



Half-year results as of 30 June 2022

- **HI 2022 net profit: €13.8m**
- **Restated NAV¹ of €120.9m as of 30 June 2022, up 16.3% from 31 December 2021 and up 53.2% from 30 June 2021 – restated NAV per share: €3.28**
- **Strong growth momentum in shareholdings: €20.4m increase in fair value over six months and €45.8m over 12 months**

Paris – 29 September 2022

Transition Evergreen (FR0000035784 – EGR), the first French-listed investment fund dedicated to the ecological transition and reducing the carbon footprint, reports its half-year results² and restated net asset value as of 30 June 2022, approved by the Board of Directors at its meeting held on 28 September 2022. The interim financial report for the period ended 30 June 2022 will be available no later than 30 September 2022 on Transition Evergreen's website, www.transition-evergreen.com, in the Investors section under Financial documents.

Lionel Le Maux, Chairman of the Board of Directors of Transition Evergreen, commented:

“With the first six months of 2022 dominated by soaring and highly volatile energy prices, the ecological transition took centre stage in European economic policies. This volatility had direct and indirect effects on the economy and marks an unprecedented turning point: public and private energy buyers are going to have to adapt to this new state of affairs.

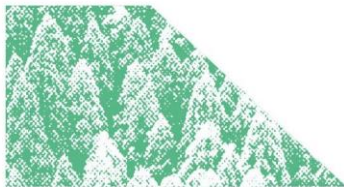
In this environment, significant changes were noted in the activities and outlooks of Transition Evergreen's various shareholdings, whether in biogas, hydrogen or solar energy. While the economic environment remains affected by rising interest rates, Transition Evergreen therefore fared well with restated NAV rising 16.3% over the six-month period and 53.2% over the last 12 months.

However, this environment of rising energy prices, which is beneficial for Transition Evergreen, is also an incentive to optimise capital allocation within the fund in order to have a portfolio of companies focused on their own business lines and with appropriate financing needs.

In this respect, simplification transactions are being planned, particularly with Everwatt set to spin off Phynix (a developer of green hydrogen production projects in Spain) and hence to refocus on solar self-consumption projects in France. Both companies have strong growth prospects but have differentiated business logics and financing needs. This type of transaction is also designed to unlock the underlying value of companies like Phynix, and hence favour a rise in value of the various assets owned by Transition Evergreen.”

¹ Restated NAV: net asset value corresponds to the Company's IFRS shareholder equity, i.e. €120.9m (vs. €103.9m as at 31 December 2021). As of 30 June 2021 and 30 June 2022, restated NAV was equal to IFRS shareholder equity. NAV increased by 16.3% over the six-month period. This increase stemmed from the change in the fair value of shareholdings over the period (+€20.4m), transactions involving the Company's equity in the first six months of the year (+€3.2m) and net profit restated for the fair value effect (-€6.6m).

² The statutory auditors conducted a limited review.





Restated NAV of €120.9m at 30 June 2022, up 53.2% from 30 June 2021

Transition Evergreen's restated net asset value³ amounted to €120.9m at 30 June 2022 vs. €103.9m at 31 December 2021 (+16.3%) and €78.9m at 30 June 2021 (+53.2%). Restated net asset value per share was €3.28 at 30 June 2022 (vs. €2.93 per share at 31 December 2021 and €2.67 per share at 30 June 2021).

This €17m increase over the six months between 31 December 2021 and 30 June 2022 stemmed from the change in the fair value of shareholdings over the period (+€20.4m), transactions involving the Company's equity in the first six months of the year (+€3.2m) and net profit restated for the fair value effect (-€6.6m).

The change in fair value between 31 December 2021 and 30 June 2022 was primarily driven by the rise in the value of biogas assets (Evergaz and C4 group). This rise in value stemmed especially from: (i) the revaluation of Evergaz in the German operating assets, and (ii) the upward adjustment to revenue expected for 2022-2024 (increase in gas selling prices for the share sold at the market rate, in particular in Germany and Belgium).

The increase in the value of Evergaz reflects the progress made by the company towards its 2025 targets (revenue of €120m and EBITDA margin of €30m) communicated by Transition Evergreen in June 2021.

A table showing changes in fair value over the last two six-month periods is included in the appendices.

Net profit of €13.8m

First-half operating profit came out at €16.5m. It includes:

- +€20.4m in fair value adjustments to non-current financial assets;
- -€0.2m in staff costs (note that, at 30 June 2021, the company recognised a €264k expense linked to the bonus share plan);
- -€0.4m in other operating costs.

The cost of financial debt, comprising interest on bonds, was -€0.6m.

After booking tax of -€1.9m (vs. -€0.6m at 30 June 2021), net profit in the first half of 2022 was €13.8m.

Financing structure strengthened since closing

Transition Evergreen's shareholders' equity stood at €120.9m as of 30 June 2022, compared with €103.9m at 31 December 2021.

Transition Evergreen's financial debt from bond issues totalled €14.3m as of 30 December 2022, versus €11.7m as of 31 December 2021.

As of 30 June 2022, Transition Evergreen had free cash flow of €0.2 million, which was increased after the end of the period by a €3m bond issue carried out in July 2022.

Transition Evergreen has a current account advance of a maximum of €12m granted by Financière Evergreen⁴, €3.1m of which had been used as of 30 June 2022. Transition Evergreen

³ Restated NAV: restated net asset value corresponds to the Company's IFRS shareholders' equity, i.e. €120.9m (vs. €78.9m at 30 June 2021).

⁴ A 2.76% shareholder in Transition Evergreen as of 30 June 2022





is planning a new funding round of between €8m and €10m in the second half of 2022 to strengthen its cash position and to continue supporting its shareholdings.

OUTLOOK

In the 2022 financial year, Transition Evergreen will continue to support its shareholdings, which are optimally positioned in strategic sectors, using a co-development approach to allow them to continue to grow and reach SME size.

Everwatt: refocusing on collective self-consumption

A spin-off project is planned shortly for Phynix (a developer of green hydrogen production projects in Spain). This transaction comes only a few months after investments were made by two new shareholders to support its development and goals (although the timetable for the transaction and the valuations have not yet been finalised). Everwatt will then refocus on its solar self-consumption projects in France. Both companies have strong growth prospects (almost one gigawatt of projects for Phynix, including 10 MW under construction and more than 100 MW of projects for Everwatt with 3 MW under construction) but have differentiated business logics and financing needs. This type of transaction is also designed to unlock Phynix's intrinsic value.

In parallel, Everwatt is set to begin work on the construction of the first local energy loop (Boucl'Énergie project), a 3 MW project in the Saint Martin d'Hères economic activity zone (Grenoble metropolitan area) and aims to build 100 energy loops by 2025.

Everwood, discussions on new partnerships and a potential acquisition

Everwood has begun discussions on establishing partnerships with a number of energy suppliers (green energy, gas and electricity suppliers). An equity tie-up has been discussed with these suppliers with the aim of identifying potential acquisitions of pellet suppliers, a sector that is currently affected by supply chain issues.

At the same time, Everwood is considering another potential acquisition of a Finnish GIS (Geographic Information Systems) company that provides digital forest inventory solutions (collection and analysis of data by satellite).

Everwood is also working on a project to replant 400 hectares with poplar trees (scheduled to begin in November 2022).

Note also that the uptrend in fuelwood and forest prices is likely to intensify in 2022 and in the coming years, resulting in a favourable environment for Everwood's forestry business. Lastly, Bois Énergie Nord is proposing to adopt a diversification strategy (partnerships with sawmills are being considered).

Safra enters into a manufacturing partnership with Plastic Omnium

After presenting its new Hycity® hydrogen-powered bus at the EUMO (European Mobility Expo) in June 2022, Safra has announced a manufacturing partnership with Plastic Omnium, which will supply Safra with the high-pressure hydrogen vessels for its new Hycity® bus and the fuel cell systems for its retrofitting project⁵ that converts diesel coaches to hydrogen coaches. Safra has won Europe's largest ever contract for coach retrofits from the Occitanie region, positioning itself as a pioneer by designing the first retrofitting kit for coaches, the H2-pack®.

⁵ Retrofitting involves replacing a vehicle's petrol or diesel combustion engine with a battery- or hydrogen-powered (fuel cell) electric engine.





NEXT KEY DATES

End of October 2022 – Activity & Significant events for holdings in Q3 2022

About Transition Evergreen

Transition Evergreen is the first French-listed investment fund, with a focus on accelerating the ecological transition and reducing the carbon footprint.

Leveraging the expertise of asset management company, Aqua Asset Management, Transition Evergreen seeks to provide concrete solutions to the challenges of building a carbon-neutral world. To achieve this, the Group invests in unlisted French and European companies. Transition Evergreen is a proven accelerator of green growth. The Group's corporate purpose is to invest in high-growth French and European SMEs focused on the ecological transition.

Transition Evergreen holds interests mainly in the following companies: **Energaz**, the leading independent French biogas player, **C4**, a fully-integrated methanisation operator in Germany, **Everwatt**, an energy-efficient and carbon neutral player for regions, **Everwood**, a specialist in sustainable forest management and carbon offsetting and **Safra**, a French player in the hydrogen-powered bus and carbon-neutral mobility markets.

Transition Evergreen has been awarded the Greenfin label, which guarantees the green credentials of investment funds and is awarded to funds that factor environmental, social and governance ("ESG") criteria into the design and life cycle of their portfolio, comply with the exclusion criteria set by the label and have a positive impact on the energy and ecological transition. Transition Evergreen has been awarded also the "Relance" label for investment funds that support the economic recovery by strengthening French companies with equity or quasi-equity.

Transition Evergreen is listed on Euronext Paris, compartment C (ISIN FR0000035784). Transition Evergreen is eligible for the PEA-PME equity savings plan.

Learn more at www.transition-evergreen.com

Contacts

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APPENDICES

INCOME STATEMENT

(€k)

| | 30 June 21 | 30 June 22 |
|--|---------------|---------------|
| Revenue from financial assets | 58 | 234 |
| Change in fair value of financial assets | 26,736 | 20,420 |
| Payroll costs | (440) | (173) |
| Other operating costs | (1,805) | (4,027) |
| Operating profit (loss) | 24,548 | 16,453 |
| Gross cost of financial debt | (941) | (654) |
| Income from cash and cash equivalents | 0 | 0 |
| Net cost of financial debt | (941) | (654) |
| Other financial income and expenses | 0 | (48) |
| Net profit before tax | 23,607 | 15,751 |
| Income tax | (611) | (1,941) |
| Net profit | 22,996 | 13,810 |
| | | |
| Number of shares in circulation | 29,573,519 | 36,852,094 |
| Earnings per share (€) | 0.78 | 0.37 |
| Number of shares after dilution | 29,883,607 | 36,852,094 |
| Diluted earnings per share (€) | 0.77 | 0.37 |

BALANCE SHEET

ASSETS

(€k)

| ASSETS | 30 June 22 | 31 December 21 |
|---------------------------------|----------------|----------------|
| Non-current financial assets | 134,611 | 113,988 |
| - o/w shares | 134,345 | 113,727 |
| - o/w bonds | 266 | 261 |
| Other non-current assets | 52 | 55 |
| Total non-current assets | 134,663 | 114,043 |
| Current financial assets | 18,629 | 20,076 |
| Other receivables | 76 | 726 |
| Cash & cash equivalents | 194 | 100 |
| Total current assets | 18,899 | 20,902 |
| | | |
| Total assets | 153,563 | 134,945 |





LIABILITIES
(€k)

| LIABILITIES AND EQUITY | 30 June 22 | 31 December 21 |
|--------------------------------------|----------------|----------------|
| Capital | 18,469 | 17,749 |
| Share capital premium | 43,993 | 41,511 |
| Reserves | 44,656 | 13,663 |
| Overall profit | 13,810 | 30,989 |
| Shareholders' equity | 120,928 | 103,912 |
| Non-current portion of bond issues | 12,324 | 8,191 |
| Deferred tax liabilities | 4,316 | 2,438 |
| Total non-current liabilities | 16,640 | 10,629 |
| Bond issues | 2,003 | 3,541 |
| Other current financial liabilities | 5,183 | 5,304 |
| Other debts | 8,808 | 11,559 |
| Total current liabilities | 15,994 | 20,404 |
| | | |
| Total liabilities and equity | 153,563 | 134,945 |

CHANGE IN THE FAIR VALUE OF SHAREHOLDINGS SINCE 30 JUNE 2021

| Shareholdings | Fair value 30/06/2021 | Fair value 31/12/2021 | Fair value 30/06/2022 |
|------------------------------|--------------------------|-----------------------|--------------------------|
| Everwood SAS | 25,505 | 29,783 | 29,469 |
| Aqua SAS/Evergaz | 20,813 | 20,992 | 27,380 |
| Everwatt SAS | 35,584 | 38,058 | 42,010 |
| La Paper Factory SAS | 2,719 | 3,121 | 2,551 |
| Valporte Holding SAS | 2,003 | 2,131 | 1,844 |
| Borea SAS | | | |
| Borea SAS | 256 | 240 | 279 |
| Safra | | 16,264 | 14,887 |
| Safra participations | | 3,088 | 3,091 |
| 3 E BIOGAS | | 50 | 12,600 |
| Green H2 Partenaires SAS | | | 235 |
| Total share portfolio | 86,879 | 113,727 | 134,345 |
| OC Natureo | 255 | 261 | 266 |
| Fonds Transition SA | 1,889 | | |
| Other investments | 2,144 | 261 | 266 |
| Total | 89,023 | 113,988 | 134,611 |

