dated as of August 3, 2025, has been forfeited and cancelled in its entirety in accordance with the terms and conditions thereof. In connection with the contemplated exercise of the 2018 Award in full by the Participant, each of the Company and the Participant desire to enter into this letter agreement (this "**Implementation Agreement**") in order to establish and implement a mutually agreeable framework pursuant to which the Participant will exercise the 2018 Award and hold the underlying Shares, subject to the terms hereof. Capitalized terms used herein but not otherwise defined will have the meanings attributed to such terms under the Option Agreement.

Accordingly, the Company and the Participant hereby agree to the following terms and conditions:

1. Vesting Conditions. The Participant and the Company hereby agree to apply the following vesting conditions on the Shares to be issued to the Participant upon exercise of the 2018 Award (such Shares being referred to herein as the "**Restricted Shares**") so long as such Shares remain subject to the vesting conditions below, effective as of the date hereof:
  - a) General. Subject to the provisions of paragraph 1(b) hereof, the Restricted Shares will vest on the "Scheduled Vesting Date", subject to the Participant being in continuous "Eligible Service" (each, as defined in paragraph 1(e) hereof) through the Scheduled Vesting Date. There will be no proportionate or partial vesting with respect to any period prior to the Scheduled Vesting Date.
  - b) Accelerated Vesting. Notwithstanding paragraph 1(a) hereof, the Restricted Shares will become fully vested upon the occurrence of a Change in Control so long as the Participant has not incurred a cessation of Eligible Service prior to such Change in Control. In addition to the foregoing, and further notwithstanding paragraph 1(a) hereof, in the event that the Participant incurs a cessation of Eligible Service as a result of an action taken by the Company without "Cause" or as a result of the Participant's death or "Disability" (each, as defined in paragraph 1(e) hereof), the Restricted Shares will become fully vested as of the date of such cessation of Eligible Service.
  - c) Forfeiture upon Cessation of Eligible Service. Except as expressly provided in paragraph 1(b) hereof, in the event that the Participant incurs a cessation of Eligible Service for any reason or no reason prior to the Scheduled Vesting Date, the Restricted Shares will be immediately forfeited and returned to the Company without any consideration being paid therefor whatsoever; provided that, to the extent that the Participant paid any portion of the aggregate Exercise Price to the Company in cash, the Company will promptly refund to the Participant an amount equal to the lesser of (i) the aggregate Exercise Price paid in cash with respect to such

forfeited Restricted Shares (the “*Cash Exercised Shares*”) and (ii) the Fair Market Value of such forfeited Cash Exercised Shares on the date of forfeiture.

- d) Impact of Certain Events Prior to Exercise Date. Notwithstanding any provision to the contrary under this Implementation Agreement, if, prior to the “Exercise Date” (as defined in paragraph 2 hereof), any event occurs that would otherwise trigger accelerated vesting of the Restricted Shares under paragraph 1(b) hereof if such event occurred following the Exercise Date, then any exercise of the 2018 Award by the Participant after the occurrence of such event shall result in the issuance of fully vested Shares to the Participant (or, as applicable, the Participant’s estate), subject to the otherwise applicable provisions of this Implementation Agreement.
- e) Certain Definitions. For purposes hereof, the following terms will have the following meanings:
- i. “*Applicable Laws*” means the legal and regulatory requirements relating to the administration of equity-based awards and the related issuance of Shares, including, but not limited to, Texas state corporate laws, U.S. federal and state securities laws and regulations promulgated thereunder, the Code, the rules of any stock exchange or quotation system on which the Common Stock is listed or quoted and the laws of any non-U.S. country or jurisdiction applicable to the Shares.
  - ii. “*Cause*” means the occurrence of any one of the following events: (i) the Participant, in carrying out the Participant’s duties, acts or fails to act in a manner that is determined, in the sole discretion of the Board, after written notice of any such act or failure to act and a reasonable opportunity to cure the deficiency has been provided to Participant, to be (A) willful gross neglect or (B) willful gross misconduct resulting, in either case, in material harm to the Company unless such act, or failure to act, was reasonably believed by the Participant, in good faith, to be in the best interests of the Company; (ii) the Participant’s conviction by a court of competent jurisdiction of, or pleading “guilty” or “no contest” to, (x) a felony or (y) any other criminal charge (other than minor traffic violations), which could reasonably be expected to have a material adverse impact on the Company’s reputation or business; or (iii) the continuous, willful failure by the Participant to follow the reasonable directives of the Board.
  - iii. “*Disability*” means a disability as determined under the Company’s long-term disability plan or program in effect at the time that the disability first occurs, or if no such plan or program exists at the time of such disability, then a “disability” as defined under Section 22(e)(3) of the Code.
  - iv. “*Disinterested Director*” means a Director who is a “disinterested director” under Section 21.418 of the Texas Business Organizations Code (or its successor).
  - v. “*Eligible Service*” means the Participant providing services as either of the following: (a) Chief Executive Officer of the Company, or (b) an executive officer responsible for the Company’s product development or operations, as approved by the Disinterested Directors.
  - vi. “*Scheduled Vesting Date*” means, subject to the terms and conditions of this Implementation Agreement, January 19, 2028.
  - vii. “*Tax Obligations*” means any federal, state or local taxes of any type whatsoever that are required under Applicable Laws to be withheld from payments or benefits otherwise provided to the Participant in connection with the Restricted Shares. For the avoidance of doubt, “Tax Obligations” includes, without limitation, the employee portion of all federal, state and local taxes (including the Participant’s Federal Insurance Contributions Act (FICA) obligation) that are required under Applicable Laws to be withheld by the Company in connection with the Restricted Shares.

2. Exercise of 2018 Award. Subject to the terms and conditions herein, the Participant will exercise the 2018 Award in full no earlier than thirty (30) days following the date hereof and no later than August 15, 2026 (the applicable exercise date being referred to herein as the “**Exercise Date**”) and will receive the Restricted Shares upon exercise. This Implementation Agreement will serve as the Participant’s written notice to the Company to exercise in full the 2018 Award in accordance with the foregoing and Sections 4.2 and 6 of Part II of the Option Agreement. At least five (5) business days prior to the elected Exercise Date, the Participant will notify the Company in writing of the Participant’s intended Exercise Date and method of exercise of the 2018 Award; provided that, in the event the Participant fails to provide notice to the Company, the Exercise Date will be August 15, 2026. Consistent with the provisions of the Option Agreement, the Participant may exercise the 2018 Award by paying the Company the aggregate Exercise Price (which is \$7,094,441,104.20, or \$23.34 per Restricted Share) in cash or by electing to have the Company withhold a sufficient number of unvested Restricted Shares otherwise issuable to the Participant upon exercise having a Fair Market Value as of the elected Exercise Date equal to the aggregate Exercise Price (a “**Net Exercise**”) or by using a combination of the foregoing methods. Absent an election by the Participant to pay the aggregate Exercise Price in cash or a using a combination of Net Exercise and cash, the 2018 Award will be exercised by Net Exercise on the Exercise Date. For the avoidance of doubt, the parties hereto acknowledge and agree that no Tax Obligations will arise in connection with the exercise of the 2018 Award in accordance with this paragraph 2 and further agree not to take any contrary position without the consent of the other party; provided, however, that the foregoing shall not apply to the extent there is a final determination (within the meaning of Section 1313(a) of the Code or any comparable provision of applicable state or local law) to the contrary.

3. Tax Matters.

- a) Tax Withholding. The Company will require the prompt payment of any Tax Obligations arising in connection with the vesting of the Restricted Shares no later than the date such Tax Obligations are due, and, for the avoidance of doubt, the lifting or lapse of restrictions on the Restricted Shares will not occur unless and until provision for the Tax Obligations has been made. The Company will have the power and the right to deduct or withhold, or require the Participant to remit to the Company, an amount sufficient to satisfy the Tax Obligations. The Participant and the Administrator shall cooperate in good faith, taking into consideration the Administrator’s fiduciary duties to the Company, to establish and implement a comprehensive plan (the “**Plan**”) to satisfy all of the Tax Obligations expected to be due in respect of the Scheduled Vesting Date, which may include, with respect to all or a portion of the Tax Obligations: (i) the Participant paying cash, (ii) the Company withholding vested Shares in a “net settlement” in the manner contemplated in the subsequent sentence, (iii) the Participant selling Shares, including vested Shares, in coordination with the Company (and consistent with paragraph 8 hereof) through broker-assisted market transactions, underwritten offering(s) or otherwise, in each case, through SEC-registered or exempt transactions, (iv) any combination of the foregoing or (v) such other method or combination of methods as the Participant and the Administrator may mutually agree. To the extent a Plan, as contemplated by the foregoing sentence, is not agreed by the Participant and the Administrator prior to the earlier of (x) 180 days prior to the Scheduled Vesting Date and (y) the date on which the Restricted Shares vest in accordance with paragraph 1(b) hereof, (i) the Participant shall have the right to satisfy any Tax Obligations in a “net settlement” by electing to have the Company withhold a number of vested Shares otherwise deliverable to the Participant having a Fair Market Value equal to (rounded up to the nearest whole Share) up to 50% of the amount that is necessary to satisfy the Tax Obligations on any applicable vesting date (the “**Net Settlement Election**”), and (ii) if the Administrator does not also permit the Participant to satisfy the then-remaining Tax Obligations through a “net settlement” of vested Shares withheld by the Company (and the Participant does not provide the Company with a written election to satisfy such remaining Tax Obligations in cash), the Company shall take all actions reasonably necessary and appropriate to facilitate the timely sale by the Participant, through broker-assisted market transactions, underwritten public offering(s) or otherwise, in each case, through SEC-registered or exempt transactions, of vested Shares otherwise deliverable to the Participant having a Fair Market Value equal to (rounded up to the nearest whole Share) such remaining Tax Obligations. For the avoidance of doubt, unless otherwise elected by the Participant in writing, the Participant shall be deemed to have made a Net Settlement Election.
- b) Tax Obligations. The Participant acknowledges that, regardless of any action taken or not taken by the Company, the ultimate liability for any Tax Obligations is and remains the Participant’s responsibility and may

exceed the amount actually withheld by the Company. The Participant further acknowledges that the Company (i) makes no representations or undertakings regarding the tax treatment of any aspect of this Implementation Agreement, including, but not limited to, the issuance, vesting or subsequent sale of Shares and the receipt of any dividends or other distributions and (ii) does not commit to and is under no obligation to structure or administer this Implementation Agreement to reduce or eliminate the Participant's tax liability or to achieve any particular tax result. Further, if the Participant is subject to Tax Obligations in more than one jurisdiction, the Participant acknowledges that the Company may be required to withhold or account for Tax Obligations in more than one jurisdiction. Except as expressly provided in this paragraph 3, the Participant will have no right to require the Company to withhold Shares to satisfy the applicable withholding for Tax Obligations.

- c) Tax Consequences. The Participant has reviewed with the Participant's own tax advisors the U.S. federal, state, local and non-U.S. tax consequences of the actions contemplated by this Implementation Agreement. With respect to such matters, the Participant relies solely on such advisors and not on any statements or representations of the Company or any of its agents, written or oral. The Participant understands that the Participant (and not the Company) will be responsible for (i) the Participant's own tax obligations and (ii) any U.S. state tax withholding-related liabilities that may arise as a result of inaccurate information provided by the Participant to the Company.
- d) No Section 83(b) Election. The Participant agrees that the Participant will not file an election under Section 83(b) of the Code with respect to the Restricted Shares.

4. Voting Rights on Restricted Shares. From and after the exercise of the 2018 Award and the issuance of the Restricted Shares, the Participant may exercise full voting rights with respect to the Restricted Shares (including any Shares received as dividends thereon in accordance with paragraph 5 hereof) while the Participant is the record owner of the Restricted Shares without regard to any continued vesting conditions applicable under paragraph 1 hereof (but subject to forfeiture as otherwise provided herein).

5. Dividends on Restricted Shares. All dividends and other distributions paid with respect to the Restricted Shares, whether paid in shares or cash, will be subject to the same vesting conditions, restrictions on transferability and forfeitability as the Restricted Shares with respect to which they were paid, and will be delivered to the Participant promptly following vesting of the Restricted Shares in accordance with paragraph 1 hereof, and if such Restricted Shares are forfeited to the Company, such dividends or other distributions also will be forfeited.

6. Holding Period. During Participant's lifetime, except as required to satisfy taxes due in respect of the vesting of the Restricted Shares (including, without limitation, withholding required by paragraph 3 hereof) or as otherwise required or provided in connection with a Change in Control, the Participant will not sell or dispose of the Shares issued upon exercise of the 2018 Award pursuant to this Implementation Agreement until the earlier of (x) the fifth (5<sup>th</sup>) anniversary of the date on which the Restricted Shares become fully vested Shares in accordance with paragraph 1 hereof, and (y) the date of his death; provided, however, that the Participant may conduct transactions that involve merely a change in the form in which the Participant owns the fully vested Shares (e.g., transfer fully vested Shares to an *inter vivos* trust for which the Participant is the beneficiary during the Participant's lifetime) or as may be permitted by the Administrator in its discretion consistent with the Company's internal policies. Notwithstanding the foregoing or anything herein to the contrary, the Participant may sell Shares in market transactions during the Holding Period for purposes of satisfying any obligations with respect to taxes, subject to the provisions of paragraph 8 hereof. Any attempt to transfer, assign, pledge, hypothecate or otherwise dispose of the Restricted Shares in violation of the foregoing, or upon any attempted sale under any execution, attachment or similar process in violation of the foregoing, will be null and void.

7. Limited Pledging of Shares. The Company agrees that, solely in order to satisfy payment of the aggregate Exercise Price and/or the Tax Obligations or any other taxes due in respect of the vesting of the Restricted Shares (including, without limitation, the withholding required by paragraph 3 hereof), the Participant may pledge any Shares beneficially owned by the Participant. Otherwise, the pledging of Shares is not allowed under any circumstances, except as expressly permitted by the Administrator.

8. Orderly Disposition of Shares. Subject to compliance with any applicable holding periods (including the holding period set forth in paragraph 6 hereof), the Participant may sell, transfer, or in any other way dispose of the Shares issued pursuant to this Implementation Agreement once they have become fully vested Shares in any manner permitted by Applicable Laws, subject to coordinating any such sale, transfer or other disposition in an orderly manner with the Company. The Participant will remain subject to the foregoing obligation during and after Eligible Service.

9. No Guarantee of Continued Eligible Service. THE PARTICIPANT ACKNOWLEDGES AND AGREES THAT, UNLESS OTHERWISE AGREED BETWEEN THE PARTICIPANT AND THE COMPANY OR OTHERWISE PROVIDED IN THIS IMPLEMENTATION AGREEMENT, THE VESTING OF THE RESTRICTED SHARES PURSUANT TO THE VESTING PROVISIONS HEREOF IS SUBJECT TO THE PARTICIPANT'S CONTINUED ELIGIBLE SERVICE AND CANNOT BE SATISFIED THROUGH THE ACT OF EXERCISING THE 2018 AWARD OR BEING ISSUED THE RESTRICTED SHARES. THE PARTICIPANT FURTHER ACKNOWLEDGES AND AGREES THAT THIS IMPLEMENTATION AGREEMENT, THE ACTIONS CONTEMPLATED HEREUNDER AND THE VESTING CONDITIONS SET FORTH HEREIN DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED ENGAGEMENT AS THE CHIEF EXECUTIVE OFFICER OF THE COMPANY OR OTHERWISE OF ELIGIBLE SERVICE FOR ANY PERIOD, OR AT ALL, AND WILL NOT INTERFERE IN ANY WAY WITH THE PARTICIPANT'S RIGHT OR THE RIGHT OF THE COMPANY (OR ANY PARENT OR SUBSIDIARY EMPLOYING OR RETAINING THE PARTICIPANT) TO TERMINATE THE PARTICIPANT'S RELATIONSHIP OF ELIGIBLE SERVICE WITH THE COMPANY OR AS THE CHIEF EXECUTIVE OFFICER OF THE COMPANY OR AS A SERVICE PROVIDER OF THE COMPANY OR ANY PARENT OR SUBSIDIARY OF THE COMPANY AT ANY TIME, WITH OR WITHOUT CAUSE.

10. Restrictive Legend. Each certificate, instrument, or book entry representing any Shares issued pursuant to this Implementation Agreement will, until such time as such Shares vest in accordance with paragraph 1 hereof and are no longer subject to the holding period under paragraph 6 hereof, be notated by the Company with a legend reading substantially as follows:

“THE SHARES REPRESENTED HEREBY MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE SHAREHOLDER (A COPY OF WHICH MAY BE OBTAINED UPON WRITTEN REQUEST FROM THE COMPANY) AND BY ACCEPTING ANY INTEREST IN SUCH SHARES THE PERSON ACCEPTING SUCH INTEREST SHALL BE DEEMED TO AGREE TO AND SHALL BECOME BOUND BY ALL THE PROVISIONS OF THAT AGREEMENT, INCLUDING CERTAIN RESTRICTIONS ON TRANSFER AND OWNERSHIP SET FORTH THEREIN.”

11. Governing Law; Venue. This Implementation Agreement and the Option Agreement will be governed by the laws of the State of Texas, without giving effect to the conflict of law principles thereof. For purposes of litigating any dispute that arises under this Implementation Agreement or the Option Agreement, the Company and the Participant hereby submit to and consent to the jurisdiction of the State of Texas, and agree that such litigation will be conducted in the courts of Travis County, Texas, or the federal court for the United States District Court for the Western District of Texas, Austin Division, and no other courts.

12. Address for Notices. Any notice to be given to the Company under the terms of this Implementation Agreement will be addressed to the Company at Tesla, Inc., Attention: Stock Administration, 1 Tesla Road, Austin, Texas 78725, or at such other address as the Company may hereafter designate in writing.

13. Counterparts. This Implementation Agreement may be executed in one or more counterparts, each of which will be deemed to be an original, but all of which together will constitute one and the same instrument.

14. Binding Agreement. Subject to the holding period and other limitations on the transferability of the Shares as provided herein, this Implementation Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

15. No Advice Regarding Agreement. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding this Implementation Agreement, the Participant's acquisition of the Restricted Shares hereunder upon exercise of the 2018 Award or other actions contemplated herein. The Participant has been advised to consult with the Participant's own tax, legal and financial advisors regarding this Implementation Agreement before taking any action related hereto.

16. Section 409A. This Implementation Agreement is intended to comply with or be exempt from the requirements of Section 409A of the Code (including any amendments or successor provisions and any regulations and other administrative guidance thereunder, "Section 409A"). To the extent that any provision in this Implementation Agreement is ambiguous as to its compliance with or exemption from Section 409A or to the extent any provision in this Implementation Agreement must be modified to comply with or preserve such exemption from Section 409A, such provision will be read, or will be modified (with the mutual consent of the parties, which consent will not be unreasonably withheld; provided that any consent by the Company must be signed by a duly authorized officer of the Company acting on the direction of the Board by action of its Disinterested Directors), as the case may be, in such a manner so that all amounts due under this Implementation Agreement will comply with or preserve exemption from Section 409A. Without limiting the foregoing, the Company's ability to accelerate or delay the Scheduled Vesting Date, any accelerated vesting under paragraph 1(b) hereof and the lifting or lapse of restrictions on the Restricted Shares shall be limited to the extent necessary to comply with or preserve exemption from Section 409A. For purposes of Section 409A, each payment made under this Implementation Agreement will be treated as a separate payment.

17. Entire Agreement; Amendment. Except as expressly provided herein, the 2018 Award and the Option Agreement will remain in full legal force and effect in accordance with the terms thereof. This Implementation Agreement constitutes the entire agreement by and between the Participant and the Company with respect to the specific subject matter hereof, and supersedes any and all prior agreements or understandings by and between the Participant and the Company with respect to the specific subject matter hereof, whether written or oral. Participant and the Company expressly warrant that they each are not accepting this Implementation Agreement in reliance on any promises, representations, or inducements other than those contained herein. Waivers under this Implementation Agreement must be in writing and signed by the party granting the waiver; provided that any waiver by the Company must be signed by a duly authorized officer of the Company acting on the direction of the Board by action of its Disinterested Directors. This Implementation Agreement may be amended or modified only by a written instrument executed by the Participant and a duly authorized officer of the Company acting on the direction of the Board by action of its Disinterested Directors.

18. Miscellaneous. Sections 15 (Successors and Assigns), 19 (Captions), 20 (Agreement Severable) and 22 (No Waiver) of the Terms and Conditions of the Option Agreement are incorporated herein *mutatis mutandis*.

\* \* \* \* \*

By the Participant's signature and the signature of the representative of the Company below, the Participant and the Company agree that the Option Agreement (as modified by this Implementation Agreement) is incorporated herein by reference and made a part of this document as if the terms and conditions thereof were fully set forth herein. The Participant acknowledges and agrees that by signing this Implementation Agreement, either electronically through the electronic acceptance procedure established by the Company or through written acceptance delivered to the Company in a form satisfactory to the Company, such signature will constitute the Participant's acceptance of and agreement with all of the terms and conditions of this Implementation Agreement. The Participant has reviewed this Implementation Agreement in its entirety, has had an opportunity to obtain the advice of counsel prior to executing this Implementation Agreement and fully understands all provisions of this Implementation Agreement.

Very truly yours,

**Tesla, Inc.**

By: /s/ Brandon Ehrhart

Name: Brandon Ehrhart

Title: General Counsel and Corporate Secretary

**AGREED AND ACCEPTED:**

**PARTICIPANT**

/s/ Elon Musk  
Elon Musk

*Signature Page to Implementation Agreement*

**CERTIFICATIONS**

I, Elon Musk, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Tesla, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 22, 2026

/s/ Elon Musk  
\_\_\_\_\_  
Elon Musk  
Chief Executive Officer  
(Principal Executive Officer)

**CERTIFICATIONS**

I, Vaibhav Taneja, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Tesla, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 22, 2026

/s/ Vaibhav Taneja  
\_\_\_\_\_  
Vaibhav Taneja  
Chief Financial Officer  
(Principal Financial Officer)

**SECTION 1350 CERTIFICATIONS**

I, Elon Musk, certify, pursuant to 18 U.S.C. Section 1350, that, to my knowledge, the Quarterly Report of Tesla, Inc. on Form 10-Q for the quarterly period ended March 31, 2026, (i) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and (ii) that the information contained in such Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Tesla, Inc.

Date: April 22, 2026

/s/ Elon Musk

---

Elon Musk  
Chief Executive Officer  
(Principal Executive Officer)

I, Vaibhav Taneja, certify, pursuant to 18 U.S.C. Section 1350, that, to my knowledge, the Quarterly Report of Tesla, Inc. on Form 10-Q for the quarterly period ended March 31, 2026, (i) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and (ii) that the information contained in such Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Tesla, Inc.

Date: April 22, 2026

/s/ Vaibhav Taneja

---

Vaibhav Taneja  
Chief Financial Officer  
(Principal Financial Officer)

## **APPENDIX II**

### **REPRODUCTION OF THE ISSUER'S CONDENSED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025**

The information set out below is a reproduction of the Issuer's condensed financial statements as at and for the year ended 31 December 2025.

**SG Issuer**  
**Société Anonyme**

Financial statements,  
Report of the Executive Board and Corporate Governance Statement and  
Audit Report of the Réviseur d'Entreprises Agréé

**As at and for the year ended 31 December 2025**

**10, Porte de France**  
**L-4360 Esch-sur-Alzette**  
**R.C.S. Luxembourg: B121.363**

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**Executive Board Members**

As at 31 December 2025

**EXECUTIVE BOARD MEMBERS**

**Chairman:**

**Mr Yves CACCLIN**

Employee of Société Générale Luxembourg  
11, avenue Emile Reuter, L-2420 Luxembourg

**Members:**

**Mr Thierry BODSON**

Employee of Société Générale Luxembourg  
11, avenue Emile Reuter, L-2420 Luxembourg

**Mr François CARALP**

Employee of Société Générale  
Tour Société Générale, 17, cours Valmy, F-92987 Paris-La Défense 7, France

**Mr Olivier PELSSER (since 30 April 2025)**

Employee of Société Générale Luxembourg  
11, avenue Emile Reuter, L-2420 Luxembourg

**Mr Simon-Pierre SILGA (since 25 September 2025)**

Employee of Société Générale Luxembourg  
11, avenue Emile Reuter, L-2420 Luxembourg

**Mr Laurent SIMONET**

Employee of Société Générale  
Tour Société Générale, 17, cours Valmy, F-92987 Paris-La Défense 7, France

**Mr Samuel WOROBEL**

Employee of Société Générale  
Tour Société Générale, 17, cours Valmy, F-92987 Paris-La Défense 7, France

**Mr Julien BOUCHAT (until 17 April 2025)**

Employee of Société Générale Luxembourg  
11, avenue Emile Reuter, L-2420 Luxembourg

**Mr Youenn LE BRIS (until 1 August 2025)**

Employee of Société Générale Luxembourg  
11, avenue Emile Reuter, L-2420 Luxembourg

**Supervisory Board Members**

As at 31 December 2025

**SUPERVISORY BOARD MEMBERS**

**Chairman:**

**Mr Laurent WEIL**

Employee of Société Générale

Tour Société Générale, 17, cours Valmy, F-92987 Paris-La Défense 7, France

**Vice-president:**

**Mrs Peggy VENIANT COTTIN**

Employee of Société Générale Luxembourg

11, avenue Emile Reuter, L-2420 Luxembourg

**Members:**

**Mr Faouzi BORGHI**

Employee of Société Générale

Tour Société Générale, 17, cours Valmy, F-92987 Paris - La Défense 7, France

**Mr Gregory CLAUDY**

Independent Director

225A, rue du Burgknapp, B-6717 Heinstert, Belgium

**Mr Emanuele MAIOCCHI (until 1<sup>st</sup> December 2025)**

Employee of Société Générale Luxembourg

11, avenue Emile Reuter, L-2420 Luxembourg

**Audit Committee Members**

As at 31 December 2025

**AUDIT COMMITTEE MEMBERS**

**Chairman:**

**Mr Gregory CLAUDY**

Independent Director

225A, rue du Burgknapp, B-6717 Heinstert, Belgium

**Members:**

**Mr Emanuele MAIOCCHI (until 1<sup>st</sup> December 2025)**

Employee of Société Générale Luxembourg

11, avenue Emile Reuter, L-2420 Luxembourg

**Mrs Peggy VENIANT COTTIN**

Employee of Société Générale Luxembourg

11, avenue Emile Reuter, L-2420 Luxembourg

**Management and Administration**

As at 31 December 2025

**MANAGEMENT AND ADMINISTRATION**

**Issuer**

SG Issuer

10, Porte de France, L-4360 Esch-sur-Alzette, Luxembourg (previously 15, Avenue Emile Reuter, L-2420 Luxembourg, Luxembourg) following the decision of the Extraordinary General Meeting of 26 March 2025.

**Guarantor (if applicable, as specified in the Final Terms)**

Société Générale

29, boulevard Haussmann, F-75009 Paris, France

**Arranger and Dealer**

Société Générale

Tour Société Générale, 17, cours Valmy, F-92987 Paris-La Défense 7, France

**Security Trustee and Security Agent Trustee**

The Bank of New York Mellon Corporate Trustee Services Limited

160 Queen Victoria Street, London, EC4V 4LA, United Kingdom

**Collateral Custodian**

The Bank of New York Mellon S.A., Luxembourg Branch

Vertigo Building, Polaris, 2-4, rue Eugène Ruppert, L-2453 Luxembourg, Luxembourg

**Collateral Monitoring Agent**

The Bank of New York Mellon London Branch

160 Queen Victoria Street, London, EC4V 4LA, United Kingdom

**Custodian Agent, Issuing and Paying Agent, Registrar, Exchange Agent and Transfer Agent**

Société Générale Luxembourg

11, avenue Emile Reuter, L-2420 Luxembourg, Luxembourg

**Main Paying Agents**

Société Générale

29, boulevard Haussmann, F-75009 Paris, France

&

Société Générale, New York Branch

245 Park Avenue, New York, NY 10167, United States of America

**Warrant Agent**

Société Générale Luxembourg

11, avenue Emile Reuter, L-2420 Luxembourg, Luxembourg

**Legal advisers and Réviseur d'entreprises agréé**

As at 31 December 2025

**LEGAL ADVISERS AND RÉVISEUR D'ENTREPRISES AGRÉÉ**

**Legal advisers**

To the Arranger as to English, French and U.S. laws

Allen Overy Shearman Sterling LLP

32, Rue François 1er, Paris, 75008, France

To the Trustee as to English Law

Allen Overy Shearman Sterling LLP

1, Bishops Square, London E1 6AD, United Kingdom

To the Arranger as to Luxembourg Law

Allen Overy Shearman Sterling SCS

5, avenue John F. Kennedy, L-1855 Luxembourg, Luxembourg

**Auditor (Réviseur d'Entreprises Agréé)**

PricewaterhouseCoopers Assurance, Société coopérative

2, rue Gerhard Mercator L-2182 Luxembourg

**Report of the Executive Board and Corporate Governance Statement (continued)**

As at 31 December 2025

**REPORT OF THE EXECUTIVE BOARD AND CORPORATE GOVERNANCE STATEMENT**

The Directors of SG Issuer (the “Company” or “SGIS”) (each a “Director”, collectively the “Executive Board”) present the financial statements and the Report of the Executive Board and Corporate Governance Statement of the Company for the year ended 31 December 2025.

**1. ACTIVITIES AND REVIEW OF THE DEVELOPMENT OF THE BUSINESS**

The purpose of SG Issuer is to issue Notes and Warrants with all types of underlying including, without restriction, Shares, Index, Interest Rate, Dividend, Credit Risk, Foreign Exchange, Commodities, Funds, Warrants, allowing investors to access to the full pricing capabilities of Société Générale S.A., which proposes an extensive range of investment strategies linked to these various asset classes.

Notes and Warrants issued by the Company can be sold in either Private Placements or Public Offerings. Notes are mainly Debt Securities, Bonds, and Certificates. Issuing Proceeds raised by the sale of the Notes are transferred to Société Générale Paris S.A. (“Société Générale”) through a Fully Funded Swap (“FFS”), which perfectly mirrors SGIS for the full issue size.

Warrants are financial products like Turbos, inline Warrants, daily Leverage Certificates, which aim to replicate the same financial exposure as buying (Call) or selling (Put) an asset such as a share or an index, at a predetermined price (strike price) on a predetermined date (expiry) and to offer different pay-off or exposures to investors.

Payments in respect of the Notes and Warrants issued by the Company are unconditionally and irrevocably guaranteed by Société Générale.

On request of investors, the Company can issue Collateralised Notes or Warrants (respectively “secured Notes” or “Secured Warrants”) in order to propose an additional layer of protection to investors in case of default of Société Générale.

Notes and Warrants issuances are governed by the programs prepared by Société Générale.

The main programs for Notes are (i) the Debt Instruments Issuance Program, the Base Prospectus of which has been updated and approved by the CSSF on 30 May 2025 and (ii) the “Programme d'Emission de Titres de Créance”, the Base Prospectus of which has been updated and approved by the CSSF on 12 June 2025. Similarly, the main program for Warrants is the Warrants Issuance Program, for which the last updates have been approved by the CSSF on 26 June 2025.

In addition, (i) the German law Dual Language Debt Instruments Issuance Program has been updated and approved by the CSSF on 18 November 2025, (ii) the Dual Language Leveraged and Tracking Products Issuance Program has been updated and approved by the CSSF on 1 July 2025 and (iii) the German Law Dual Language Credit Linked Notes Debt Instruments Issuance Program has been updated and approved by the CSSF on 14 August 2025.

The UK Debt Instrument Issuance program has been approved by the FCA on 30 May 2025 and the Swiss Securities Issuance Program on 3 July 2025 by the SIX Exchange Regulation Ltd.

The state of business of the Company at the closing of the financial year is adequately presented in the financial statements published hereby.

During 2025, 40 507 new Notes were issued (among which 8 399 new secured Notes) and 3 567 new Warrants were issued. The net profit for the period from 1 January 2025 to 31 December 2025 amounts to KEUR 25.

The Company did not exercise any research and development activity, does not have any branch, and did not acquire any own shares.

## **Report of the Executive Board and Corporate Governance Statement (continued)**

As at 31 December 2025

### **2. RISKS AND UNCERTAINTIES**

The risks associated with the investment in the Notes or Warrants depend on several factors. Such factors will vary depending on the characteristics of the Notes or Warrants issued, in particular depending on the underlying type, the maturity, the secured / unsecured status of the Notes or Warrants, the interest rates incurred, and the volatility of the underlying.

For each Note, the Company systematically mirrors its position by contracting a FFS with Société Générale, with strictly identical characteristics. Also, for each Warrant, the Company systematically mirrors its position by contracting an option with Société Générale, with strictly identical characteristics.

The legal documentation and the derivative instruments have been put in place in order to make sure that the assets match the liabilities at any time. Therefore, no market risk is supported by the Company. The risk management in relation to the Notes and Warrants is also described in Note 15 of the financial statements hereafter.

### **3. FUTURE DEVELOPMENTS AND PERSPECTIVES**

In 2026, SG Issuer intends to issue notes that may subsequently be offered in the Baltic countries (Latvia, Estonia and Lithuania) through its distribution network.

### **4. CORPORATE GOVERNANCE STATEMENT**

The Executive Board of the Company is committed to maintaining the standards of corporate governance enforced at the level of the European Union and at level of the Société Générale Group. This statement describes the Company's governance principles and practices.

In compliance with its status, the Company is governed by an Executive Board and supervised by a dedicated Supervisory Board.

#### **4.1 Executive Board**

The Executive Board supervises and controls the Management and operations of the Company and is responsible for the Company system of risk management and internal control.

The Executive Board meetings are held on demand several times during the year.

The Executive Board has quorum when more than half of its members are present. An opinion supported by more than half of the members present becomes a decision.

Key tasks of the Executive Board:

- Ensures that the supervision of accounting is organized and monitored appropriately;
- Reviews and approves the Company's financial statements and condensed interim financial information;
- Supervises and controls operative management.

## **Report of the Executive Board and Corporate Governance Statement (continued)**

As at 31 December 2025

### **4.2 Supervisory Board**

The Supervisory Board ensures permanently and by all means suited the control of the Management of the Company carried out by the Executive Board. However, this supervision has to be translated in no way by an intervention in the Management of the Company. The Supervisory Board can mandate advisory committees comprised of members of the Supervisory Board and/or of other non-members to lead different missions. The Supervisory Board can confer these advisory committees of the power or mandates permanently or temporary. These advisory committees cannot have the effect of restricting the powers of the Executive Board.

### **4.3 Audit Committee**

The mission of the Audit Committee is to monitor the issues related to the preparation and control of accounting and financial information, to monitor the independence of the statutory auditors, as well as to monitor the efficiency of the internal control, measurement, supervision, and risk control systems related to the accounting and financial processes. If needed, it gives recommendations and its opinion to the Supervisory Board.

An Audit Committee of the Company took place on 27 April 2026, during which the financial statements for the year ended 31 December 2025 and the external audit results were presented. At least one member of the committee must be independent, which is the case of the Chairman of the Company's Audit Committee.

### **4.4 Internal Audit**

The Internal Audit of both Société Générale Luxembourg and Société Générale support the Company's Executive Board in overseeing the Company's activities and securing its operations by carrying out internal audits and providing consultative assistance. The objective of Internal Audit is to add value by making recommendations designed to improve the Company's functioning. Internal Audit is an independent function, and its activities are based on international professional internal audit standards and rules of ethics.

The central task of Internal Audit is to audit the functioning of SG Issuer on a regular basis and evaluate its internal controls, risk management, and administrative function. The areas to be audited are determined by the projected financial and operational risks concerned. Internal Audit can also carry out special assignments at the request of management.

Internal Audit does not have any direct authority over the activities it reviews.

### **4.5 Controls framework**

First level of controls is related to the execution of the procedures, guidelines and instructions established to ensure the proper and efficient functioning of the Company. They are executed by the involved teams in charge of the production.

A second level of control is ensured by Société Générale Luxembourg: Outsourced Essential Services ("OES") supervision (ensured by the Corporate department), Market Risk and Operational Risk (ensured by the Risk department), and "Level 2 permanent control" activity (monitoring and assessment of the level 1 permanent control system).

The Chief Financial Officer of the Company ensures the completeness of the procedural framework.

### **4.6 New Products Committee**

All the new activities and business of the Company are analysed and authorized by a dedicated New Products Committee (NPC). All involved departments within Société Générale are represented (operations, finance, risk, accounting standards, etc.) to assess the impact for the Company.

**Report of the Executive Board and Corporate Governance Statement (continued)**

As at 31 December 2025

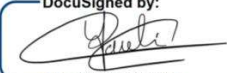
**4.7 Service level agreements**

The Company and several of its service providers are subsidiaries of the Société Générale Group.

Service Level Agreements (“SLAs”) were signed by the Company with Société Générale Luxembourg and with Société Générale. The SLAs govern the relations between the entities as well as their respective obligations. The services supplied by Société Générale Luxembourg and Société Générale are listed in the appendices of the agreements (mainly General services, legal services, business continuity management services and financial services from Société Générale Luxembourg and operational services – Middle Office and Back Office – from Société Générale). In particular, the calculation of the remuneration related to the issuance of the Notes is delegated to Société Générale Paris Middle Office within the framework of the SLA.

Luxembourg, 29 April 2026

For the Executive Board

DocuSigned by:  
  
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Yves CACCLIN  
Chairman of the Executive Board

DocuSigned by:  
  
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Thierry BODSON  
Member of the Executive Board

**Report of the Executive Board and Corporate Governance Statement (continued)**


As at 31 December 2025

**CORPORATE GOVERNANCE STATEMENT**

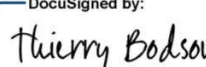
To the best of our knowledge, the financial statements gives a true and fair view of the financial position of the Company as at 31 December 2025, and of its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union (International Financial Reporting Standards or “IFRS”) as adopted by the European Union, and the Report of the Executive Board (management report) includes a fair presentation of the development and performance of the business and the position of the Company, together with a description of the main risks and uncertainties that it faces.

Luxembourg, 29 April 2026

Executive Board Member  
For the Executive Board

DocuSigned by:  
  
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Yves CACCLIN  
Chairman of the Executive Board

DocuSigned by:  
  
FA6BBE7F77A249C...

Thierry BODSON  
Member of the Executive Board



# Audit report

To the Shareholders of  
**SG Issuer**

## Report on the audit of the financial statements

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### Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of SG Issuer (the “Company”) as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

### What we have audited

The Company’s financial statements comprise:

- the statement of financial position as at 31 December 2025;
- the statement of Profit or Loss and Other Comprehensive Income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, including material accounting policy information and other explanatory information.

PricewaterhouseCoopers Assurance, Société coopérative,  
2 rue Gerhard Mercator, L-2182 Luxembourg  
T : +352 494848 1, F : +352 494848 2900, [www.pwc.lu](http://www.pwc.lu)

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## **Basis for opinion**

We conducted our audit in accordance with the EU Regulation No 537/2014, the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (CSSF). Our responsibilities under the EU Regulation No 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the “Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the financial statements” section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.

To the best of our knowledge and belief, we declare that we have not provided non-audit services that are prohibited under Article 5(1) of the EU Regulation No 537/2014.

The non-audit services that we have provided to the Company and its controlled undertakings, if applicable, for the year then ended, are disclosed in Note 13 to the financial statements.

---

## **Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. 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 these matters.

## Key audit matter

### Mirroring of the financial instruments issued

The activity of the Company mainly consists of issuing Notes (secured and unsecured) and Warrants (the “financial instruments issued”). As of 31 December 2025, the total balance of the financial instruments issued, presented in financial liabilities at fair value through profit or loss, amounts to kEUR 61,499,357 (refer to Note 4.2). The Company owns financial assets at fair value through profit or loss which amounts to kEUR 61,503,022 (refer to Note 4.1).

To economically hedge the risks of the financial instruments issued, the Company enters into derivatives transactions with Société Générale S.A., presented in financial assets at fair value through profit or loss. These derivatives (Fully Funded Swaps and Options) fully replicate the characteristics of the financial instruments issued (defined hereafter as “mirroring”).

Due to the significance of the financial instruments issued on the Company’s balance sheet and the potential financial impact of a non-perfect mirroring, we have considered the mirroring of the financial instruments issued as a key audit matter.

## How our audit addressed the key audit matter

As part of the audit procedures on the mirroring of the financial instruments issued, we carried out the following audit procedures:

- We have inquired with the Management and the finance team of the Company to obtain an understanding of the design and implementation of the control environment;
- We have inspected the minutes of the governance bodies (Executive Board, Audit Committee and Supervisory Board) to inspect whether any incidents have been reported;
- We have reperformed the mirroring control for a sample of dates, including the 31 December 2025 occurrence. The Company’s control aims to ensure the balancing between the assets (derivatives) and the liabilities (financial instruments issued);
- We have inspected the evidence of the control performed by the Company to monitor the mirroring suspense items. The Company’s control objective is to ensure the quick clearing of any significant mirroring discrepancies, if any;
- We have obtained the intragroup reconciliation with Société Générale S.A. and inspected there were no material differences;
- We have reconciled the financial instruments issued and the related derivative instruments with the external confirmations obtained;
- We have used our internal valuation specialists for an independent valuation of the sample of financial instruments and of a sample of related derivatives instruments to ensure the accuracy of the valuation and of the mirroring.

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## **Other information**

The Executive Board is responsible for the other information. The other information comprises the information stated in the annual report including the Report of the Executive Board and Corporate Governance Statement and the Corporate Governance Statement but does not include the financial statements and our audit report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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## **Responsibilities of the Executive Board and those charged with governance for the financial statements**

The Executive Board is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as adopted by the European Union, and for such internal control as the Executive Board 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, the Executive Board 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 the Management Board either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

The Executive Board is responsible for presenting the financial statements in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format ("ESEF Regulation").

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## **Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the financial statements**

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation No 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the EU Regulation No 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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;
- obtain 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 Company’s internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Board;

- conclude on the appropriateness of the Executive Board'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. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our audit report unless law or regulation precludes public disclosure about the matter.

We assess whether the financial statements have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

## Report on other legal and regulatory requirements

The Report of the Executive Board and Corporate Governance Statement is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

The Corporate Governance Statement is included in the Report of the Executive Board and Corporate Governance Statement. The information required by Article 68ter Paragraph (1) Letters c) and d) of the Law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

We have been appointed as “Réviseur d’Entreprises Agréé” by the General Meeting of the Shareholders on 30 April 2025 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is 2 years.

We have checked the compliance of the financial statements of the Company as at 31 December 2025 with relevant statutory requirements set out in the ESEF Regulation that are applicable to financial statements.

For the Company it relates to the requirement that financial statements are prepared in a valid XHTML format.

In our opinion, the financial statements of the Company as at 31 December 2025 have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

Luxembourg, 29 April 2026

PricewaterhouseCoopers Assurance, Société coopérative

Represented by



Franck Pansera

**Statement of Financial Position**

As at 31 December 2025

	Notes	('000 EUR) 2025	('000 EUR) 2024
Cash and cash equivalents	3	53 941	63 575
Financial assets at fair value through profit or loss			
- <i>Mandatorily measured at fair value through profit or loss</i>	4.1	61 434 265	49 117 912
- <i>Trading derivatives</i>	4.1	68 757	77 950
Loans and receivables	5	50 026	50 026
Other assets	6	319 612	292 904
<b>Total assets</b>		<b>61 926 601</b>	<b>49 602 367</b>
Financial liabilities at amortized cost	4.3	88 828	96 621
Financial liabilities at fair value through profit or loss			
- <i>Designated at fair value through profit or loss</i>	4.2	61 430 760	49 120 262
- <i>Trading derivatives at fair value through profit or loss</i>	4.2	68 597	76 896
Other liabilities	6	336 178	306 067
Tax liabilities	7	13	87
<b>Total liabilities</b>		<b>61 924 376</b>	<b>49 599 933</b>
Share capital	8.1	2 000	2 000
Share premium	8.1	-	-
Legal reserve	8.2	200	200
Other reserves	8.2	-	-
Profit for the financial year		25	234
<b>Total equity</b>		<b>2 225</b>	<b>2 434</b>
<b>Total liabilities and equity</b>		<b>61 926 601</b>	<b>49 602 367</b>

The accompanying Notes are an integral part of these financial statements.

**Statement of Profit or Loss and Other Comprehensive Income**

For the year ended 31 December 2025

	Notes	('000 EUR) 2025	('000 EUR) 2024
Interest income	9	2 120	3 496
Commission income	10	59 495	42 950
<b>Total revenues</b>		<b>61 615</b>	<b>46 446</b>
Interest expenses	9	(42 268)	(29 739)
Net gain / (loss) from financial instruments at fair value through profit or loss	11	(192)	263
Personnel expenses	12	(191)	(256)
Other operating expenses	13	(18 925)	(16 393)
<b>Total expenses</b>		<b>(61 576)</b>	<b>(46 125)</b>
<b>Profit before tax</b>		<b>39</b>	<b>321</b>
Income tax	7	(14)	(87)
<b>Profit for the financial year</b>		<b>25</b>	<b>234</b>
<b>Total comprehensive income for the financial year</b>		<b>25</b>	<b>234</b>

The accompanying Notes are an integral part of these financial statements.

**Statement of Changes in Equity**  
For the year ended 31 December 2025

	('000 EUR)	('000 EUR)	('000 EUR)	('000 EUR)	('000 EUR)	('000 EUR)	('000 EUR)
	Share capital	Share premium	<i>Legal reserve</i>	<i>Other reserves</i>	Total reserves	Profit or (loss) for the financial year	Total equity
<b>As at 31 December 2023</b>	<b>2 000</b>	-	200	1	<b>201</b>	<b>15</b>	<b>2 216</b>
Allocation of the result of the previous year before dividend distribution	-	-	-	15	<b>15</b>	<b>(15)</b>	-
Dividend to the sole shareholder	-	-	-	<i>(15)</i>	<b>(15)</b>	-	<b>(15)</b>
Capital increase/Allocation to the share premium account (Note 8.1)	-	<b>34 361</b>	-	-	-	-	<b>34 361</b>
Reimbursement of the share premium (Note 8.1)	-	<b>(34 361)</b>	-	-	-	-	<b>(34 361)</b>
Other adjustments	-	-	-	<i>(1)</i>	<b>(1)</b>	-	<b>(1)</b>
Profit for the financial year 2024	-	-	-	-	-	<b>234</b>	<b>234</b>
<b>As at 31 December 2024</b>	<b>2 000</b>	-	200	-	<b>200</b>	<b>234</b>	<b>2 434</b>
Allocation of the result of the previous year before dividend distribution	-	-	-	234	<b>234</b>	<b>(234)</b>	-
Dividend to the sole shareholder	-	-	-	<i>(234)</i>	<b>(234)</b>	-	<b>(234)</b>
Capital increase/Allocation to the share premium account (Note 8.1)	-	<b>27 071</b>	-	-	-	-	<b>27 071</b>
Reimbursement of the share premium (Note 8.1)	-	<b>(27 071)</b>	-	-	-	-	<b>(27 071)</b>
Profit for the financial year 2025	-	-	-	-	-	<b>25</b>	<b>25</b>
<b>As at 31 December 2025</b>	<b>2 000</b>	-	200	-	<b>200</b>	<b>25</b>	<b>2 225</b>

The accompanying Notes are an integral part of these financial statements.

**Statement of Cash Flows**  
For the year ended 31 December 2025

	Notes	('000 EUR) 2025	('000 EUR) 2024
<b>OPERATING ACTIVITIES</b>			
Profit for the financial year		25	234
<i>Non-cash adjustments:</i>			
Net change in fair value and foreign exchange difference	4.1, 4.2	34 909	(83 015)
Net(increase)/decrease in financial assets	4.1	(10 135 732)	142 922
Net increase/(decrease) in financial liabilities	4.2	10 088 069	(38 530)
(Increase)/decrease in other assets	6	(26 708)	1 889 329
Increase/(decrease) in other liabilities	6, 7	57 195	(1 854 986)
Taxes paid	7	(87)	(13)
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>17 671</b>	<b>55 941</b>
<b>FINANCING ACTIVITIES</b>			
Payment of capital surplus*	8.1	(27 071)	(34 361)
Dividend paid		(234)	(15)
<b>NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES</b>		<b>(27 305)</b>	<b>(34 376)</b>
Cash and cash equivalents as at January 1 <sup>st</sup>	3	63 575	42 010
Net increase/(decrease) in cash and cash equivalents		(9 634)	21 565
<b>Cash and cash equivalents as at December 31<sup>st</sup></b>		<b>53 941</b>	<b>63 575</b>
<b>Additional information on operational cash flows from interest</b>			
Interest paid		28 300	36 331
Interest received	9	2 120	3 496

\* KEUR 27 071 for the year ended 31 December 2025 (and KEUR 34 361 for the year ended 31 December 2024) represent the share premium reimbursed by the Company to the shareholder (refer to Note 8.1).

**Notes to the financial statements**

As at 31 December 2025

**NOTE 1 – CORPORATE INFORMATION**

SG Issuer (hereafter the "Company" or "SGIS") is a Luxembourg company incorporated on 16 November 2006 as a public limited company ("Société Anonyme") for an unlimited period.

Since April 2013, the Company's corporate objects are to issue debt securities, bonds, certificates, warrants and any other debt securities or acknowledgements of debts or financial securities, whether or not accompanied by guarantees, with any type of underlying security, including, without limitation, company stock, any other capital security or security other than capital, index, currency, exchange rate, interest rate, dividend, credit risk, fund unit, investment company stock, term deposit, life assurance contract, loan, merchandise, term contract, option, Warrant or option coupons, allocated or unallocated precious metals, unit of account, basket or any other factor or any other type of underlying securities and any combination of the latter.

To that effect, the Company may purchase, hold, dispose of, lend, loan or resell, by any means, including in particular the use of trusts, in trust or repurchase, any type of assets whatever their names and forms and whether or not accompanied by guarantees, in particular financial instruments (financial securities - stocks, fund units, bonds, certificates, Warrants - or financial contracts - swaps, options or other) or any other debt securities, acknowledgements of debts or capital securities, receive or issue monetary loans (including loans convertible into shares of the Company) - within the group of companies to which the Company belongs - and to supply guarantees in any form (actual guarantees such as pledges, securities, mortgages or other - personal guarantees or any other form of guarantee) for their own account, for the account of the group of companies to which the Company belongs or on behalf of third parties.

The Company's financial year begins on 1 January and ends on 31 December each year.

The registered office of the Company is established in 10, Porte de France, L-4360 Esch-sur-Alzette, Luxembourg (previously 15, Avenue Emile Reuter, L-2420 Luxembourg, Luxembourg) following the decision of the Extraordinary General Meeting of 26 March 2025.

The Company's capital is divided into 50 012 shares, of which 49 912 are held by Société Générale Luxembourg (hereafter "SG Luxembourg") and 100 are held by Société Générale S.A. (hereafter "Société Générale" or the "parent Company" or the "SG Group" or "the Group Société Générale").

The accounts of the Company for the year ended 31 December 2025 are included in the consolidated accounts of Société Générale S.A., which is at once the smallest and the largest body of undertakings of which the Company forms a part as a subsidiary undertaking, and whose head-office is located at 29, boulevard Haussmann, 75009 Paris, France.

**NOTE 2 – MATERIAL ACCOUNTING POLICIES****2.1 Basis of preparation****2.1.1 Statement of compliance**

The financial statements of the Company as at and for the year ended 31 December 2025 have been prepared in accordance with International Financial Reporting Standards ("IFRS® Accounting Standards" or "IFRS") as adopted by the European Union and interpretations adopted by the International Accounting Standards Board ("IASB").

The financial statements as at and for the year ended 31 December 2025 were authorised for issue by the Supervisory Board on 29 April 2026.

**Notes to the financial statements**

As at 31 December 2025

**NOTE 2 – MATERIAL ACCOUNTING POLICIES (continued)****2.1.2 Functional and presentation currency**

The financial statements are prepared in Euro (“EUR”), which is the Company’s functional currency and the currency of its share capital. Unless stated otherwise, the amounts in the financial statements are expressed in thousands of EUR (KEUR). The value “0” indicates the presence of a number, which is rounded to zero, while “-” represents the value nil.

**2.1.3 Use of estimates and judgments**

The preparation of the Company’s financial statements requires Executive Board to make judgments, estimates and assumptions that affect the reported amount of figures recorded in the statement of profit or loss and Other Comprehensive Income, on the unrealised, on the valuation of assets and liabilities in the statement of financial position, and on information disclosed in the notes to the financial statements.

In order to make these assumptions and estimates, the Executive Board uses information available at the date of preparation of the financial statements and can exercise its judgment. By nature, valuations based on estimates include risks and uncertainties relating to their occurrence in the future. Consequently, actual future results may differ from these estimates and may then have a significant impact on the financial statements.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. In the process of applying the Company’s accounting policies, Executive Board has made the following judgments and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Existing circumstances and assumptions about future developments may change due to circumstances beyond Company’s control and are reflected in the assumptions if and when they occur. Items with the most significant effect on the amounts recognized in the financial statements with substantial Executive Board judgment and/or estimates are listed below with respect to judgments/estimates involved.

The use of significant estimates and judgment mainly concerns the following topic:

- Fair value in the statement of financial position of financial instruments not quoted in an active market which are classified as financial assets and liabilities at fair value through profit or loss (see Notes 4.1 and 4.2).

**2.1.4 Segment reporting**

In accordance with IFRS 8, operating segments are identified on the basis of internal reports that are regularly reviewed by the Company’s Chief Operating Decision Maker (“CODM”) in order to allocate resources and assess performance.

For SG Issuer, no dedicated management reporting package is prepared for internal segment performance analysis. The CODM reviews only the annual financial statements of the Company. As such, the Company operates as a single operating segment.

The Company generates revenues from activities linked to financial instruments issued to investors and France is the main geographical area.

**Notes to the financial statements**

As at 31 December 2025

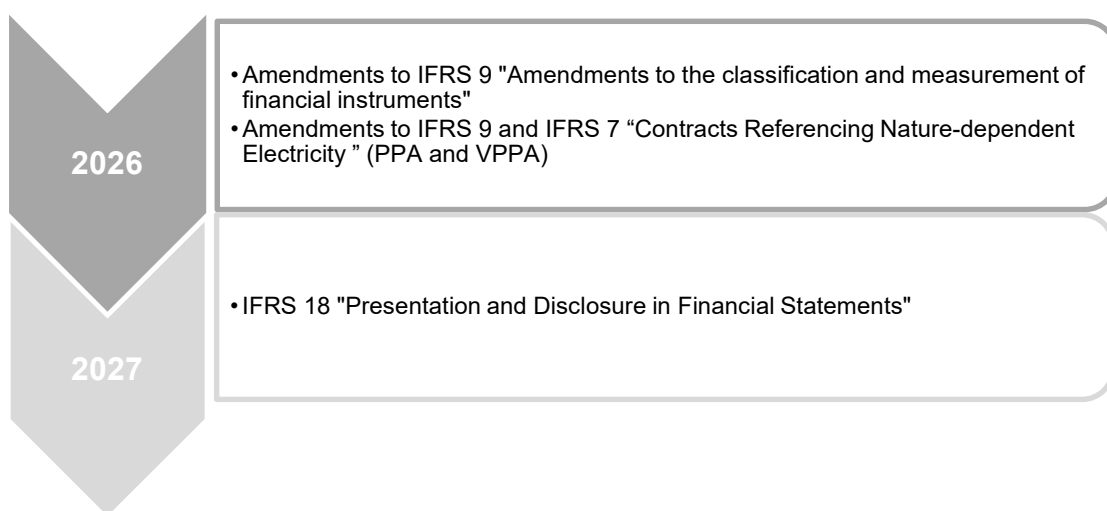
**NOTE 2 – MATERIAL ACCOUNTING POLICIES (continued)****2.2 New accounting standards****2.2.1 New accounting standards applicable as at 1 January 2025****Amendments to IAS 21 “Impacts to variations in foreign currency rates”***Published on 15 August 2023*

These amendments clarify the circumstances in which a currency is considered as convertible, as well as the circumstances for the evaluation of the exchange rate of a non-convertible currency. They also supplement the information to be disclosed in the annexes to the financial statements in cases where a currency is not convertible.

The provisions of these amendments have been already applied since 2024 to the preparation of the Company’s financial statements.

**2.2.2 Accounting standards, amendments or interpretations to be applied by the Company in the future**

The IASB published accounting standards and amendments, some of which have not been adopted by the European Union as at 31 December 2025. Their application is required for the financial years beginning on or after 1 January 2026 at the earliest or on the date of their adoption by the European Union. They have thus not been applied to the Company as at 31 December 2025. These standards are expected to be applied according to the following schedule:

**Amendments to IFRS 9 and IFRS 7 "Amendments to the classification and measurement of financial instruments"***Adopted by the European Union on 27 May 2025.*

These amendments provide clarification on the classification of financial assets, and in particular on how to assess the consistency of the contractual flows of a financial asset with a basic lending arrangement. They thus clarify the classification of instruments with contractual terms that may change the timing or amount of cash flows. This is particularly the case for financial assets with environmental, social and governance (ESG) or similar characteristics.

Clarification is also provided for the classification of contractually linked instruments and financial assets secured only by collateral.

**Notes to the financial statements**

As at 31 December 2025

**NOTE 2 – MATERIAL ACCOUNTING POLICIES (continued)**

In addition, these amendments clarify the requirements for derecognition of financial assets and liabilities. They introduce an accounting option for derecognising financial liabilities settled using electronic payment systems.

New disclosures are also required for equity instruments designated originally at fair value through other comprehensive income, and for financial assets and liabilities with contingent features such as instruments comprising ESG characteristics.

The amendments are not expected to have a material impact on the Company's financial statements.

**Amendments to IFRS 9 and IFRS 7 “Contracts referencing nature-dependent electricity” (PPA and VPPA)**

*Adopted by the European Union on 30 June 2025*

The IASB issued amendments to IFRS 9 and IFRS 7 relating to contracts referencing nature-dependent electricity the produced quantity of which is subject to hazard and variability.

The contracts concerned may be settled:

- through contracts to buy or sell nature-dependent electricity: Power Purchase Agreements (PPA);
- virtually settled net for the difference between the contractually agreed price and the market price: Virtual Power Purchase Agreements (VPPA).

These amendments clarify the conditions for the application of the own use exemption which allows for the exclusion of the Group-owned PPAs from the application scope of IFRS 9.

In addition, these amendments also change the way in which the hedged item is designated when cash flow hedge accounting is applied to VPPA contracts.

These amendments should not have a material impact on the Company's financial statements.

**IFRS 18 "Presentation and disclosure in financial statements"**

*Published on 9 April 2024.*

This standard will supersede IAS 1 “Presentation of Financial Statements”.

This standard will not change rules for the recognition of assets, liabilities, income and expenses, nor their measurement; it only addresses their presentation in the primary financial statements and in their related notes.

The main changes introduced by this new standard affect the income statement. The latter will have to be structured by mandatory sub-totals and articulated in three categories of income and expenses: the operating income and expenses, investment income and expenses, and financing income and expenses.

For entities, for which investing in particular types of assets or providing financing to customers is one of their main business activities, such as banking and insurance entities, the standard provides for an appropriate presentation of the income and expenses relating to these activities under the operating income and expenses.

IFRS 18 also requires presenting in the notes accompanying the financial statements specific indicators: management-defined performance measures (MPMs) that are used in financial communication (justification for the use of these MPMs, calculation method, reconciliation between the MPMs and the sub-totals required by the standard).

Finally, the standard provides guidance on how to aggregate and disaggregate material information in the primary financial statements and in the related Notes.

**Notes to the financial statements**

As at 31 December 2025

**NOTE 2 – MATERIAL ACCOUNTING POLICIES (continued)**

The application of IFRS 18 will be required for annual periods beginning on 1 January 2027; this application will be retrospective with a restatement of comparative information.

The impact of this standard on the Company's financial statements is currently being analysed as not yet in force at the date of these financial statements.

**2.3 Summary of material accounting policies****2.3.1 Foreign currency transactions**

The Company maintains its books in EUR, which is the functional currency.

Assets and liabilities denominated in foreign currencies are translated into EUR at the exchange rates ruling at the reporting date. Foreign exchange differences arising on translation and realized exchange gains and losses are recognised in the statement of profit or loss and Other Comprehensive Income in the caption "*Net gains from financial instruments at fair value through profit or loss*" and "*Interest Expenses*".

Revenues and expenses in foreign currencies are translated into EUR at the exchange rates prevailing at the date of the transactions.

The most important foreign currency positions for the Company are USD, JPY, GBP, HKD and CHF. The following foreign exchange rates were used:

	USD	JPY	GBP	HKD	CHF
<b>31.12.2025</b>	1.1750	184.09	0.87260	9.1464	0.9314
<b>31.12.2024</b>	1.0389	163.06	0.82918	8.0686	0.9412

**2.3.2 Cash and cash equivalents**

Cash and cash equivalents comprise only cash repayable on demand.

Cash and cash equivalents in the Company are subject to impairment under IFRS 9 and are presented net of impairment (cf. Note 2.3.3.3).

**2.3.3 Financial instruments****2.3.3.1 Classification of financial instruments**Classification of financial assets

Financial assets are classified under IFRS 9 based on the characteristics of their contractual cash flows and on how they are managed (business models).

For the debt instruments held, SGIS has defined its business model as "hold to collect" for the Fully Funded Swaps, for Cash and cash equivalents and for Loans and receivables. These assets are acquired in order to collect the contractual cash-flows attached to the assets. No sale has been made in the past years and no sale is anticipated in the future.

**Notes to the financial statements**

As at 31 December 2025

**NOTE 2 – MATERIAL ACCOUNTING POLICIES (continued)**

The Fully Funded Swaps (hereafter “FFS”) are economically assimilated to loans with embedded derivatives (the swap embedded in the FFS). This type of financial assets complies with the IFRS Accounting Standards definition of debt instruments (fixed maturity, coupon calculated as a rate, no right nor interest/control in an entity). As these financial assets of SGIS contain embedded derivatives that modify the cash flows of the entire contract, the contract does not pass the Solely Payments of Principles and Interest (or “SPPI”) test and consequently these financial assets are mandatorily measured at Fair Value through Profit or Loss (“FVTPL”).

Cash and cash equivalents and Loans and receivables are SPPI compliant and are thus measured at amortised cost. Cash and cash equivalents and Loans and receivables are subject to impairment under IFRS 9 and are presented net of impairment.

The Options held, covering the Warrants issued, are Trading derivatives and thus measured at FVTPL.

Purchases and sales of financial assets recorded under financial assets at fair value through profit or loss and Financial assets at fair value through other comprehensive income are recognised in the statement of financial position at the delivery-settlement date. Changes in fair value between the trade and settlement dates are recorded in the income statement or booked to shareholders’ equity depending on the accounting category of the relevant financial assets. Loans and receivables are recorded in statement of financial position on the date they are paid or at the maturity date for invoiced services. The trade date is the date on which the contractual commitment becomes binding and irrevocable for the Company.

*Classification of financial liabilities*

Financial liabilities are classified into one of the following two categories:

- Financial liabilities at fair value through profit or loss:

These are financial liabilities held for trading purposes, which by default include derivative financial liabilities not qualifying as hedging instruments and non-derivative financial liabilities designated by the Company upon initial recognition to be carried at fair value through profit or loss in accordance with the fair value option.

The Company has designated at fair value through profit or loss the notes issued because mirror transactions (Fully Funded Swaps or “FFS”) that are used to mirror those notes are measured mandatorily at fair value through profit or loss and thus reduce the accounting mismatch.

- Financial liabilities at amortised cost:

These include the other non-derivative financial liabilities and are measured at amortized cost.

**2.3.3.2 Valuation of financial instruments***Definition of fair value*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

In the absence of observable prices for identical assets or liabilities, the fair value of financial instruments is determined using another measurement technique that maximises the use of observable market input based on assumptions that market operators would use to set the price of the instrument in question.

*Fair value hierarchy*

The fair values of financial instruments include accrued interest as applicable.

**Notes to the financial statements**

As at 31 December 2025

**NOTE 2 – MATERIAL ACCOUNTING POLICIES (continued)**

For information purposes, in the notes to the financial statements, the fair value of financial instruments is classified using a fair value hierarchy that reflects the significance of the inputs used according to the following levels:

**Level 1 (L1): instruments valued on the basis of quoted prices (unadjusted) in active markets for identical assets or liabilities**

Level 1 instruments carried at fair value on the statement of financial position include in particular shares listed in an active market, government or corporate bonds priced directly by external brokers/dealers, derivatives traded on organised markets (futures, options), and units of funds (including UCITS) whose net asset value is available on the statement of financial position date.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and if they reflect actual and regular market transactions on an arm's length basis.

Determining whether a market is inactive requires the use of indicators such as a sharp decline in trading volume and the level of activity in the market, a sharp disparity in prices over time and among the various above-mentioned market participants, or the fact that the latest transactions conducted on an arm's length basis did not take place recently enough.

Where a financial instrument is traded in several markets to which the Company has immediate access, its fair value is represented by the market price at which volumes and activity levels are highest for the instrument in question. Transactions resulting from involuntary liquidations or distressed sales are usually not taken into account to determine the market price.

**Level 2 (L2): instruments valued using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)**

These are instruments measured using a financial model based on observable market inputs. Prices published by an external source derived from the valuation of similar instruments are considered as data derived from prices.

Level 2 instruments include in particular non derivative financial instruments carried at fair value on the statement of financial position that are not directly quoted or do not have a quoted price on a sufficiently active market (e.g. corporate bonds, repos transactions, mortgage-backed securities, units of funds), and firm derivatives and options traded over-the-counter: interest rate swaps, caps, floors, swaptions, equity options, index options, foreign exchange options, commodity options and credit derivatives. The maturities of these instruments are linked to ranges of terms commonly traded in the market, and the instruments themselves can be simple or offer a more complex remuneration profile (e.g. barrier options, products with multiple underlying instruments), with said complexity remaining limited however. The valuation techniques used in this category are based on common methods shared by the main market participants.

**Level 3 (L3): instruments valued using inputs that are not based on observable market data (referred to as unobservable inputs)**

Level 3 instruments carried at fair value on the statement of financial position are predominantly instruments for which the sales margin is not immediately recognized in profit or loss.

In the context of SGIS, this sales margin is not applicable and hence not recognised because there is a corresponding offsetting margin on the funded swap.

Accordingly, Level 3 financial instruments include derivatives with longer maturities than those usually traded and/or with specifically tailored return profiles. Similarly, debt measured at fair value is classified as Level 3 where the valuation of the associated embedded derivatives is also based on unobservable inputs.

## Notes to the financial statements

As at 31 December 2025

### NOTE 2 – MATERIAL ACCOUNTING POLICIES (continued)

The main L3 complex derivatives are:

- Equity derivatives: options with long maturities and/or incorporating bespoke remuneration mechanisms. These instruments are sensitive to market inputs (volatility, dividend rates, correlations, etc.). In the absence of market depth and an objective approach made possible by regularly observed prices, their valuation is based on proprietary methods (e.g. extrapolation from observable data, historical analysis). Hybrid equity instruments (i.e. having at least one non-equity underlying instrument) are also classified as L3 insofar as correlations between the different underlying are generally unobservable;
- Interest rate derivatives: long-term and/or exotic options, products sensitive to correlation between different interest rates, different exchange rates, or between interest rates and exchange rates, for example for quanto products (in which the instrument is settled in a currency different from the currency of the underlying); they are liable to be classified as L3 because the valuation inputs are unobservable due to the liquidity of the correlated pair and the residual maturity of the transactions (e.g. exchange rate correlations are deemed unobservable for the USD/JPY);
- Credit derivatives: L3 credit derivatives mainly include baskets of instruments exposed to time to default correlation (“N to default” products in which the buyer of the hedge is compensated as of the Nth default, which are exposed to the credit quality of the issuers comprising the basket and to their correlation, or CDO Bespoke products, which are Collateralised Debt Obligations created specifically for a group of investors and structured according to their needs), as well as products subject to credit spread volatility;
- Commodity derivatives: this category includes products involving unobservable volatility or correlation inputs (i.e. options on commodity swaps or instruments based on baskets of underlying).

At the level of SG Group, valuation models are determined in order to fully embed the impact of IFRS 13 as described above and use appropriate parameters and methodologies in order to determine L3 instruments valuation. Counterparty credit risk estimates rely on Credit Value Adjustments (CVA) and Debit Value Adjustments (DVA) calculations.

Different calculation methods can exist regarding the CVA-DVA / OCA (Own Credit Adjustment) impact calculation: derived from the yield discounting methodology, other from the Monte-Carlo EPE/ENE (Expected Positive / Negative Exposure). The methodology for calculation of CVA-DVA (OCA not applicable to the Company) applied to SGIS (the same as the SG Group) is the yield discounting methodology.

The valuation methods used by the Company to establish the fair value of financial instruments are detailed below.

The fair values of financial instruments include accrued interest as applicable.

- For Unsecured Notes and Fully Funded Swaps

The fair value for both the unsecured Notes (liabilities) and the Fully Funded Swap (FFS) (assets) is calculated by discounting the expected future cash flows with the risk-free curve. To take the credit adjustment into account, the risk-free curve is adjusted with Société Générale Group’s credit spread curve. A dedicated process has been implemented using Société Générale Group and SGIS operational teams’ input. This process is fully functional, constantly monitored as of today.

- For Secured and Repack Notes

Secured Notes are Notes which are collateralized with assets deposited on segregated or pooled accounts with external custodian (The Bank of New York Mellon S.A., Luxembourg Branch, hereafter “BNY Mellon Luxembourg”) and pledged in favour of the Note holders.

Repack Notes are Notes which allow investors to calibrate the funding yield of their structure by selecting a bond (the “Reference Bond”) issued by a third-party issuer (the “Reference Bond Issuer”).

**Notes to the financial statements**

As at 31 December 2025

**NOTE 2 – MATERIAL ACCOUNTING POLICIES (continued)**

The collateral assets are composed of eligible securities.

Should Société Générale defaults, the pledge on the assets is to be enforced; the Notes holders are exposed to credit risk of the collateral (external securities). Therefore, as Société Générale and SGIS act solely as intermediary for risk transfer, the credit risk premium (external bonds issuers) shall not be adjusted with Société Générale credit spread. Thus, no additional credit adjustment is needed for the secured Notes.

The fair value of the Secured Notes and the Repack Notes and the associated FFS is computed, for each accounting period, by discounting the expected future cash flows by a composite Repo rate curve.

- For Warrants and Options

For financial instruments recognised at fair value in the statement of financial position, fair value is determined primarily on the basis of the prices quoted in an active market. These prices can be adjusted if none are available on the statement of financial position date or if the clearing value does not reflect transaction prices.

However, due especially to the varied characteristics of financial instruments traded over the counter on the financial markets, a large number of financial products traded by the Company does not have quoted prices in the markets.

The base models may not fully capture all factors relevant to the valuation of SGIS on these financial instruments such as credit risk (CVA), own credit (DVA) and/or funding costs (FVA). Therefore, SGIS applies various techniques (from the Group) to estimate the credit risk associated with its financial instruments measured at fair value.

The revaluation differences attributable to the Company's credit risk are thus determined using valuation models which take into account the most recent financing terms and conditions on the markets along with the residual maturity of the related liabilities.

- For secured notes issued by the Company, as investors are not exposed to the Company's risk, no own credit risk should impact the fair value of the instruments and as such, no adjustment has to be calculated;
- For unsecured notes, investors are not contractually exposed to the Company's credit risk but to Société Générale Group's own credit risk.

SGIS valuation models therefore reflects the absence of credit risk, and structured bonds are not impacted by Own Credit Adjustments within the entity.

**Deferred margin related to main unobservable inputs**

The Company does not apply deferred margin related to its main unobservable inputs as margin on Notes and Warrants issued are offset by a similar margin on Fully Funded Swaps and Options purchased.

**2.3.3.3 Impairments and provisions**

Some financial assets involve credit risk which exposes the Company to a potential loss if the counterparties were to be unable to respect their financial commitments. The Company is remunerated for bearing this risk by a portion of the contractual interest that it receives on those assets; this is known as the credit margin.

This potential loss, or expected credit loss, is recognised in profit or loss without waiting for the occurrence of a default event on a specific counterparty.

For loans and receivables measured at amortised cost or fair value through other comprehensive income, the expected credit loss, as assessed by the Company, is recognised in profit or loss. On the statement of financial position, this potential loss is recognised as an impairment that reduces the carrying amount of assets measured at amortised cost. Impairments are written-back in case of a subsequent decrease of credit risk. No impairment is recognised on cash and cash equivalents, as the credit risk is immaterial. The Company does not have loan commitments or financial guarantees contracts.

**Notes to the financial statements**

As at 31 December 2025

**NOTE 2 – MATERIAL ACCOUNTING POLICIES (continued)**

The group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

**Impairment and provisions for credit risk**

To determine the amount of impairment or loss allowances to be recorded at each reporting date, these exposures are classified into one of three categories based on the increase in credit risk observed since initial recognition. An impairment or loss allowance shall be recognised for the exposures in each category as follows:

- Exposures classified in Stage 1: At the initial recognition date, the exposures are systematically classified in Stage 1, unless they are underperforming/credit-impaired on acquisition and during the lifetime of the credit. Stage 1 exposures are impaired for the amount of credit losses that the Company expects to incur within 12 months (12-month expected credit losses), based on past data and the current situation;
- Exposures classified in Stage 2: To identify Stage 2 exposures, the significant increase in credit risk is assessed by the Company, taking into account the counterparty's credit risk rating, the magnitude of the change in the counterparty's credit rating and the existence of payments delays of more than 30 days;
- Exposures classified in Stage 3 (doubtful outstanding): The Company determines whether or not there is objective evidence of impairment (default event).

Stage 2 and 3 exposures are impaired for the amount of credit losses that the Company expects to incur over the life of the exposures (lifetime expected credit losses), taking into consideration past data, the present situation and reasonable forecast changes in economic conditions, and relevant macroeconomic factors through to maturity.

**Impairments / Reversal of impairments**

Impairments / Reversal of impairments includes net reversals of impairment and loss allowances for credit risk, losses on irrecoverable loans and amounts recovered on amortised receivables.

**2.3.3.4 Offsetting financial assets and financial liabilities**

A financial asset and a financial liability are offset and the net amount presented on the statement of financial position when the Company has a legally enforceable right to set off the recognised amounts and intends either to settle the asset and liability on a net basis, or to realise the asset and settle the liability simultaneously. The legal right to set off the recognised amounts must be enforceable in all circumstances, in both the normal course of business and in the event of default of one of the counterparties.

The financial instruments issued by the Company are subscribed by the investors through Société Générale as a lead manager during the issuance period and as a market maker for a secondary market. The instruments which are unsold are held by Société Générale.

The treatment is applied based on IAS 32 Paragraph 42: "A financial asset and a financial liability shall be offset and the net amount presented in the statement of financial position when, and only when, an entity:

- Currently has a legally enforceable right to set off the recognized amounts; and
- Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously."

In December 2014, a cash netting clause was added in the legal framework with Société Générale and the Company consequently acquired a legally enforceable right to offset the recognized amount with the same counterparty (Société Générale). The assets (the Fully Funded Swaps) and the liabilities (the Notes) are settled (and intended to be settled) simultaneously.

**Notes to the financial statements**

As at 31 December 2025

**NOTE 2 – MATERIAL ACCOUNTING POLICIES (continued)**

In June 2017, the Company added a new cash netting clause in the legal framework with Société Générale and the Company consequently acquired a legally enforceable right to offset the recognized amount with the same counterparty (Société Générale). The assets (OTC Options) and the liabilities (the Warrants) are settled (and intended to be settled) simultaneously.

In application of IAS 32 - Offsetting a financial asset and a financial liability, the Company proceeds to the accounting netting of the non-sold amounts. The impact of the offsetting for the non-sold Notes and the corresponding Fully Funded Swaps and impact of the offsetting for the non-sold Warrants and the corresponding options are described in Note 4.1 and Note 4.2.

**2.3.4 Other assets and other liabilities**

Settlement accounts for trades are included in other assets or other liabilities and are presented separately in distinctive captions on assets or liabilities side (cf. Note 6).

**2.3.5 Shareholders' equity**

Equity are the resources contributed to the Company by external shareholders as capital, as well as the cumulative and undistributed results (retained earnings).

The statement "Changes in Shareholders' Equity" presents the various changes that affect the components of equity over the reporting period.

**2.3.6 Interest income and expense**

Interest is recognized as expense or income over the life of the financing service granted or received, proportionally to the principal amount outstanding.

Interest income and expense are recorded in the statement of profit or loss and Other Comprehensive Income under Interest and similar income and Interest and similar expense for all financial instruments measured using the effective interest method (instruments at amortised cost and debt instruments at fair value through other comprehensive income).

The effective interest rate is taken to be the rate used to net discount future cash inflows and outflows over the expected life of the instrument in order to establish the net book value of the financial asset or liability. The calculation of this rate considers the future cash flows estimated on the basis of the contractual provisions of the financial instrument without taking account of possible future credit losses and also includes commissions paid or received between the parties where these may be assimilated to interest, directly linked transaction costs, and all types of premiums and discounts.

Where a financial asset is classified in Stage 3 for impairment, subsequent interest income is measured at the effective interest rate applied to the net carrying amount of the financial asset with an offsetting entry equal to the outstanding financial asset before impairment.

**2.3.7 Fee income and expense**

Fee income and Fee expense combine fees on services rendered and received, as well as fees on pledged security granted that cannot be assimilated to interest. Fees that can be assimilated to interest are integrated into the effective interest rate on the associated financial instrument and are recorded under Interest income and Interest expenses.

## Notes to the financial statements

As at 31 December 2025

### NOTE 2 – MATERIAL ACCOUNTING POLICIES (continued)

The Company recognizes fee income or expense for an amount equivalent to the remuneration for the service provided and depending on the progress transferring control of these services:

- Fees for ongoing services, such as custody fees and administration costs are recognized as income over the life of the service;
- Fees for one-off services, such as issuance and listing fees are recognized as income when the service is provided.

The possible mismatch between the payment date of the service provided and the date of execution of the service gives assets and liabilities depending on the type of contract and mismatch which are recognized under Other Assets and Other Liabilities. For example: supplier contracts generate trade payables, accrued expenses or prepaid expenses. Income related to the issuance of Notes and Warrants falls under the scope of IFRS 15 and as such, is considered separately as income generated by 2 services when the Company performs its activities:

- The issuing fee recognized upfront for the initiation and the structuration of the issuance;
- Account and security servicing during the lifecycle of the security.

#### 2.3.8 Other operating expenses

The Company records operating expenses according to the type of services to which they refer.

Other operating expenses mainly include intragroup recharge fees (including IT, overhead and personnel costs), lease payments, building maintenance and other costs, travel and business expenses, outsourcing and advisory fees and marketing and advertising expenses. Detail is provided in Note 13.

#### 2.3.9 Income tax

Income tax includes current taxes:

- Current taxes correspond to the amount of taxes due (or refundable) as calculated according to the taxable profit base for the reporting period.

##### 2.3.9.1 Current tax

Current tax is based on the taxable profit and determined in accordance with the rules established by the local taxation authorities, upon which income taxes are payable. This tax expense also includes net allowances for tax adjustments pertaining to income tax.

Tax credits arising in respect of interest from loans and income from securities are recorded in the relevant interest account as they are applied in settlement of income taxes for the year. The related tax charge is included under Income tax in the statement of profit or loss and Other Comprehensive Income.

The Company is included in the scope of consolidation of the group « Société Générale S.A. ».

Société Générale S.A. is subject to the OECD rules introducing a global minimum tax rate of 15% on the profits of the multinational companies (« Pillar 2 » rules), transposed into the European directive of 22 December 2022 and introduced in Luxembourg by the Law of 22 December 2023 which is in effect in 2024. In 2024, Société Générale S.A. set up dedicated processes to estimate amounts to be booked in relation with above mentioned “Pillar 2” rules. Société Générale S.A. will perform such processes on an annual basis for the subsequent years.

In Luxembourg, SGIS is part of a tax integration group led by Société Générale Luxembourg (hereafter SG Luxembourg). The Company has non-significant impact for “Pillar 2” rules for 2025 and 2024. As at December 31, 2025, no top-up tax is due by the Company.

**Notes to the financial statements**

As at 31 December 2025

**NOTE 2 – MATERIAL ACCOUNTING POLICIES (continued)****2.3.10 Other commitments linked to secured notes**

In relation to each Serie of Secured Notes, in order to secure its obligations in respect of such Notes, the Company enters into a pledge agreement which is governed by the Luxembourg act dated 5 August 2005 on financial collateral arrangements, as amended. Under each pledge agreement, the Company grants first ranking security over the Collateral Assets contained in one or more accounts held by the Company with BNY Mellon Luxembourg (or such other custodian or account bank as is specified in the applicable Final Terms, pursuant to the terms of a custodian agreement between, inter alia, the Company and the collateral custodian).

The security granted under each pledge agreement is granted either in favour of:

- (i) in the case of English Law Notes, The Bank of New York Mellon Corporate Trustee Services Limited or such other security trustee as is specified in the applicable Final Terms as security trustee on behalf of itself and the relevant Noteholders and the other relevant Secured Parties (as defined in the Additional Terms and Conditions for Secured Notes) or,
- (ii) in the case of French Law Notes, directly in favour of the relevant Noteholders and the other relevant Secured Parties as represented by The Bank of New York Mellon Corporate Trustee Services Limited or such other security agent as is specified in the applicable Final Terms as security agent.

Following the occurrence of a Secured Note Acceleration Event (as defined in the Additional Terms and Conditions for Secured Notes), all Noteholders whose Notes have become immediately due and payable is first entitled to claim for any outstanding amounts due to them under the terms of the Guarantee. If neither the Issuer nor the Guarantor (pursuant to the terms of the Guarantee) has paid all amounts due to Noteholders within a period of 3 Collateral Business Days following the occurrence of a Secured Note Acceleration Event, Noteholders may send a notice in writing to the Security Trustee (in the case of English Law Notes) or the Security Agent (in the case of French Law Notes) requesting that the relevant Pledge Agreement be enforced in accordance with the terms of the Base Prospectus.

The Company borrows the securities to be pledged from Société Générale Group. In accordance with IFRS 9, the borrowing of the securities to be pledged by the Company is not assimilated to the transfer of assets and thus does not result in recognition in the statement of financial position. The risks and rewards associated to the securities remain in Société Générale Group and as such are not presented in the Company's statement of financial position.

The pledged securities are accounted as an off-balance sheet commitment "Securities pledged". The committed amount is re-measured at each closing to reflect the value of the securities pledged.

**2.4 Geopolitical Crises and Macroeconomic Context**

The global economy proves resilient, buoyed by rising asset prices, low energy prices, investments in artificial intelligence, as well as by budgetary easing (increased defence spending, especially in the United States, in Europe and in China), regulatory easing, and simplification measures in Europe (Omnibus initiative).

The full impact of the tariff hikes by the United States is yet to be seen.

Meanwhile, labour markets are tightening in Europe and United States. Financial market volatility raises the risk of a faster than expected slowdown, whether in equity risk premiums, real estate or sovereign debt. The Group Société Générale is anticipating further interest rate cuts by the Federal Reserve, albeit with a more hesitant stance. Questions over its independence also remain a source of uncertainty. In Europe, the Group expects the European Central Bank to cut interest rates and announce an end to quantitative tightening.

**Notes to the financial statements**

As at 31 December 2025

**NOTE 2 – MATERIAL ACCOUNTING POLICIES (continued)**

The Group Société Générale has therefore updated the macroeconomic scenarios used to prepare its consolidated financial statements. This embeds the recent geopolitical crises as well.

These macroeconomic scenarios are taken into account in the credit loss measurement models including forward-looking data and are also used in tests of the recoverability of deferred tax assets.

The methodological framework defined by the Group Société Générale is applied at the level of the Company.

**NOTE 3 – CASH AND CASH EQUIVALENTS**

Cash and cash equivalents amount to KEUR 53 941 as at 31 December 2025 (31 December 2024: KEUR 63 575) and are mainly composed of cash held with Société Générale Luxembourg and Société Générale.

As of 31 December 2025, and 2024, this caption only contained cash that was repayable on demand.

**NOTE 4 – FINANCIAL INSTRUMENTS****4.1 Financial assets at fair value through profit or loss**

	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>('000 EUR)</b>	<b>('000 EUR)</b>
<b>Financial assets at fair value through profit or loss</b>		
- Mandatorily measured at fair value through profit or loss (Fully Funded Swaps)	61 434 265	49 117 912
- Trading derivatives (Options)	68 757	77 950
<b>Total</b>	<b>61 503 022</b>	<b>49 195 862</b>

As at 31 December 2025, financial assets mandatorily at fair value through profit or loss (Fully Funded Swaps) amount to KEUR 61 434 265 (31 December 2024: KEUR 49 117 912) and replicate all the Notes issued by the Company (see Note 4.2). Differences between the fair value of Fully Funded Swaps and Notes arise due to late settlements.

As at 31 December 2025, Trading derivatives (Options) amount to KEUR 68 757 (31 December 2024: KEUR 77 950) and replicate all the Warrants issued by the Company (see Note 4.2). Differences between the fair value of Options and Warrants arise due to late settlements.

As at 31 December 2025, the impact of the offsetting of financial assets and financial liabilities (decrease in the balance sheet) is KEUR 27 581 845 for the non-sold Notes and the corresponding Fully Funded Swaps (31 December 2024: KEUR 36 453 866) and KEUR 6 126 766 for the non-sold Warrants and the corresponding Options (31 December 2024: KEUR 5 492 093) (see Note 4.2).

Please also see Note 15.6.3 for the disclosure of the fair value hierarchy.

**Notes to the financial statements**

As at 31 December 2025

**NOTE 4 – FINANCIAL INSTRUMENTS (continued)**

The movements in financial assets at fair value through profit or loss were as follows:

	('000 EUR)	('000 EUR)	('000 EUR)
	<b>Mandatorily at fair value through profit or loss</b>	<b>Trading derivatives</b>	<b>Total</b>
<b>As at 1 January 2025</b>	<b>49 117 912</b>	<b>77 950</b>	<b>49 195 862</b>
Acquisition	29 384 483	54 921	29 439 404
Maturity/Disposal/Liquidation/Cancellation	(19 240 717)	(62 955)	(19 303 672)
Change in fair value and foreign exchange difference	2 172 587	(1 159)	2 171 428
<b>As at 31 December 2025</b>	<b>61 434 265</b>	<b>68 757</b>	<b>61 503 022</b>
	('000 EUR)	('000 EUR)	('000 EUR)
	<b>Mandatorily at fair value through profit or loss</b>	<b>Trading derivatives</b>	<b>Total</b>
<b>As at 1 January 2024</b>	<b>51 118 092</b>	<b>57 316</b>	<b>51 175 408</b>
Acquisition	19 105 860	52 253	19 158 113
Maturity/Disposal/Liquidation/Cancellation	(19 275 209)	(25 816)	(19 301 025)
Change in fair value and foreign exchange difference	(1 830 831)	(5 803)	(1 836 634)
<b>As at 31 December 2024</b>	<b>49 117 912</b>	<b>77 950</b>	<b>49 195 862</b>

**4.2 Financial liabilities at fair value through profit or loss**

	31.12.2025 ('000 EUR)	31.12.2024 ('000 EUR)
<b>Financial liabilities at fair value through profit or loss</b>		
- Designated at fair value through profit or loss (Notes)	61 430 760	49 120 262
- Trading derivatives (Warrants)	68 597	76 896
<b>Total</b>	<b>61 499 357</b>	<b>49 197 158</b>

As at 31 December 2025, the Company has issued secured and unsecured Notes for a total amount of KEUR 61 430 760 (31 December 2024: KEUR 49 120 262):

- 36 805 unsecured Notes were issued (stock) for a total amount of KEUR 58 547 248 (31 December 2024: 24 334 unsecured Notes were issued (stock) for a total amount of KEUR 43 580 459);
- 1 095 secured Notes were issued (stock) for a total amount of KEUR 2 883 484 (31 December 2024: 1 030 secured Notes were issued (stock) for a total amount of KEUR 5 539 803).

In addition to the guarantee on first demand granted by Société Générale on unsecured and secured Notes, subscribers of the secured Notes issued by the Company benefit from additional collateral assets securing the payment due under the Notes terms, structured in form of a pledge governed by Luxembourg Law. This pledge may only be enforced following a default of the Company or Société Générale in its role of Guarantor.

Pledged collateral assets are deposited on an account held in the name of the Company with an authorised custodian not belonging to the SG Group and are pledged in favour of the Notes holders.

**Notes to the financial statements**

As at 31 December 2025

**NOTE 4 – FINANCIAL INSTRUMENTS (continued)**

As at 31 December 2025, securities deposited at The Bank of New York Mellon S.A./NV, Luxembourg Branch as collateral for secured issuances amount to KEUR 10 393 278 (31 December 2024: KEUR 7 251 220).

As at 31 December 2025, the Company also issued Warrants for a total amount of KEUR 68 597 (31 December 2024: KEUR 76 896). Refer to Note 14 for further details on Off-balance sheet items related to the warrants activity.

As at 31 December 2025, the impact of the offsetting of financial assets and financial liabilities (decrease in the balance sheet) is KEUR 27 581 845 for the non-sold Notes and the corresponding Fully Funded Swaps (31 December 2024: KEUR 36 453 847) and KEUR 6 126 766 for the non-sold Warrants and the corresponding Options (31 December 2024: KEUR 5 492 093) (see Note 4.1).

Please also see Note 15.6.3 for the disclosure of the fair value hierarchy.

The movements in financial liabilities at fair value through profit or loss were as follows:

	('000 EUR) Designated at fair value through profit or loss	('000 EUR) Trading derivatives	('000 EUR) Total
<b>As at 1 January 2025</b>	<b>49 120 262</b>	<b>76 896</b>	<b>49 197 158</b>
Acquisition	29 381 278	54 780	29 436 058
Cancelled/Liquidation/Maturity Disposal	(19 275 962)	(64 234)	(19 340 196)
Change in fair value and foreign exchange difference	2 205 182	1 155	2 206 337
<b>As at 31 December 2025</b>	<b>61 430 760</b>	<b>68 597</b>	<b>61 499 357</b>

	('000 EUR) Designated at fair value through profit or loss	('000 EUR) Trading derivatives	('000 EUR) Total
<b>As at 1 January 2024</b>	<b>51 112 066</b>	<b>57 148</b>	<b>51 169 214</b>
Acquisition	19 190 860	51 603	19 242 463
Cancelled/Liquidation/Maturity Disposal	(19 269 183)	(25 689)	(19 294 872)
Change in fair value and foreign exchange difference	(1 913 481)	(6 166)	(1 919 647)
<b>As at 31 December 2024</b>	<b>49 120 262</b>	<b>76 896</b>	<b>49 197 158</b>

**4.3 Financial liabilities measured at amortised cost**

As at 31 December 2025 and 2024, financial liabilities at amortised cost are mainly composed of a convertible bond of nominal KEUR 48 000, issued by the Company and fully subscribed by Société Générale Luxembourg, with maturity in 2026. Conversion may occur each year.

On this convertible bond, the Company pays to Société Générale Luxembourg both variable interests calculated on Euribor 3M plus a margin of 0.26% (total rate of 2.26% as at 31 December 2025) and activity related interests. Activity related interests mean an amount equal to 100% of the activity related profit generated by the Company.

**Notes to the financial statements**

As at 31 December 2025

**NOTE 4 – FINANCIAL INSTRUMENTS (continued)**

The convertible bond maturity shall be automatically extended by successive periods of one year, unless either the Issuer or the Holder, Société Générale Luxembourg, has exercised its right to terminate the bond on the scheduled maturity date. The conversion option belongs to the Holder.

Estimation of the fair value of financial liabilities at amortised cost is disclosed in Note 15.6.

**NOTE 5 – LOANS AND RECEIVABLES**

As at 31 December 2025 and 2024, loans and receivables only consist in term deposits with Société Générale Luxembourg, which represent the reinvestment of the Company's share capital, reserves and other available funds.

As at 31 December 2025, expected credit losses calculated on loans and receivables in accordance with IFRS 9 amounted to EUR 481 (31 December 2024: EUR 154).

The fair values of loans and receivables are presented in the Note 15.6.2.

**NOTE 6 – OTHER ASSETS AND OTHER LIABILITIES**

As at 31 December 2025 and 2024, other assets and other liabilities are composed of the below:

	('000 EUR) 31.12.2025	('000 EUR) 31.12.2024
Settlement accounts on securities transactions	101 779	123 756
Miscellaneous receivables	217 833	169 148
<b>Total other assets</b>	<b>319 612</b>	<b>292 904</b>
	('000 EUR) 31.12.2025	('000 EUR) 31.12.2024
Settlement accounts on securities transactions	95 228	124 095
Deferred income	8 801	6 576
Miscellaneous payables	232 149	175 396
<b>Total other liabilities</b>	<b>336 178</b>	<b>306 067</b>

Miscellaneous payables and receivables mainly consist of premium payables on Warrants and receivables on financial instruments replicating the Warrants issued. The variance is linked to the activity of the Company and the early settlement of some balances compared to prior year.

**NOTE 7 – TAXATION**

The Company is liable for all taxes applicable to Luxembourg commercial companies.

Since 2007, the Company has been part of a tax integration group led by SG Luxembourg, as authorised by the article 164 bis LIR and has concluded a Tax Sharing Agreement (the "Agreement") with SG Luxembourg. Under the Agreement, the Company pays to SG Luxembourg, with respect to each financial year, an amount equal to the tax which would be levied on the profits of the Company in the absence of any tax consolidation with the Parent.

The effective tax rate of current tax applied as of 31 December 2025 is 34.99% (31 December 2024: 27.10%). The current tax rate includes the corporate tax and the municipal tax.

**Notes to the financial statements**

As at 31 December 2025

**NOTE 7 – TAXATION (continued)**

For the year ended 31 December 2025, tax expenses amount to KEUR 14 (31 December 2024: KEUR 87).

No deferred tax is recorded for the Company.

The Company belongs to a group that is within the scope of the EU/OECD Pillar Two model rules. Pillar Two legislation was enacted in Luxembourg, the jurisdiction in which the Company is incorporated, which has come into effect for fiscal years starting on or after 31 December 2023.

Under the legislation, the Company is liable to pay a top-up tax for the difference between its Pillar Two effective tax rate per jurisdiction and the 15% minimum tax rate.

The Company performed an impact assessment of the OECD (Organisation for Economic Co-operation and Development) transitional safe harbour rules and the full Pillar Two rules. The Company concluded that it should not be subject to top-up tax for the current year.

**NOTE 8 – SHAREHOLDERS' EQUITY****8.1 Share capital and share premium**

On 30 November 2020, 100 shares were sold by SG Luxembourg to Société Générale for a total amount of EUR 4 000. SG Luxembourg still held 49 907 shares amounting to EUR 1 996 280 for which it waived its entire voting rights and right to dividends. After this transaction, the subscribed and fully paid share capital amounted to EUR 2 000 280, divided into 50 007 shares with nominal value of EUR 40 each. No other restrictions are attached to the shares.

By resolution adopted on 15 January 2025, the Executive Board decided to increase the capital of the Company from EUR 2 000 440 to EUR 2 000 480 by the issue of a new share with a nominal value of EUR 40, subscribed by SG Luxembourg.

In the context of the capital increase, the 2024 activity related interests amounting to KEUR 27 071 have been allocated to the Share premium. It was then paid to the shareholders in June 2025.

As at 31 December 2025, the subscribed and fully paid share capital is EUR 2 000 480, divided into 50 012 shares with nominal value of EUR 40 each.

The Company manages its capital to ensure it will be able to continue as a going concern. The capital amount may be increased, subject to the approval of the Shareholders, if the Company's activity evolves, incurring specific additional risks.

**8.2 Reserves****8.2.1 Legal reserve**

In accordance with the Luxembourg law, the Company is required to allocate a minimum of 5% of its annual net profit to a Legal reserve until this reserve equals 10% of the subscribed share capital. This reserve may not be distributed.

As at 31 December 2025 and 2024, the legal reserve amounts to KEUR 200.

**8.2.2 Other reserves**

Since 2013, the Company is fiscally integrated in its parent company Société Générale Luxembourg. Société Générale Luxembourg constitutes the Net Wealth Tax reserve for the Company. As a consequence, no additional Net Wealth Tax reserve has been constituted by the Company since 2013.

**Notes to the financial statements**

As at 31 December 2025

**NOTE 8 – SHAREHOLDERS' EQUITY (continued)**

During the first half of 2025, a dividend of KEUR 234 has been paid (31 December 2024: KEUR 15).

**NOTE 9 – INTEREST INCOME AND EXPENSES**

	('000 EUR) 31.12.2025	('000 EUR) 31.12.2024
Interest income on cash and cash equivalents	803	1 478
Interest income on loans and receivables	1 317	2 018
<b>Total interest income</b>	<b>2 120</b>	<b>3 496</b>
Interest expenses on financial liabilities at amortized cost (note 4.3)	(41 349)	(29 041)
Interest expenses on financial liabilities at fair value	(919)	(698)
<b>Total interest expenses</b>	<b>(42 268)</b>	<b>(29 739)</b>
<b>Net interest margin</b>	<b>(40 148)</b>	<b>(26 243)</b>

**NOTE 10 – COMMISSION INCOME**

Commission income can be broken down as follows:

	('000 EUR) 31.12.2025	('000 EUR) 31.12.2024
Issuing upfront fees on Notes	52 007	36 725
Servicing fees on Notes	7 004	5 515
Commission on Warrants	484	710
<b>Commission income</b>	<b>59 495</b>	<b>42 950</b>

As at 31 December 2025, KEUR 8 801 are retained as deferred income under the caption "other liabilities" (2024: KEUR 6 576) (cf. Note 6).

**NOTE 11 – NET GAIN/(LOSS) FROM FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS**

Net result from financial instruments at fair value through profit or loss can be broken down as follows:

	('000 EUR) 31.12.2025	('000 EUR) 31.12.2024
Net gain on financial assets held for trading	26 368 299	23 356 786
Net gain on financial assets at fair value option	6 244 957	12 569 826
Net loss on financial liabilities held for trading	(26 367 497)	(23 355 568)
Net loss on financial liabilities at fair value option	(6 245 951)	(12 570 781)
<b>Total</b>	<b>(192)</b>	<b>263</b>

**Notes to the financial statements**

As at 31 December 2025

**NOTE 12 – PERSONNEL EXPENSES**

	('000 EUR) 31.12.2025	('000 EUR) 31.12.2024
Wages and salaries	(156)	(218)
Social charges and associated costs	(18)	(19)
Pension related costs	(17)	(19)
<b>Total</b>	<b>(191)</b>	<b>(256)</b>

The Company had 2 full-time equivalents during the year ended 31 December 2025 (2024: 3).

The annual cost of pension is calculated and invoiced by Société Générale Luxembourg, based on SG Luxembourg's group total cost of pensions and according to the number of the Company's full time equivalent employees.

**NOTE 13 – OTHER OPERATING EXPENSES**

	('000 EUR) 31.12.2025	('000 EUR) 31.12.2024
Issuance fees	(15 919)	(12 620)
Other operating charges	(3 006)	(3 773)
<b>Total</b>	<b>(18 925)</b>	<b>(16 393)</b>

Issuance fees mainly consist of listing fees, collateral monitoring agent fees, maintenance of registers fees and trading fees.

Other operating charges are mainly composed of operating costs related to the Company (including audit fees) as well as activities outsourced to Société Générale S.A. and Société Générale Luxembourg.

Remuneration of the Réviseur d'entreprises agréé

The fees paid by the Company to its Réviseur d'Entreprises Agréé were as follows:

	('000 EUR) 31.12.2025	('000 EUR) 31.12.2024
Statutory audit of the financial statements	228	226
Other assurance services	45	40
Other fees related to permissible non-audit services	28	-
<b>Total</b>	<b>301</b>	<b>266</b>

Other assurance services for the year consists of a limited review as of 30 June and of the issuance of consent letters related to various issuance programmes.

**Notes to the financial statements**

As at 31 December 2025

**NOTE 14 – OFF-BALANCE SHEET**

As at 31 December 2025, financial instruments to be issued (commitment taken before 31 December 2025 with value date after 31 December 2025) amount to KEUR 9 516 995 (31 December 2024: KEUR 8 583 451).

**Warrants issuance summary**

The Warrants issued as at 31 December 2025 and 2024 break down as follows:

Warrant Type	Category of Underlying	Type of Underlying	Option Type	31 December 2025			31 December 2024		
				Quantity	Notional ('000 EUR)	Fair Value ('000 EUR)	Quantity	Notional ('000 EUR)	Fair Value ('000 EUR)
Equity Warrant	Equity	Ordinary Share	Call	790	13 958 026	37 254	136	1 891 844	13 188
			Put	356	4 155 539	6 120	1 441	35 156 224	55 957
	Fund	Mutual Fund	Call	2	68 278	-	1	31 976	2
			Put	4	208 274	18	3	74 598	298
Index Warrant	Index	Index	Call	2	71 152	-	3	40 044	5 991
			Put	442	20 871 301	16 974	128	4 815 156	1 078
			Put	231	10 497 347	8 231	12	318 210	381
<b>Total Call</b>				<b>1238</b>	<b>35 105 880</b>	<b>54 246</b>	<b>268</b>	<b>6 813 574</b>	<b>14 566</b>
<b>Total Put</b>				<b>589</b>	<b>14 724 038</b>	<b>14 351</b>	<b>1 456</b>	<b>35 514 478</b>	<b>62 330</b>
<b>Total Warrants</b>				<b>1827</b>	<b>49 829 918</b>	<b>68 597</b>	<b>1 724</b>	<b>42 328 052</b>	<b>76 896</b>

## Notes to the financial statements

As at 31 December 2025

### NOTE 15 – RISK MANAGEMENT

The Company and several of its service providers are subsidiaries of the Société Générale Group and therefore benefit from Société Générale's internal control systems. For more information on the geopolitical risks and uncertainties to which the Company is exposed, please refer to Note 2.4.

#### 15.1 Market risk

Market risk is the risk that changes in market prices, such as interest rates, securities prices, and foreign exchange rates will affect the Company's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

The Company issues Notes and Warrants. The Notes are systematically mirrored with FFS concluded with Société Générale, with strictly identical characteristics. In the same way, the Warrants issued are mirrored with Options concluded with Société Générale, with strictly identical characteristics.

The risks associated with the investment in the Notes and Warrants depend on several factors. Such factors vary depending on the characteristics of the Notes and Warrants issued, in particular depending on the underlying, the maturity of the Notes, the Secured / Unsecured status of the Notes, the interest rates incurred, the volatility of the underlying, etc..

The main risks in relation to investments in Notes and Warrants issued by the Company are described in the Base Prospectus under the section "Risk Factor".

Because of its structure (perfect match between the assets and the liabilities), the impact of an immediate change of a market parameter would have no material consequence on the net profit of the Company.

The Company is also exposed to structural interest rate risk, namely through the following transactions: reinvestment of available equity by participating interests or loans to the Company's treasury (SG Luxembourg) with hedged interest rate risk. The structural interest rate risk is monitored via the sensitivity of the economic value of the positions measured through modified duration.

Modified duration is calculated based on the change in the net present value of positions subsequent to a 1% change in the rate curve. Exposure monitoring is based on the determination of modified duration over the short (up to one year), medium (one to five years) and long (more than five years) term.

Climate and ESG matters have been considered in the fair value of the financial instruments. These are deemed to have a minor impact.

#### 15.2 Foreign currency risk

Foreign currency risk can only arise on financial instruments that are denominated in a currency other than the functional currency in which they are measured. Translation-related risks are therefore not included in the assessment of the Company's exposure to currency risks.

Because of its structure (perfect match between the assets and the liabilities), the impact of an immediate change of foreign exchange rates would have no consequence on the net profit of the Company.

Following explanation above, foreign currency risk is strictly limited.

Process of control allows to monitor it closely and to confirm that exposure of the entity to foreign currency risk remains in a very conservative limit.

**Notes to the financial statements**

As at 31 December 2025

**NOTE 15 – RISK MANAGEMENT (continued)**

**15.3 Credit risk**

Credit risk is the risk that a third party will not be able to meet its contractual obligation.

The Company only contracts financial instruments with SG Luxembourg and Société Générale. Therefore, the credit risk of the Company is limited to the credit risk on SG Luxembourg and Société Générale. Should this situation evolve, specific limits would be proposed to limit the credit risk incurred.

As at 31 December 2025 and 2024, no financial assets were past due nor impaired. No Estimated Credit Loss (ECL) was booked for financial instruments other than loans and receivables.

All the Notes and Warrants issued by the Company benefit from a guarantee provided by Société Générale, meaning that payments in respect of the instruments issued by the Company are unconditionally and irrevocably guaranteed by Société Générale (the Guarantor).

As at 31 December 2025, the rating of Société Générale is: A- from Fitch Ratings, A from R&I, A from Standard & Poor's and A1 from Moody's.

**15.4 Interest rate risk**

Interest rate risk is the risk that changes in market interest rates may adversely affect the value of the assets and liabilities of the Company.

Due to the financial instruments contracted by the Company with Société Générale to mirror the financial instruments issued, the Company is not significantly exposed to interest rate risk.

**15.5 Liquidity risk**

Liquidity risk is the risk that the Company may be unable to meet the payment obligations associated with its financial liabilities when they fall due.

The Company does not face any material liquidity risk thanks to the perfect replication between the contractual obligations of:

- The financial instruments issued by the Company; and
- The financial assets replicating the financial instruments issued by the Company.

## Notes to the financial statements

As at 31 December 2025

## NOTE 15 – RISK MANAGEMENT (continued)

Analysis per remaining contractual maturities

As at 31 December 2025, analysis per remaining contractual maturities is as follows:

31.12.2025 - EUR' 000	< 3 months	From 3 months to 1 year	From 1 to 5 years	> 5 years	Total
Cash and cash equivalents	53 941	-	-	-	53 941
Financial assets at fair value through profit or loss					
- <i>Mandatorily at fair value through profit or loss</i>	6 203 274	11 043 017	16 270 709	27 917 265	61 434 265
- <i>Trading derivatives</i>	6 405	31 224	31 128	-	68 757
Loans and receivables	48 026	200	800	1000	50 026
<b>Financial liabilities at amortised cost</b>	48 708	40 120	-	-	88 828
<b>Financial liabilities at fair value through profit or loss</b>					
- <i>Designated at fair value through profit or loss</i>	6 202 696	11 041 323	16 269 300	27 917 441	61 430 760
- <i>Trading derivatives</i>	6 405	31 176	31 016	-	68 597

As at 31 December 2024 analysis per remaining contractual maturities is as follows:

31.12.2024 - EUR' 000	< 3 months	From 3 months to 1 year	From 1 to 5 years	> 5 years	Total
Cash and cash equivalents	63 575	-	-	-	63 575
Financial assets at fair value through profit or loss					
- <i>Mandatorily at fair value through profit or loss</i>	4 502 308	7 413 592	17 609 084	19 592 928	49 117 912
- <i>Trading derivatives</i>	17 036	32 857	27 897	160	77 950
Loans and receivables	48 026	200	800	1 000	50 026
<b>Financial liabilities at amortised cost</b>	69 550	27 071			96 621
<b>Financial liabilities at fair value through profit or loss</b>					
- <i>Designated at fair value through profit or loss</i>	4 410 064	7 413 257	17 618 922	19 678 019	49 120 262
- <i>Trading derivatives</i>	16 793	33 124	26 979	0	76 896

**Notes to the financial statements**

As at 31 December 2025

**NOTE 15 – RISK MANAGEMENT (continued)**

**15.6 Fair Value measurement**

According to the fair value hierarchy established by IFRS 13, Level 3 (L3) comprises products valued using inputs that are not based on observable market data (referred to as unobservable inputs).

For these products, fair value is determined using models based on valuation techniques commonly used by market participants to measure financial instruments, such as discounted future cash flows for Notes or the Black & Scholes formula for certain options and using valuation parameters that reflect current market conditions as at the statement of financial position date. These valuation models are validated independently by the experts from the Market Risk Department of the Group's Risk Division.

Furthermore, the parameters used in the valuation models, whether derived from observable market data or not, are checked by the Finance Division of Société Générale, in accordance with the methodologies defined by the Market Risk Department.

The Notes and the related FFS are classified as Level 3 when the valuation of the associated embedded derivatives (underlying of the Notes) is also based on unobservable market data.

On each element of an identified list of unobservable parameters, it comes to determining the uncertainty of marking, and cross sensitivities with this uncertainty for a confidence interval of the value of the positions.

In parallel, marking the levels of each of these parameters is collected and reported in the Note.

The methods for determining the level of uncertainty, as well as calculating the confidence interval from sensitivities depend on each parameter.

Transfers from Level 2 to Level 3 are determined at the end of each month and occur in case of a modification within a parameter (e.g. no longer linked to the deal, modification of the observability rule of the parameter).

## Notes to the financial statements

As at 31 December 2025

## NOTE 15 – RISK MANAGEMENT (continued)

## 15.6.1 Estimates of Level 3 instruments and other most significant unobservable inputs as at 31 December 2025 (by type of underlying):

Type of underlying	Assets In million EUR	Liabilities In million EUR	Main products	Valuation techniques used	Significant unobservable inputs	Range of unobservable inputs Min & Max
Equity / funds	25 438	25 436	Simple and complex derivatives on funds, equities or baskets on stocks	Various option models on funds, equities or baskets on stocks	Equity volatilities	[3.0% ; 110.0%]
					Equity dividends	[0.0% ; 6.3%]
					Unobservable correlations	[-80.0% ; 124.0%]
					Hedge funds volatilities	N/A
					Mutual funds volatilities	[1.7% ; 26.8%]
Rates and Forex	14 714	14 716	Hybrid forex / interest rate or credit / interest rate derivatives	Hybrid forex interest rate or credit interest rate option pricing models	Correlations	[-60.0% ; 90.0%]
			Forex derivatives	Forex option pricing models	Forex volatilities	[1.0% ; 20.0%]
			Interest rate derivatives whose notional is indexed on the prepayment behavior on European collateral pools	Prepayment modeling	Constant prepayment rates	[0.0% ; 20.0%]
			Inflation instruments and derivatives	Inflation pricing models	Correlations	[83.0% ; 93.0%]
Credit	3 361	3 361	Collateralized Debt Obligations and index tranches	Recovery and base correlation projection models	Time to default correlations	[0.0% ; 100.0%]
			Other credit derivatives	Credit default models	Recovery rate variance for single name underlying	[0.0% ; 100.0%]
					Time to default correlations	[0.0% ; 100.0%]
					Quanto correlations	[0.0% ; 100.0%]
				Unobservable credit spreads	[0.0 bps ; 82.4 bps]	
Commodity	-	-	Derivatives on commodities baskets	Option models on commodities	Commodities correlations	N/A
<b>Total</b>	<b>43 514</b>	<b>43 513</b>				

Unobservable inputs add a degree of uncertainty in the valuation of Level 3 instruments. However, by its very nature, and considering mirror transactions are concluded with Société Générale to mirror the financial liabilities issued by the Company, the Company has no market risk exposure. The impact of an immediate change in an unobservable parameter would have no consequence on the net profit or net equity of the Company.

Moreover, changes in an unobservable parameter would have by underlying a minor effect on both assets and liabilities.

**Notes to the financial statements**

As at 31 December 2025

**NOTE 15 – RISK MANAGEMENT** (continued)

Finally, the Company considers that changes in the unobservable parameters would not a material impact on the profit or loss of the Company considering the mirroring in place for financial instruments (refer to Note 4).

**15.6.2. Carrying amounts and fair values of assets and liabilities not measured at fair value in the statement of financial position**

<b>31.12.2025 – EUR' 000</b>	<b>Carrying amount</b>	<b>Fair value</b>
Cash and cash equivalents	53 941	53 941
Loans and receivables *	50 026	50 095
Other assets	319 612	319 612
Financial liabilities at amortised cost *	88 828	88 912
Other liabilities	336 178	336 178
Tax liabilities	13	13

\* For Loans and receivables and Financial liabilities at amortised cost, the fair values are calculated by discounting the expected future cash flows under a EUR risk free curve adjusted with Société Générale Group credit spread curve (EUR swap curve from Bloomberg and Société Générale credit spread curve provided by Risk department Paris).

<b>31.12.2024 - EUR' 000</b>	<b>Carrying amount</b>	<b>Fair value</b>
Cash and cash equivalents	63 575	63 575
Loans and receivables *	50 026	50 094
Other assets	292 904	292 904

<b>31.12.2024 - EUR' 000</b>	<b>Carrying amount</b>	<b>Fair value</b>
<b>Financial liabilities at amortised cost *</b>	96 621	96 728
Other liabilities	306 067	306 067
Tax liabilities	87	87

\* For Loans and receivables and Financial liabilities at amortised cost, the fair values are calculated by discounting the expected future cash flows under a EUR risk free curve adjusted with Société Générale Group credit spread curve (EUR swap curve from Bloomberg and Société Générale credit spread curve provided by Risk department Paris).

Determining fair value is dependent on many factors and can be an estimate of what value may be obtained in the open market at any point in time.

Regarding financial instruments at amortised cost with short term maturity (<1 year), the Company considers the difference between fair value and carrying amount as non-material.

Regarding other assets and other liabilities, in consideration of their short-term nature, the Company considers the difference between fair value and carrying amount as non-material.

## Notes to the financial statements

As at 31 December 2025

## NOTE 15 – RISK MANAGEMENT (continued)

## 15.6.3 The fair value hierarchy of IFRS 13

As at 31 December 2025, the Company determined the fair values of its financial instruments on the basis of the following hierarchy:

31.12.2025 - EUR' 000	Level 1	Level 2	Level 3	Total
<b>Financial assets at fair value through profit or loss</b>				
<b>- Mandatorily at fair value through profit or loss</b>	-	<b>17 925 883</b>	<b>43 508 382</b>	<b>61 434 265</b>
<i>Commodities instruments</i>	-	982	-	982
<i>Credit derivatives/securities</i>	-	700 171	2 995 010	3 695 181
<i>Equity and index securities</i>	-	14 589 302	25 432 581	40 021 883
<i>Foreign exchange instruments/securities</i>	-	239 648	2 721 195	2 960 843
<i>Interest rate instruments/securities</i>	-	2 280 133	11 993 233	14 273 366
<i>Other financial instruments</i>	-	115 647	366 363	482 010
<b>- Trading derivatives</b>	-	<b>63 508</b>	<b>5 249</b>	<b>68 757</b>
<i>Equity and Index instruments</i>	-	63 490	5 249	68 739
<i>Foreign exchange instruments / securities</i>	-	-	-	-
<i>Other financial instruments</i>	-	18	-	18
<b>Financial liabilities at fair value through profit or loss</b>				
<b>- Designated at fair value through profit or loss</b>	-	<b>17 922 816</b>	<b>43 507 944</b>	<b>61 430 760</b>
<i>Commodities instruments</i>	-	982	-	982
<i>Credit derivatives/securities</i>	-	700 154	2 995 010	3 695 164
<i>Equity and index securities</i>	-	14 586 252	25 430 474	40 016 726
<i>Foreign exchange instruments/securities</i>	-	239 648	2 721 195	2 960 843
<i>Interest rate instruments/securities</i>	-	2 280 133	11 994 902	14 275 035
<i>Other financial instrument</i>	-	115 647	366 363	482 010
<b>- Trading derivatives</b>	-	<b>63 348</b>	<b>5 249</b>	<b>68 597</b>
<i>Equity and Index instruments</i>	-	63 330	5 249	68 579
<i>Foreign exchange instruments / securities</i>	-	-	-	-
<i>Other financial instruments</i>	-	18	-	18

## Notes to the financial statements

As at 31 December 2025

## NOTE 15 – RISK MANAGEMENT (continued)

As at 31 December 2024, the Company determined the fair values of its financial instruments on the basis of the following hierarchy:

31.12.2024 - EUR' 000	Level 1	Level 2	Level 3	Total
<b>Financial assets at fair value through profit or loss</b>				
<b>- Mandatorily at fair value through profit or loss</b>	-	<b>19 815 438</b>	<b>29 302 474</b>	<b>49 117 912</b>
<i>Commodities instruments</i>	-	1 546	0	1 546
<i>Credit derivatives/securities</i>	-	1 043 704	3 520 322	4 564 026
<i>Equity and index securities</i>	-	16 721 749	16 287 602	33 009 351
<i>Foreign exchange instruments/securities</i>	-	346 941	1 714 102	2 061 043
<i>Interest rate instruments/securities</i>	-	1 545 087	7 527 010	9 072 097
<i>Other financial instruments</i>	-	156 411	253 438	409 849
<b>- Trading derivatives</b>	-	<b>62 432</b>	<b>15 518</b>	<b>77 950</b>
<i>Equity and Index instruments</i>	-	62 134	9 527	71 661
<i>Foreign exchange instruments / securities</i>	-	298	5 991	6 289
<b>Financial liabilities at fair value through profit or loss</b>				
<b>- Designated at fair value through profit or loss</b>	-	<b>19 819 729</b>	<b>29 300 533</b>	<b>49 120 262</b>
<i>Commodities instruments</i>	-	1 546	0	1 546
<i>Credit derivatives/securities</i>	-	1 043 641	3 520 322	4 563 963
<i>Equity and index securities</i>	-	16 726 121	16 285 388	33 011 509
<i>Foreign exchange instruments/securities</i>	-	346 940	1 714 148	2 061 088
<i>Interest rate instruments/securities</i>	-	1 545 087	7 527 237	9 072 324
<i>Other financial instrument</i>	-	156 394	253 438	409 832
<b>- Trading derivatives</b>	-	<b>61 378</b>	<b>15 518</b>	<b>76 896</b>
<i>Equity and Index instruments</i>	-	61 080	9 527	70 607
<i>Foreign exchange instruments / securities</i>	-	298	5 991	6 289

## Notes to the financial statements

As at 31 December 2025

## NOTE 15 – RISK MANAGEMENT (continued)

The following table describes the variation in Level 3 by financial instruments (in KEUR):

Financial assets at fair value through profit or loss	Balance at 01.01.2025	Acquisitions (Issuance)	Change in fair value	Reimbursements	Transfers from L2 to L3	Transfers from L3 to L2	Balance 31.12.2025
<b>Mandatorily at fair value through profit or loss</b>	<b>29 302 474</b>	<b>18 999 605</b>	<b>2 914 840</b>	<b>(8 449 084)</b>	<b>1 488 513</b>	<b>(747 966)</b>	<b>43 508 382</b>
Credit derivatives/securities	3 520 322	570 992	(31 207)	(965 431)	38 573	(138 239)	2 995 010
Equity and index securities	16 287 602	10 959 796	1 414 941	(4 305 907)	1 658 296	(582 147)	25 432 581
Foreign exchange instruments/securities	1 714 101	1 680 660	(105 866)	(697 320)	133 558	(3 938)	2 721 195
Interest rate instruments/securities	7 527 011	5 484 114	1 638 861	(2 288 969)	(353 379)	(14 405)	11 993 233
Other financial instruments	253 438	304 043	(1 889)	(191 457)	11 465	(9 237)	366 363
<b>Trading derivatives</b>	<b>15 518</b>	<b>-</b>	<b>916</b>	<b>(11 185)</b>	<b>0</b>	<b>0</b>	<b>5 249</b>
Equity and index instruments	9 527	-	916	(5 194)	-	-	5 249
Other financial instruments	5 991	-	-	(5 991)	-	-	-

Financial liabilities at fair value through profit or loss	Balance at 01.01.2025	Acquisitions (Issuance)	Change in fair value	Reimbursements	Transfers from L2 to L3	Transfers from L3 to L2	Balance 31.12.2025
<b>Designated at fair value through P&amp;L</b>	<b>29 300 533</b>	<b>18 999 428</b>	<b>2 852 109</b>	<b>(8 479 321)</b>	<b>1 488 477</b>	<b>(653 282)</b>	<b>43 507 944</b>
Credit derivatives/securities	3 520 322	570 992	(31 207)	(965 431)	38 573	(138 239)	2 995 010
Equity and index securities	16 285 388	10 959 613	1 352 554	(4 336 144)	1 656 526	(487 463)	25 430 474
Foreign exchange instruments/securities	1 714 148	1 680 659	(105 912)	(697 320)	133 558	(3 938)	2 721 195
Interest rate instruments/securities	7 527 237	5 484 121	1 638 563	(2 288 969)	(351 645)	(14 405)	11 994 902
Other financial instruments	253 438	304 043	(1 889)	(191 457)	11 465	(9 237)	366 363
<b>Trading derivatives</b>	<b>15 518</b>	<b>-</b>	<b>916</b>	<b>(11 185)</b>	<b>-</b>	<b>-</b>	<b>5 249</b>
Equity and index instruments	9 527	-	916	(5 194)	-	-	5 249
Other financial instruments	5 991	-	-	(5 991)	-	-	-

**Notes to the financial statements**

As at 31 December 2025

**NOTE 15 – RISK MANAGEMENT** (continued)**Transfers from Level 3 to Level 2**

The consensus data provided by external counterparties are considered observable if the underlying market is liquid and if the prices provided are confirmed by actual transactions. For high maturities, these consensus data are not observable. This is the case for the implied volatility used for the valuation of options with maturities of more than five years. However, when the residual maturity of the instrument falls below five years, its fair value becomes sensitive to observable parameters.

**Transfers from Level 2 to Level 3**

Transfers from Level 2 to Level 3 can occur in case of a modification within a parameter (no longer linked to the deal, modification of the observability rule of the parameter, etc.).

**15.7 Operational risk**

Operational risk is the risk of loss or fraud caused by defects or failures in internal procedures or systems, human error or external events, including IT risk and management risk. Particular attention is paid to compliance risk, which receives enhanced monitoring.

The Company participates in the effort to strengthen the management and monitoring of operational risk led by the Société Générale Group. This effort is guided by the Operational Risk Department, which reports to the Société Générale Group Risk Department, and is relayed by different Group operational risk monitoring units responsible for implementing the policies and directives issued by the Société Générale Group and monitoring and controlling operational risks.

The monitoring arrangement mainly relies on four processes supervised by the operational risk departments: periodic risk and control self-assessment (RCSA), collection of internal data on losses due to operational errors with exhaustive real-time reporting of incidents, pattern analyses, and permanent control system.

These procedures are supplemented by a crisis management unit and a business continuity plan.

**NOTE 16 – RELATED PARTIES**

During the year, the Company entered into transactions with related parties. Those transactions along with related balances as at 31 December 2025 and 2024 are presented below. Related parties are considered to be a party that has the ability to control the Company or exercise significant influence over the Company in making financial or operational decisions. The Company has a related party relationship with SG Luxembourg, its parent company (Société Générale) and with its Executive Board Members, Supervisory Board Members and Executive Officers.

As disclosed below in the table, the Company entered into transactions with SG Luxembourg, its parent company (Société Générale) and other SG Group entities.

The issued Notes are sold to Société Générale as market maker, such Notes being expected to be subscribed *in fine* by third party investors, either for their own account or via distribution network. Moreover, all notes are guaranteed by Société Générale.

Also, the Company borrows securities from Société Générale, which serve as collateral for the secured Notes issued by the Company.

## Notes to the financial statements

As at 31 December 2025

## NOTE 16 – RELATED PARTIES (continued)

As at 31 December 2025 EUR' 000	Société Générale (Parent Company)	SG Luxembourg	Other SG Group entities
Cash and cash equivalents	51 612	1 360	8
<b>Financial assets at fair value through profit or loss</b>			
- <i>Mandatorily at fair value through profit or loss</i>	61 434 265	-	-
- <i>Trading derivatives</i>	68 757	-	-
Loans and receivables	-	50 026	-
Other assets	319 612	-	-
<b>Total assets</b>	<b>61 874 246</b>	<b>51 386</b>	<b>8</b>
Financial liabilities at amortised cost	644	88 177	-
<b>Financial liabilities at fair value through profit or loss</b>			
- <i>Designated at fair value through profit or loss</i>	442 263	-	2 559 215
- <i>Trading derivatives</i>	3 593	-	-
Other liabilities	323 381	12 796	-
Tax liabilities	-	-	-
<b>Total liabilities</b>	<b>769 881</b>	<b>100 973</b>	<b>2 559 215</b>
Interest income	-	1 317	-
Commission income	59 495	-	-
<b>Total revenues</b>	<b>59 495</b>	<b>1 317</b>	<b>-</b>
Interest expenses	-	(41 349)	-
Personnel expenses	-	(191)	-
Other operating expenses	(3 380)	(9 445)	-
<b>Total expenses</b>	<b>(3 380)</b>	<b>(50 985)</b>	<b>-</b>
<b>Total comprehensive income for the financial year</b>	<b>56 115</b>	<b>(49 668)</b>	<b>-</b>
<b>Financial commitments</b>	<b>9 450 158</b>	<b>-</b>	<b>-</b>
<b>Financial commitments-collateral to be returned</b>	<b>10 393 278</b>	<b>-</b>	<b>-</b>

## Notes to the financial statements

As at 31 December 2025

## NOTE 16 – RELATED PARTIES (continued)

As at 31 December 2024 EUR' 000	Société Générale (Parent Company)	SG Luxembourg	Other SG Group entities
Cash and cash equivalents	57 309	0	12
<b>Financial assets at fair value through profit or loss</b>			
- <i>Mandatorily at fair value through profit or loss</i>	49 117 912	-	-
- <i>Trading derivatives</i>	77 950	-	-
Loans and receivables	-	50 026	-
Other assets	292 904	-	-
<b>Total assets</b>	<b>49 546 075</b>	<b>50 026</b>	<b>12</b>
Financial liabilities at amortised cost	262	93 529	
<b>Financial liabilities at fair value through profit or loss</b>			
- <i>- Designated at fair value through profit or loss</i>	140 341	-	312 728
- <i>- Trading derivatives</i>	36 207	-	-
Other liabilities	302 977	3 090	-
Tax liabilities	-	-	-
<b>Total liabilities</b>	<b>479 787</b>	<b>96 619</b>	<b>312 728</b>
Interest income	-	2 018	-
Commission income	42 769	-	-
<b>Total revenues</b>	<b>42 769</b>	<b>2 018</b>	<b>-</b>
Interest expenses	-	(29 041)	-
Personnel expenses	-	(256)	-
Other operating charges	(4 205)	(4 953)	-
<b>Total expenses</b>	<b>(4 205)</b>	<b>(34 250)</b>	<b>-</b>
<b>Total comprehensive income for the financial year</b>	<b>38 564</b>	<b>(32 232)</b>	<b>-</b>
<b>Financial commitments</b>	<b>8 545 530</b>	<b>-</b>	<b>-</b>
<b>Financial commitments-collateral to be returned</b>	<b>7 251 220</b>	<b>-</b>	<b>-</b>

## Notes to the financial statements

As at 31 December 2025

### **NOTE 17 – REMUNERATION, ADVANCES AND LOANS GRANTED TO MEMBERS OF THE ADMINISTRATIVE OR SUPERVISORY BODY**

The independent director of the Company earned a remuneration of EUR 28 000 for his services related to the year ended 31 December 2025 (31 December 2024: EUR 28 000).

As at 31 December 2025 and 2024, no other payment, advance or loans were given to members of the administrative or supervisory body.

### **Note 18 – INFORMATION ON LITIGATIONS**

During the financial year ending on 31 December 2020, SG Issuer, as the Issuer of notes linked to the credit risk of a French company (thereafter the “Notes”), and Société Générale, as the Guarantor, were brought before the Courts of Paris (alongside other French financial institutions) by end investors to obtain compensation for the financial loss they suffered on their investment in these securities. The French company was the subject of a “safeguard procedure”, which constitutes a credit event under the terms of the Notes which had a strong impact on the value of the Notes. These investors rely on unfounded allegations according to which SG Issuer and Société Générale were aware of the difficulties of the French company when setting up and marketing these Notes and that in doing so, they failed to meet their regulatory obligations (to act in an honest, fair and professional manner, to provide information on the product risks and to determine the suitability of the Notes for retail investors).

For the financial year ending on 31 December 2025, there has been no adverse changes.

For this litigation, along with any other litigation relating to securities issued by SG Issuer, SG Issuer is entitled to an indemnification by Société Générale in respect of any amount due by SG Issuer regarding potential damages or attorneys' fees.

### **NOTE 19 – CAPITAL MANAGEMENT**

In consideration of the information mentioned in the previous notes, the exposure of the Company to various risks is limited thanks to the mirroring that is in place for the financial instruments: any changes in the fair value or cash flows of the issued financial instruments are economically offset by corresponding changes in the hedging instruments. This mirroring mechanism therefore mitigates capital and risk management requirements.

The Company does not have any loan covenants.

For dividends, please refer to the Note 8.2.2.

**Notes to the financial statements**

As at 31 December 2025

**NOTE 20 – USE OF DERIVATIVES**

The Company uses derivatives to mirror the instruments issued. These derivatives are measured at fair value through profit or loss.

The Company does not apply hedge accounting.

For further details on the derivatives, please refer to Notes 4.1 and 15.

**NOTE 21 - SIGNIFICANT CHANGES IN THE CURRENT PERIOD**

There are no significant events in the current period that may have an impact on the financial statements that would not be included in the preceding notes.

Following the decision of the Extraordinary General Meeting of 26 March 2025, the Company has changed its corporate address to 10, Porte de France, L-4360 Esch-sur-Alzette, Luxembourg.

**NOTE 22 – SUBSEQUENT EVENTS**

There were no subsequent events which could have a significant impact on the financial information as at 31 December 2025.

**APPENDIX III**

**REPRODUCTION OF THE PRESS RELEASE DATED 30 APRIL 2026  
CONTAINING THE GUARANTOR'S CONSOLIDATED FINANCIAL RESULTS  
FOR THE FIRST QUARTER ENDED 31 MARCH 2026**

The information set out below is a reproduction of the press release dated 30 April 2026 containing the Guarantor's consolidated financial results for the first quarter ended 31 March 2026.

## **RESULTS AT 31 MARCH 2026**

### **Press release**

Paris, 30 April 2026 at 6:25 a.m.

**ROTE OF 11.7%<sup>1</sup> IN Q1 26, WELL ABOVE THE 2026 TARGET**

**COST-TO-INCOME RATIO OF 60.9%<sup>2</sup> IN Q1 26**

**COSTS DOWN -6.0% VS. Q1 25**

**COST OF RISK OF 25BPS, AT THE LOW END OF THE 2026 GUIDANCE RANGE**

- **Revenues of EUR 7.1 billion in Q1 26, up by +0.3% vs. Q1 25**
- **Strict cost discipline with operating expenses down -6.0% vs. Q1 25**, better than the 2026 annual target of a decrease of ~-3%
- **Cost-to-income ratio of 60.9%<sup>2</sup> in Q1 26** vs. 65.0% in Q1 25
- **Cost of risk at 25bps in Q1 26**, at the low end of the 2026 guidance range of 25 to 30bps. High S1/S2 buffer of EUR 2.9bn (or ~2.0x 2025 cost of risk)
- **Group net income of EUR 1,696 million in Q1 26**, +5.5% vs. Q1 25
- **Profitability (ROTE) of 11.7%** and 12.7% with IFRIC 21 linearisation and excluding net gains on other assets, above the 2026 annual target of >10%
- **Completion on 18 March 2026 of the 2025 ordinary share buy-back programme** of EUR 1,462 million, launched on 9 February 2026
- **CETI ratio of 13.5% at end of Q1 26**, around 325bps above the regulatory requirement, including -6bps related to the consolidation of Bernstein US activities
- **Liquidity Coverage Ratio of 149% at end of Q1 26**

### **Slawomir Krupa, the Group's Chief Executive Officer, commented:**

*"This quarter, we continued delivering a strong financial performance. Solid revenue momentum, structural reduction in costs, and ongoing improvement in our cost-to-income ratio led to a 2026 first quarter profitability level well above our full-year target.*

*In a particularly uncertain geopolitical and economic environment, our diversified model, prudent risk management, and strong capital position are key strengths supporting a resilient business that serves the needs of our clients. I would like to warmly thank all our teams for their performance and commitment.*

*Through the disciplined and rigorous execution of our strategic plan, we are moving forward with confidence towards achieving our 2026 financial targets and further strengthening Societe Generale's position among leading European banks."*

<sup>1</sup> ROTE of 12.7% with IFRIC 21 linearisation and excluding net gains on other assets

<sup>2</sup> C/I ratio of 57.6% with IFRIC 21 linearisation

## 1. GROUP CONSOLIDATED RESULTS

In EURm	Q1 26	Q1 25	Change	
Net banking income	7,106	7,083	+0.3%	+4.4%*
Operating expenses	(4,330)	(4,604)	-6.0%	-2.6%*
Gross operating income	2,776	2,479	+12.0%	+17.7%*
Net cost of risk	(355)	(344)	+3.2%	+2.6%*
Operating income	2,421	2,135	+13.4%	+20.3%*
Net profits or losses from other assets	64	202	-68.3%	-68.3%*
Net income from companies accounted for by the equity method	7	8	-15.2%	-14.0%*
Income tax	(542)	(490)	+10.6%	+18.4%*
Net income	1,949	1,855	+5.1%	+10.4%*
o.w. non-controlling interests	253	247	+2.4%	+4.9%*
Group net income	1,696	1,608	+5.5%	+11.3%*
ROE	10.4%	9.7%		
ROTE	11.7%	11.0%		
Cost to income	60.9%	65.0%		

Asterisks\* in the document refer to data at constant scope and exchange rates

Societe Generale's Board of Directors, which met on 29 April 2026 under the chairmanship of Lorenzo Bini Smaghi, examined the Societe Generale Group's results for the first quarter of 2026.

### Net banking income

**Net banking income for the quarter stood at EUR 7,106 million**, up +0.3% vs. Q1 25. It rose by **+4.4% at constant perimeter and exchange rates**, including an impact from asset disposals of EUR -154 million.

**French Retail, Private Banking and Insurance** revenues were up +8.9% vs. Q1 25 (+10.7% vs. Q1 25 at constant perimeter and exchange rates). They stood at EUR 2,504 million in Q1 26. Net interest income increased sharply by +12.0% vs. Q1 25 and by +13.8% at constant perimeter and exchange rates. **Private Banking** assets under management and life insurance outstandings, which grew strongly again this quarter, were up +6% and +8% respectively in Q1 26 vs. Q1 25. Lastly, **BoursoBank**, with a solid base of 8.9 million clients at end-March 2026, posted a profitable growth with a contribution to Group net income of EUR 92 million in Q1 26, in line with the 2026 annual target of more than EUR 300 million.

**Global Banking and Investor Solutions** reported revenues of EUR 2,755 million in Q1 26, down -4.9% from the very high level in Q1 25, and down -0.5% at constant perimeter and exchange rates, significantly impacted by a negative US dollar currency effect. **Global Markets** posted a decrease in revenue of -3.9% in Q1 26 vs. Q1 25. **Equity** revenues were up +5.5% in Q1 26 from a high level in Q1 25 to reach a record high. Activity was especially robust in flow products and financing activities, with an increase in volumes in the Prime Brokerage business. **Fixed Income and Currencies** recorded a fall in revenues of -18.2% from Q1 25, due to less favourable commercial momentum and conditions in rates, particularly in Europe. **Securities Services'** revenues were up +7.7% in Q1 26 vs. Q1 25, benefiting from sustained commercial momentum in all key markets. **Global Banking & Advisory** reported a decline in performance due to a negative currency effect, mainly from the US dollar, an unfavourable base effect due to a strong quarter in Q1 25, and weaker commercial activity in investment banking. Overall, origination was strong in the infrastructure, telecoms & media sectors. Lastly, although commercial activity with corporate clients remained buoyant, **Global Transaction & Payment Services** posted a -2.4% fall in revenues compared with Q1 25, mainly due to currency movements. At constant exchange rates, revenues were slightly down -0.4% compared with Q1 25. Commercial activity remained strong, driven by solid deposit collection from the corporate client segment.

Revenues from **Mobility, International Retail Banking and Financial Services** totalled EUR 1,943 million in Q1 26, up +2.9% vs. Q1 25 at constant perimeter and exchange rates. **International Retail Banking** reported revenues up +2.0% vs. Q1 25 at constant perimeter and exchange rates. Revenues from **Mobility and Financial Services** were up +3.7% vs. Q1 25 at constant perimeter and exchange rates. Ayvens' revenues grew by +1.7% vs. Q1 25, mainly driven by higher margins. **Consumer Finance** revenues were up +13.9% vs. Q1 25, boosted by the steady improvement in margins.

**Corporate Centre** revenues amounted to EUR -96 million in Q1 26.

## Operating expenses

**Operating expenses came to EUR 4,330 million in Q1 26, down -6.0% vs. Q1 25 and -2.6% at constant perimeter and exchange rates.** The fall in operating expenses is notably due to completed disposals as part of the Group's transformation plan, which accounted for EUR 100 million, a currency effect of EUR 57 million, and a reduction in transformation costs of EUR 62 million. Excluding these items, operating expenses fell by EUR 55 million, confirming a strong cost discipline.

Operating expenses include approximately **EUR 318 million** in taxes fully recognised in Q1 26 under IFRIC 21. There was a significant improvement in operating leverage with a **cost-to-income ratio of 60.9% for the quarter**, down sharply compared with Q1 25 (65.0%). It was **57.6% in Q1 26 with IFRIC 21 linearisation, below the annual target of <60%**.

## Cost of risk

**The cost of risk for the quarter was 25 basis points**, or EUR 355 million, below the guidance of between 25 and 30 basis points for 2026. This comprises a EUR 348 million provision for doubtful loans (around 25 basis points) and an increase in provisions for performing loans of EUR 7 million.

The Group had a stock of provisions<sup>1</sup> for performing loans of EUR 2,946 million at the end of March 2026, stable compared with 31 December 2025. The stock of stage 2 provisions rose by +0.8% vs. the end of December 2025, accounting for 3.5%<sup>2</sup> of the amount of stage 2 loans outstanding.

The gross non-performing loan ratio stood at 2.75%<sup>3</sup> at 31 March 2026, slightly down from its level at the end of December 2025 (2.81%). The net coverage ratio on the Group's non-performing loans stood at 82%<sup>4</sup> at 31 March 2026 (after netting of guarantees and collateral).

## Net profits from other assets

The Group recognised a net profit from other assets of EUR 64 million in Q1 26, mainly related to the accounting impact of the disposal of a real estate asset in France.

## Group net income

**Group net income stood at EUR 1,696 million for the quarter**, corresponding to a Return on Tangible Equity (ROTE) of 11.7%, well above the guidance set for 2026 of >10%. ROTE was 12.7% with IFRIC 21 linearisation and excluding net gains on other assets.

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<sup>1</sup> On and off-balance sheet provision outstandings

<sup>2</sup> Ratio calculated only on on-balance sheet outstanding

<sup>3</sup> Ratio calculated according to EBA methodology published on 16 July 2019 and excluding loans outstanding of companies currently being disposed of in compliance with IFRS 5

<sup>4</sup> Ratio of S3 provisions, guarantees and collaterals over gross outstanding non-performing loans

## **2. SUSTAINABLE DEVELOPMENT**

The Group continues to make an active contribution to the environmental transition, progressing with the decarbonisation of its credit portfolios and supporting clients with innovative solutions.

In the current context, the need to adapt to the effects of climate change creates new business opportunities.

Water is a key focus in which the Group is positioning, with the launch of various initiatives and participation in the financing of several landmark transactions, especially in major desalination and water treatment projects.

The Group also supports the acceleration of the afforestation process, as demonstrated by its participation in the innovative financing of Chestnut Carbon's sustainable restoration project in the United States.

In addition, Societe Generale Assurances, in collaboration with other insurance players, has launched an innovative market solution, Geoya, designed to help retail clients reduce the climate risk vulnerability of their homes.

Societe Generale's sustainable development actions are recognised, as evidenced by high scores from extra-financial rating agencies and top-tier awards.

### 3. THE GROUP'S FINANCIAL STRUCTURE

At 31 March 2026, the Group's **Common Equity Tier 1** ratio stood at 13.5%, or around 325 basis points above the regulatory requirement, including -6 basis points related to the consolidation of Bernstein US activities.

Following the ECB's publication of our systemic bank score, the capital requirement of the Group in respect of the combined buffer requirement will increase by 25 basis points, with 12.5 basis points effective as of 1 January 2027 and a further 12.5 basis points as of 1 January 2028. This increase had already been anticipated in our capital trajectory, which still targets a CET1 ratio above 13%, comfortably above the regulatory requirement.

In terms of liquidity, the Liquidity Coverage Ratio (LCR) was well ahead of regulatory requirements at 149% at end-March 2026 (145% on average for the quarter), while the Net Stable Funding Ratio (NSFR) stood at 117% at end-March 2026.

All liquidity and solvency ratios are well above the regulatory requirements.

	31/03/2026	31/12/2025	Requirements
CET1 <sup>(1)</sup>	13.5%	13.5%	10.26%
Tier 1 ratio <sup>(1)</sup>	16.3%	16.0%	12.18%
Total Capital <sup>(1)</sup>	18.8%	18.5%	14.74%
Leverage ratio <sup>(1)</sup>	4.4%	4.5%	3.60%
TLAC (% RWA) <sup>(1)</sup>	29.7%	29.7%	22.38%
TLAC (% leverage) <sup>(1)</sup>	8.0%	8.3%	6.75%
MREL (% RWA) <sup>(1)</sup>	32.4%	32.5%	27.49%
MREL (% leverage) <sup>(1)</sup>	8.7%	9.1%	6.13%
End of period LCR	149%	144%	100%
Period average LCR	145%	143%	100%
NSFR	117%	116%	100%

In EURbn	31/03/2026	31/12/2025
Total consolidated balance sheet	1,627	1,547
Shareholders' equity, Group share	71	70
Risk-weighted assets	397	393
O.w. credit risk	324	319
Total funded balance sheet	957	934
Customer loans	475	466
Customer deposits	626	605

As of 31 March 2026, the parent company had issued EUR 7.4 billion of medium- and long-term debt under its 2026 vanilla funding programme, of which EUR 3.1 billion issued at end of 2025. The subsidiaries had issued EUR 0.8 billion of vanilla debt. In all, the Group has issued a total of EUR 8.2 billion in medium and long-term debt.

As of 16 April 2026, the parent company's 2026 funding programme was executed at 55% for vanilla issuances.

The Group is rated by four rating agencies: (i) FitchRatings - long-term rating "A-", stable outlook, senior preferred debt rating "A", short-term rating "F1"; (ii) Moody's - long-term rating (senior preferred debt) "A1", negative outlook, short-term rating "P-1"; (iii) R&I - long-term rating (senior preferred debt) "A", stable outlook; and (iv) S&P Global Ratings - long-term rating (senior preferred debt) "A", stable outlook, short-term rating "A-1".

<sup>1</sup> Including Basel IV phasing

## 4. FRENCH RETAIL, PRIVATE BANKING AND INSURANCE

In EURm	Q1 26	Q1 25	Change	
Net banking income	2,504	2,299	+8.9%	+10.7%*
<i>Of which net interest income</i>	1,189	1,061	+12.0%	+13.8%*
<i>Of which net fee income</i>	1,114	1,056	+5.5%	+7.5%*
Operating expenses	(1,494)	(1,566)	-4.6%	-2.4%*
Gross operating income	1,010	734	+37.6%	+38.1%*
Net cost of risk	(164)	(171)	-3.8%	-3.8%*
Operating income	846	563	+50.2%	+50.8%*
Net profits or losses from other assets	1	7	-83.0%	-83.0%*
Group net income	625	421	+48.4%	+49.0%*
RONE	13.7%	9.5%		
Cost to income	59.7%	68.1%		

### Commercial activity

#### The SG Network, Private Banking and Insurance

The SG Network's deposit outstandings totalled EUR 221 billion in Q1 26, down -2% compared with Q1 25. Retail savings and investment products continue to grow.

The SG Network's loans outstanding totalled EUR 190 billion in Q1 26, decreasing by -1% vs. Q1 25. Excluding PGE (state-guaranteed loans), loans were stable vs. Q1 25.

The loan to deposit ratio stood at 86% in Q1 26.

**Private Banking** saw net inflows of EUR 2.8 billion in Q1 26, with annualised inflows in Q1 26 representing 8% of assets under management. Assets under management grew by +6% vs. Q1 25 to a record level of EUR 138 billion in Q1 26. Net banking income amounted to EUR 336 million for the quarter, up +3.9% at constant perimeter and exchange rates.

**Insurance**, which covers activities in and outside France, once again posted a very strong commercial performance. Life insurance net savings inflows amounted to a record level of EUR 2.6 billion in Q1 26. Life insurance outstandings increased by +8% vs. Q1 25 to reach a record level of EUR 159 billion in Q1 26. The share of unit-linked products remained solid at 41%.

#### BoursoBank

Assets under administration, including deposits and financial savings, reached EUR 80 billion in Q1 26, up +15% vs. Q1 25. They represent around EUR 9,000 per client. Deposit balances rose sharply by +12% vs. Q1 25 to stand at EUR 48 billion in Q1 26. Life insurance outstandings increased by +14% vs. Q1 25 to reach EUR 15 billion. Brokerage showed a record number of market orders of 4 million, up +30% vs. Q1 25.

Outstanding loans totalled EUR 17.6 billion in Q1 26, increasing by +8% compared with Q1 25.

BoursoBank had close to 8.9 million clients in Q1 26. BoursoBank has once again confirmed its leading position in France in terms of client satisfaction with the highest NPS (Net Promoter Score) in the French banking sector<sup>1</sup>. BoursoBank was also ranked as the best Bank in customer relationship in France<sup>2</sup>.

<sup>1</sup> Bain & Company, April 2026

<sup>2</sup> « Podium de la relation Client », BearingPoint and Kantar, March 2026

BoursoBank's Group net income stands at EUR 92 million in Q1 26, in line with the 2026 annual target of more than EUR 300 million. RONE stands at 65.9% in Q1 26.

### **Net banking income**

**Over the quarter**, revenues amounted to EUR 2,504 million (including PEL/CEL provision), up +8.9% compared with Q1 25 and +10.7% at constant perimeter and exchange rates. Net interest income grew by +12.0% vs. Q1 25 and fee income was up +5.5% relative to Q1 25.

### **Operating expenses**

**Over the quarter**, operating expenses came to EUR 1,494 million, down -4.6% vs. Q1 25 and -2.4% at constant perimeter and exchange rates. The cost-to-income ratio stood at 59.7% in Q1 26, a sharp improvement of 8.4 percentage points vs. Q1 25.

### **Cost of risk**

**Over the quarter**, the cost of risk was EUR 164 million, or 28 basis points vs. 34 basis points in Q4 25.

### **Group net income**

**Over the quarter**, Group net income totalled EUR 625 million. RONE stood at 13.7% in Q1 26 vs. 9.5% in Q1 25.

## 5. GLOBAL BANKING AND INVESTOR SOLUTIONS

In EURm	Q1 26	Q1 25	Change	
Net banking income	2,755	2,896	-4.9%	-0.5%*
Operating expenses	(1,723)	(1,755)	-1.9%	+1.4%*
Gross operating income	1,032	1,140	-9.5%	-3.6%*
Net cost of risk	(47)	(55)	-15.9%	-15.9%*
Operating income	986	1,085	-9.1%	-3.0%*
Group net income	773	856	-9.7%	-3.8%*
RONE	18.3%	18.7%		
Cost to income	62.5%	60.6%		

### Net banking income

**Global Banking and Investor Solutions** reported revenues of EUR 2,755 million, down -4.9% from a high level in Q1 25, and slightly down by -0.5% at constant exchange rates.

**Global Markets and Investor Services** reported revenues of EUR 1,866 million in Q1 26, down -2.9% vs. Q1 25, and up +1.1% at constant exchange rates.

**Global Markets** revenues fell -3.9% to EUR 1,690 million over the quarter compared with a strong Q1 25. They are up +0.5% at constant exchange rates.

**Equities** recorded an increase of +5.5% in revenues, a record quarter. This was supported by strong flow activity. Financing activities also grew with increased prime brokerage volumes. Revenues amounted to EUR 1,119 million for the quarter. At constant exchange rates revenues increased by +10.9% vs. Q1 25.

**Fixed Income and Currencies** fell -18.2% vs. Q1 25 with revenues of EUR 571 million. Performance was impacted by lower revenues in Rates Europe due to challenging commercial and market conditions. At constant exchange rates revenues declined by -15.1% vs. Q1 25.

**Securities Services** revenues were up +7.7% vs. Q1 25 to EUR 176 million, driven by strong commercial activity across key markets.

**Financing and Advisory** revenues totalled EUR 889 million in Q1 26, which represent -8.6% decline when compared with Q1 25, and -3.8% at constant exchange rates.

**Global Banking & Advisory** posted -10.7% decline in revenues vs. a record first quarter last year. The solid commercial momentum was offset by softer Investment Banking revenues. Origination revenues increased across key sectors including Infrastructure and Telecom & Media. At constant exchange rates revenues declined by -5.0% vs. Q1 25.

**Global Transaction & Payment Services** posted a -2.4% decrease in revenues vs. Q1 25. At constant exchange rates revenues were flat (-0.4%) vs. Q1 25 despite negative interest rates impact. Commercial activity remained strong with sustained growth in corporate deposits.

### **Operating expenses**

**Over the quarter**, operating expenses decreased by -1.9% vs. Q1 25 to EUR 1,723 million. The cost-to-income ratio was 62.5% in Q1 26.

### **Cost of risk**

**This quarter**, the cost of risk was EUR 47 million, or 12 basis points compared to 28 basis points in Q4 25.

### **Group net income**

**Over the quarter**, Group net income fell -9.7% vs. Q1 25 to EUR 773 million. Global Banking and Investor Solutions reported a high RONE of 18.3% in Q1 26.

## 6. MOBILITY, INTERNATIONAL RETAIL BANKING AND FINANCIAL SERVICES

In EURm	Q1 26	Q1 25	Change	
Net banking income	1,943	2,000	-2.9%	+2.9%*
Operating expenses	(1,043)	(1,180)	-11.6%	-5.3%*
Gross operating income	900	820	+9.8%	+14.5%*
Net cost of risk	(146)	(124)	+17.5%	+15.7%*
Operating income	754	696	+8.4%	+14.2%*
Net profits or losses from other assets	2	0	x 28.5	x 28.5*
Non-controlling interests	220	212	+3.8%	+6.8%*
Group net income	365	318	+14.5%	+21.6%*
RONE	13.7%	11.2%		
Cost to income	53.7%	59.0%		

### Commercial activity

#### International Retail Banking

The solid commercial momentum in **International Retail Banking** continued during the quarter. Loans outstanding increased by +4.7%\* vs. Q1 25 to EUR 62 billion, and deposits outstanding by +7.3%\* vs. Q1 25 to EUR 79 billion.

In **Europe**, loans outstanding continued to grow strongly vs. Q1 25 both for retail and corporate clients. Loans increased by +6.1%\* vs. Q1 25 to EUR 47 billion, of which +5.2%\* in the Czech Republic and +9.3%\* in Romania. Deposits grew by +9.6%\* vs. Q1 25 to EUR 61 billion in Q1 26, of which +8.1%\* in the Czech Republic and +14.2%\* in Romania.

In **Africa, the Mediterranean Basin and French Overseas Territories** region, outstandings were broadly stable\* vs. Q1 25. Loans increased slightly by +0.6%\* to EUR 15 billion in Q1 26. Deposits remained at EUR 18 billion in Q1 26, stable\* vs. Q1 25.

#### Mobility and Financial Services

**Ayvens'** earning assets totalled EUR 52.5 billion in Q1 26, down slightly by -1.8% vs. Q1 25. This reflects the strategic initiatives aimed at improving profitability and prudent management of residual values.

**Consumer Finance** posted loans outstanding of EUR 23 billion in Q1 26.

### Net banking income

Over the quarter, **Mobility, Retail Banking and International Financial Services** posted revenues at EUR 1,943 million in Q1 26, up +2.9%\* vs. Q1 25.

**International Retail Banking** reported revenues of EUR 880 million in Q1 26, up +2.0%\* vs. Q1 25.

In **Europe**, revenues remained at EUR 520 million in Q1 26, stable\* vs. Q1 25. The increase in net interest income was offset by lower fee income during the quarter.

In **Africa, the Mediterranean Basin and French Overseas Territories**, revenues totalled EUR 360 million in Q1 26, up +5.1%\* vs. Q1 25, both for net interest income and fee income.

**Mobility and Financial Services** reported solid revenues of EUR 1,063 million in Q1 26, up +3.7%\* vs. Q1 25.

**Ayvens'** revenues rose slightly by +1.7%<sup>1</sup> vs. Q1 25, to EUR 809 million in Q1 26. The strategic refocus on profitability is paying off, with high margins this quarter (587<sup>2</sup> bps, +25 bps vs. Q1 25). The decrease in result from used car sales (EUR 470<sup>3</sup> per unit in Q1 26 within the 2026 annual guidance of EUR 200-600<sup>3</sup>) was partially offset by the lower impact of depreciation adjustments in Q1 26. Adjusted for non-recurring items<sup>2</sup>, Ayvens' revenues were down -1.6%<sup>1</sup> vs. Q1 25. At a company level, Ayvens has a ROTE of 13.9%<sup>4</sup>, on track to reach its 2026 target.

**Consumer Finance** delivered strong revenue growth of +13.9% vs. Q1 25 (EUR 254 million in Q1 26), partly due to margins, which continued to improve during the quarter.

### **Operating expenses**

**Over the quarter**, operating expenses amounted to EUR 1,043 million in Q1 26, down -5.3%\* vs. Q1 25. The cost-to-income ratio improved in Q1 26 to 53.7% vs. 59.0% in Q1 25.

**International Retail Banking** reported a fall in costs of -4.2%\* vs. Q1 25 in both regions, to EUR 493 million in Q1 26.

The **Mobility and Financial Services** division reported a fall of -6.3%\* vs. Q1 25, to EUR 550 million in Q1 26, mainly due to lower costs at Ayvens.

### **Cost of risk**

**Over the quarter**, the cost of risk amounted to EUR 146 million, or 40 basis points, higher than in Q4 25 (30 basis points).

### **Group net income**

**Over the quarter**, Group net income came to EUR 365 million, up +21.6%\* vs. Q1 25. RONE improved to 13.7% in Q1 26 vs. 11.2% in Q1 25. RONE was 14.3% in International Retail Banking and 13.2% in Mobility and Financial Services in Q1 26.

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<sup>1</sup> Ayvens' revenues at SG level

<sup>2</sup> Excluding non-recurring items, mainly from treasury activities and hyperinflation in Turkey

<sup>3</sup> Gross UCS result, excluding the impact of depreciation adjustments

<sup>4</sup> As communicated in Ayvens Q1 26 results

## 7. CORPORATE CENTRE

In EURm	Q1 26	Q1 25
Net banking income	(96)	(112)
Operating expenses	(71)	(103)
<b>Gross operating income</b>	<b>(167)</b>	<b>(215)</b>
Net cost of risk	1	6
Net profits or losses from other assets	61	192
Income tax	63	60
<b>Group net income</b>	<b>(67)</b>	<b>12</b>

The Corporate Centre includes:

- the property management of the Group's head office,
- the Group's equity portfolio,
- the Treasury function for the Group,
- certain costs related to cross-functional projects, as well as various costs incurred by the Group that are not re-invoiced to the businesses.

### Net banking income

The **Corporate Centre's net banking income totalled EUR -96 million** for the quarter, vs. EUR -112 million in Q1 25.

### Operating expenses

**Operating expenses totalled EUR -71 million** for the quarter, vs. EUR -103 million in Q1 25.

### Net profits from other assets

The **Corporate Centre recognised EUR 61 million in net profits from other assets** during the quarter, mainly following the disposal of a real estate property in France.

### Group net income

The **Corporate Centre's net income totalled EUR -67 million** for the quarter, vs. EUR +12 million in Q1 25.

## 8. 2026 FINANCIAL CALENDAR

2026 Financial communication calendar	
27 May 2026	Combined General Meeting of Shareholders
1 June 2026	Ex-dividend date of the final dividend
3 June 2026	Payment of the final dividend
30 July 2026	Second quarter and half-year 2026 results
21 September 2026	Capital Markets Day
5 October 2026	Ex-dividend date for the interim dividend
7 October 2026	Payment of the interim dividend
29 October 2026	Third quarter and nine-month 2026 results
4 February 2027	Fourth quarter and full-year 2026 results

## 9. APPENDIX 1: FINANCIAL DATA

### GROUP NET INCOME BY CORE BUSINESS

In EURm	Q1 26	Q1 25	Variation
French Retail, Private Banking and Insurance	625	421	+48.4%
Global Banking and Investor Solutions	773	856	-9.7%
Mobility, International Retail Banking & Financial Services	365	318	+14.5%
<b>Core Businesses</b>	<b>1,763</b>	<b>1,596</b>	<b>+10.5%</b>
Corporate Centre	(67)	12	n/s
<b>Group</b>	<b>1,696</b>	<b>1,608</b>	<b>+5.5%</b>

### MAIN EXCEPTIONAL ITEMS

In EURm	Q1 26	Q1 25
<b>Operating expenses - Total one-off items and transformation charges</b>	<b>(12)</b>	<b>(74)</b>
Transformation charges	(12)	(74)
<i>Of which French Retail, Private Banking and Insurance</i>	(4)	(23)
<i>Of which Global Banking &amp; Investor Solutions</i>	(4)	(12)
<i>Of which Mobility, International Retail Banking &amp; Financial Services</i>	(4)	(39)
<i>Of which Corporate Centre</i>	(0)	-
<b>Other one-off items - Total</b>	<b>64</b>	<b>202</b>
Net profits or losses from other assets	64	202

## CONSOLIDATED BALANCE SHEET

In EUR m	31/03/2026	31/12/2025
Cash, due from central banks	154,586	133,322
Financial assets at fair value through profit or loss	599,169	576,057
Hedging derivatives	8,385	8,007
Financial assets at fair value through other comprehensive income	100,961	101,088
Securities at amortised cost	58,245	50,963
Due from banks at amortised cost	86,080	76,287
Customer loans at amortised cost	463,287	454,504
Revaluation differences on portfolios hedged against interest rate risk	(1,197)	(768)
Insurance and reinsurance contracts assets	501	649
Tax assets	4,313	4,709
Other assets	84,410	73,313
Non-current assets held for sale	2,706	2,496
Investments accounted for using the equity method	273	433
Tangible and intangible fixed assets	60,004	60,498
Goodwill	5,235	5,083
<b>Total</b>	<b>1,626,957</b>	<b>1,546,641</b>

In EUR m	31/03/2026	31/12/2025
Due to central banks	12,618	9,737
Financial liabilities at fair value through profit or loss	425,695	398,054
Hedging derivatives	15,336	13,919
Debt securities issued	150,350	151,389
Due to banks	115,708	103,786
Customer deposits	538,800	525,810
Revaluation differences on portfolios hedged against interest rate risk	(8,329)	(7,436)
Tax liabilities	2,542	2,603
Other liabilities	111,464	87,188
Non-current liabilities held for sale	3,243	3,033
Insurance and reinsurance contracts liabilities	162,519	162,463
Provisions	3,812	3,952
Subordinated debts	12,836	12,616
<b>Total liabilities</b>	<b>1,546,592</b>	<b>1,467,114</b>
<b>Shareholder's equity</b>		
<b>Shareholders' equity, Group share</b>		
Issued common stocks and capital reserves	17,473	19,237
Other equity instruments	10,622	9,762
Retained earnings	41,525	35,862
Net income	1,696	6,002
<b>Sub-total</b>	<b>71,316</b>	<b>70,863</b>
Unrealised or deferred capital gains and losses	(319)	(719)
<b>Sub-total equity, Group share</b>	<b>70,997</b>	<b>70,144</b>
Non-controlling interests	9,368	9,383
<b>Total equity</b>	<b>80,365</b>	<b>79,527</b>
<b>Total</b>	<b>1,626,957</b>	<b>1,546,641</b>

## 10. APPENDIX 2: METHODOLOGY

### 1 - Net banking income

The pillars' net banking income is defined on page 42 of Societe Generale's 2026 Universal Registration Document. The terms "Revenues" or "Net Banking Income" are used interchangeably. They provide a normalised measure of each pillar's net banking income taking into account the normative capital mobilised for its activity.

### 2 - Operating expenses

Operating expenses are defined on page 42 of Societe Generale's 2026 Universal Registration Document. The term "costs" is also used to refer to Operating Expenses.

The Cost/Income Ratio is defined on page 42 of Societe Generale's 2026 Universal Registration Document.

### 3 - Constant perimeter and exchange rates

In this press release, figures have been restated of closed disposals and exchanges rates. Bernstein US activities consolidation is not part of this restatement.

### 4 - Cost of risk in basis points, coverage ratio for doubtful outstandings

The cost of risk is defined on pages 43 and 709 of Societe Generale's 2026 Universal Registration Document. The term "net cost of risk" is also used to refer to cost of risk. This indicator makes it possible to assess the level of risk of each of the pillars as a percentage of balance sheet loan commitments, including operating leases.

In EURm		Q1 26	Q1 25
French Retail, Private Banking and Insurance	Net Cost Of Risk	164	171
	Gross loan Outstandings	233,691	233,536
	Cost of Risk in bp	28	29
Global Banking and Investor Solutions	Net Cost Of Risk	47	55
	Gross loan Outstandings	162,414	172,782
	Cost of Risk in bp	12	13
Mobility, International Retail Banking & Financial Services	Net Cost Of Risk	146	124
	Gross loan Outstandings	146,114	159,126
	Cost of Risk in bp	40	31
Corporate Centre	Net Cost Of Risk	(1)	(6)
	Gross loan Outstandings	26,291	25,592
	Cost of Risk in bp	(2)	(9)
Societe Generale Group	Net Cost Of Risk	355	344
	Gross loan Outstandings	568,510	591,036
	Cost of Risk in bp	25	23

The **gross coverage ratio for doubtful outstandings** is calculated as the ratio of provisions recognised in respect of the credit risk to gross outstandings identified as in default within the meaning of the regulations, without taking account of any guarantees provided. This coverage ratio measures the maximum residual risk associated with outstandings in default ("doubtful").

## 5 - ROE, ROTE, RONE

The notions of ROE (Return on Equity) and ROTE (Return on Tangible Equity), as well as their calculation methodology, are specified on pages 43 and 44 of Societe Generale's 2026 Universal Registration Document. This measure makes it possible to assess Societe Generale's return on equity and return on tangible equity.

RONE (Return on Normative Equity) determines the return on average normative equity allocated to the Group's businesses, according to the principles presented on page 44 of Societe Generale's 2026 Universal Registration Document. Starting from Q1 25 results, with restated historical data, normative return to businesses is based on a 13% capital allocation. The Q1 25 allocated capital includes the regulatory impacts related to Basel IV, applicable since 1 January 2025.

Details of the corrections made to the accounting equity in order to calculate ROE and ROTE for the period are given in the table below:

### ROTE calculation: calculation methodology

End of period (in EURm)	Q1 26	Q1 25
<b>Shareholders' equity Group share</b>	<b>70,997</b>	<b>70,556</b>
Deeply subordinated and undated subordinated notes	(10,397)	(10,153)
Distribution provision <sup>(1)</sup> , distribution N-1 to be paid and interest payable to holders of deeply & undated subordinated notes <sup>(2)</sup>	(1,656)	(1,894)
OCI excluding conversion reserves	316	582
<b>ROE equity end-of-period</b>	<b>59,259</b>	<b>59,091</b>
<b>Average ROE equity</b>	<b>58,806</b>	<b>58,906</b>
Average Goodwill <sup>(3)</sup>	(4,241)	(4,191)
Average Intangible Assets	(2,620)	(2,835)
<b>Average ROTE equity</b>	<b>51,945</b>	<b>51,881</b>
<b>Group net Income</b>	<b>1,696</b>	<b>1,608</b>
Interest paid and payable to holders of deeply subordinated notes and undated subordinated notes, issue premium amortisation	(173)	(188)
<b>Adjusted ROE Group net Income</b>	<b>1,523</b>	<b>1,420</b>
Cancellation of goodwill impairment	-	-
<b>Adjusted ROTE Group net Income</b>	<b>1,523</b>	<b>1,420</b>
<b>ROE</b>	<b>10.4%</b>	<b>9.7%</b>
<b>ROTE</b>	<b>11.7%</b>	<b>11.0%</b>

### RONE calculation: Average capital allocated to Core Businesses (in EURm)

In EURm	Q1 26	Q1 25	Change
French Retail , Private Banking and Insurance	18,283	17,687	+3.4%
Global Banking and Investor Solutions	16,881	18,324	-7.9%
Mobility, International Retail Banking & Financial Services	10,662	11,376	-6.3%
<b>Core Businesses</b>	<b>45,826</b>	<b>47,386</b>	<b>-3.3%</b>
Corporate Center	13,027	11,520	+13.1%
<b>Group</b>	<b>58,853</b>	<b>58,906</b>	<b>-0.1%</b>

<sup>1</sup> The distribution provision is calculated based on an ordinary distribution payout ratio of 50% of the Group net income, restated from non-cash items and after deduction of deeply subordinated notes and on undated subordinated notes

<sup>2</sup> Interest net of tax. Minor methodology adjustment starting from Q1 26. Historical data have not been restated

<sup>3</sup> Excluding goodwill arising from non-controlling interests

## 6 - Net assets and tangible net assets

Net assets and tangible net assets are defined in the methodology page 45 of Societe Generale's 2026 Universal Registration Document. The items used to calculate them are presented below:

End of period (in EURm)	Q1 26	2025	2024
Shareholders' equity Group share	70,997	70,144	70,256
Deeply subordinated and undated subordinated notes	(10,397)	(9,366)	(10,526)
Interest of deeply & undated subordinated notes, issue premium amortisation <sup>(1)</sup>	(165)	14	(25)
Book value of own shares in trading portfolio	(15)	(22)	8
<b>Net Asset Value</b>	<b>60,420</b>	<b>60,770</b>	<b>59,713</b>
Goodwill <sup>(2)</sup>	(4,257)	(4,225)	(4,207)
Intangible Assets	(2,615)	(2,625)	(2,871)
<b>Net Tangible Asset Value</b>	<b>53,548</b>	<b>53,919</b>	<b>52,635</b>
Number of shares used to calculate NAPS <sup>(3)</sup>	730,035	754,887	796,498
Net Asset Value per Share	82.8	80.5	75.0
Net Tangible Asset Value per Share	73.3	71.4	66.1

## 7 - Calculation of Earnings Per Share (EPS)

The EPS published by Societe Generale is calculated according to the rules defined by the IAS 33 standard (see page 44 of Societe Generale's 2026 Universal Registration Document). The corrections made to Group net income in order to calculate EPS correspond to the restatements carried out for the calculation of ROE and ROTE.

The calculation of Earnings Per Share is described in the following table:

Average number of shares (thousands)	Q1 26	2025	2024
Existing shares	759,309	790,605	801,915
<b>Deductions</b>			
Shares allocated to cover stock option plans and free shares awarded to staff	2,244	2,328	4,402
Other own shares and treasury shares	14,604	12,021	2,344
<b>Number of shares used to calculate EPS<sup>(4)</sup></b>	<b>742,461</b>	<b>776,255</b>	<b>795,169</b>
Group net Income (in EURm)	1,696	6,002	4,200
Interest on deeply subordinated notes and undated subordinated notes (in EURm)	(173)	(720)	(720)
<b>Adjusted Group net income (in EURm)</b>	<b>1,523</b>	<b>5,282</b>	<b>3,481</b>
<b>EPS (in EUR)</b>	<b>2.05</b>	<b>6.80</b>	<b>4.38</b>

## 8 - Solvency and leverage ratios

Shareholder's equity, risk-weighted assets and leverage exposure are calculated in accordance with applicable CRR3/CRD6 rules, transposing the final Basel III text, also called Basel IV, including the procedures provided by the regulation for the calculation of phased-in and fully loaded ratios. The solvency ratios and leverage ratio are presented on a pro-forma basis for the current year's accrued results, net of dividends, unless otherwise stated.

<sup>1</sup> Interest net of tax. Minor methodology adjustment starting from Q1 26. Historical data have not been restated

<sup>2</sup> Excluding goodwill arising from non-controlling interests

<sup>3</sup> The number of shares considered is the number of ordinary shares outstanding as at end of period, excluding treasury shares and buybacks, but including the trading shares held by the Group (expressed in thousands of shares)

<sup>4</sup> The number of shares considered is the average number of ordinary shares outstanding during the period, excluding treasury shares and buy-backs, but including the trading shares held by the Group (expressed in thousands of shares)

## 9 - Funded balance sheet, loan to deposit ratio

**The funded balance sheet** is based on the Group financial statements. It is obtained in two steps:

- A first step aiming at reclassifying the items of the financial statements into aggregates allowing for a more economic reading of the balance sheet. Main reclassifications:
  - Insurance: grouping of the accounting items related to insurance within a single aggregate in both assets and liabilities.
  - Customer loans: include outstanding loans with customers (net of provisions and write-downs, including net lease financing outstanding and transactions at fair value through profit and loss); excludes financial assets reclassified under loans and receivables in accordance with the conditions stipulated by IFRS 9 (these positions have been reclassified in their original lines).
  - Wholesale funding: includes interbank liabilities and debt securities issued. Financing transactions have been allocated to medium/long-term resources and short-term resources based on the maturity of outstanding, more or less than one year.
  - Reclassification under customer deposits of the share of issues placed by French Retail Banking networks (recorded in medium/long-term financing), and certain transactions carried out with counterparties equivalent to customer deposits (previously included in short term financing).
  - Deduction from customer deposits and reintegration into short-term financing of certain transactions equivalent to market resources.
- A second step aiming at excluding the contribution of insurance subsidiaries, and netting derivatives, repurchase agreements, securities borrowing/lending, accruals and “due to central banks”.

The Group **loan/deposit ratio** is determined as the division of the customer loans by customer deposits as presented in the funded balance sheet.

NB (1) The sum of values contained in the tables and analyses may differ slightly from the total reported due to rounding rules.

(2) All the information on the results for the period (notably: press release, downloadable data, presentation slides and supplement) is available on Societe Generale’s website [www.societegenerale.com](http://www.societegenerale.com) in the “Investor” section.

## Disclaimer

The financial information on Societe Generale for its first quarter 2026 financial results comprises a presentation and this dedicated press release which are available on the website (<https://investors.societegenerale.com/en>).

The financial information presented for the quarter ending 31 March 2026 has been prepared in accordance with IFRS (International Financial Reporting Standards) as adopted in the European Union (the "IFRS") and applicable at this date. It was approved by the Board of Directors on 29 April 2026. This information has not been audited.

This press release contains forward-looking information and statements that reflect assessments and projections relating to Societe Generale's business activities, objectives and strategy (the "Information"). This Information is based on assumptions, in particular regulatory ones, both general and specific, including the application of accounting principles and methods compliant with IFRS as well as the application of prudential regulations in force to date. This Information reflects various assumptions involving significant elements of subjective judgment and analysis, which may prove to be incorrect and are derived from scenarios based on a number of economic assumptions within a given competitive, regulatory and geopolitical context. Societe Generale may not be able to:

- anticipate all risks, uncertainties, contingencies or other factors that may affect its business and to assess their potential consequences;
- accurately assess the extent to which the occurrence of a risk or a combination of risks could result in outcomes that differ materially from those projected in this presse release.

Therefore, although Societe Generale believes that these statements are based on reasonable assumptions, this Information is subject to numerous risks, uncertainties and contingencies, including matters of which Societe Generale or its management are not yet aware or currently deem immaterial, and there is no guarantee that the anticipated events will occur or that the objectives set out will actually be achieved.

Important factors that could cause a material difference between actual results and the results anticipated in the Information include, among others, overall trends in general economic activity and in Societe Generale's markets in particular, regulatory, prudential and geopolitical changes, and the success of Societe Generale's business, strategic, operating and financial initiatives.

More detailed information on the potential risk factors that could affect Societe Generale's financial results can be found in the section "Risk Factors" in our Universal Registration Document filed with the French Autorité des Marchés Financiers (which is available on <https://investors.societegenerale.com/en>).

It is therefore recommended to take into account factors of uncertainty and risk likely to impact the operations of Societe Generale when considering the Information contained in such press release. Other than as required by applicable law, Societe Generale makes no commitment to update or revise this Information.

Unless otherwise specified, the sources for the business rankings and market positions are internal. This press release may include information pertaining to our markets and our competitive positions therein. Such information is based on market data and our actual revenues in those markets for the relevant periods. We obtained this market information from various third-party sources (publications and surveys) and our own internal estimates. We have not independently verified these third-party sources and cannot guarantee their accuracy, truthfulness, precision and completeness. In addition, our internal surveys and estimates have not been verified by independent experts or other independent sources. No reliance should therefore be placed on this Information.

The Alternative Performance Measures, notably the notions of net banking income for the pillars, operating expenses, cost of risk in basis points, ROE, ROTE, RONE, net assets and tangible net assets are presented in the methodology notes, as are the principles for the presentation of prudential ratios.

The sum of values contained in the tables and analyses may differ slightly from the total reported due to rounding rules.

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## Societe Generale

Societe Generale is a top tier European Bank with around 110,000 employees serving 27 million clients in 58 countries across the world. We have been supporting the development of our economies for 160 years, providing our corporate, institutional, and individual clients with a wide array of value-added advisory and financial solutions. Our long-lasting and trusted relationships with the clients, our cutting-edge expertise, our unique innovation, our ESG capabilities and leading franchises are part of our DNA and serve our most essential objective - to deliver sustainable value creation for all our stakeholders.

The Group runs three complementary sets of businesses, embedding ESG offerings for all its clients:

- **French Retail, Private Banking and Insurance**, with leading retail bank SG and insurance franchise, premium private banking services, and the leading digital bank BoursoBank.
- **Global Banking and Investor Solutions**, a top tier wholesale bank offering tailored-made solutions with distinctive global leadership in equity derivatives, structured finance and ESG.
- **Mobility, International Retail Banking and Financial Services**, comprising well-established universal banks (in Czech Republic, Romania and several African countries), Ayvens (the new ALD I LeasePlan brand), a global player in sustainable mobility, as well as specialized financing activities.

Committed to building together with its clients a better and sustainable future, Societe Generale aims to be a leading partner in the environmental transition and sustainability overall. The Group is included in the principal socially responsible investment indices: DJSI (Europe), FTSE4Good (Global and Europe), Bloomberg Gender-Equality Index, Refinitiv Diversity and Inclusion Index, Euronext Vigeo (Europe and Eurozone), STOXX Global ESG Leaders indexes, and the MSCI Low Carbon Leaders Index (World and Europe).

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