

## Waga Energy submits to the shareholders' vote a securities exchange plan to fully own its US subsidiary

***At the Annual General Meeting on June 30, 2022, the Board of Directors of Waga Energy, a specialist in Renewable Natural Gas production from landfills gas, will submit to the shareholders' vote a securities exchange plan with Holweb<sup>1</sup> with a view to owning 100% of the capital of its US subsidiary, Waga Energy Inc.***

Prior to this transaction, Waga Energy holds 81% of Waga Energy Inc.'s capital. The balance is held by Holweb, which also has a 9.4% shareholding in Waga Energy.

Waga Energy wishes to fully own its US subsidiary in order to simplify the Group's legal structure and improve its operational efficiency. If the transaction is approved by the shareholders, Waga Energy will issue 655,995 new shares to Holweb, increasing its stake in the Group's capital from 9.4% to 12.3%. In exchange, Waga Energy will hold 100% of Waga Energy Inc.'s capital.

Waga Energy's Board of Directors determined the exchange ratio on the basis of work carried out by an independent valuator and approved by a contributions auditor.

*"We want to create an effective organisation to speed up the expansion of our solution in the US, a strategic market with over 2,500 landfills, most of which do not have any energy recovery system",* explains Mathieu Lefebvre, CEO of Waga Energy.

Waga Energy Inc., the US subsidiary of Waga Energy, is based in Philadelphia, Pennsylvania. At the end of 2021, it signed a first US contract with Steuben County to equip the Bath landfill in New York State.

Waga Energy has two other fully owned subsidiaries, in Canada and in Spain.

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### DETAILS OF THE SECURITIES CONTRIBUTION TRANSACTION

During its meeting held on April 29, 2022, the Board of Directors of Waga Energy (the '**Company**') agreed in principle to the plan to contribute to the securities in its US subsidiary, Waga Energy Inc., held by Holweb SAS<sup>1</sup> (the '**Contribution**') with the aim of fully owning this subsidiary. Waga Energy Inc. is currently owned by Waga Energy, which holds an 81% stake, and Holweb SAS, which holds a 19% stake. Holweb SAS has a 9.4% shareholding in Waga Energy.

On May 17, 2022, the Company's Board of Directors approved the draft for the contribution agreement project, which was signed on May 19, 2022. The Contribution transaction is subject to the rules on contributions in kind set forth in Article L. 225-147 of the French Commercial Code. It should be noted that Mathieu Lefebvre and Guénaël Prince did not take part in the debates and abstained from voting, where necessary, given their capacity as corporate officers of Holweb SAS.

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<sup>1</sup> Mathieu Lefebvre, Guénaël Prince and Nicolas Paget respectively own 37.18%, 21.26% and 12.76% stakes in Holweb SAS.

The Contribution was subject to an independent opinion issued by Accuracy on the exchange ratio of the Waga Energy shares. By ruling of Grenoble Commercial Court on April 26, 2022, Mazars was appointed as contributions auditor with the following remit: to assess (i) the value of the Holweb SAS's planned Contribution to the Company and (ii) the remuneration for the Contribution and to certify the fairness of the exchange ratio. The contributions auditor's reports on the remuneration for the contributions and its report on the value of the contributions are available to shareholders at the Company's registered office and on its website ([available in French](#)).

#### **Assessment of the value and of the remuneration for the contributions**

In exchange, the Company will issue 655,995 ordinary shares to Holweb SAS, with a nominal value of one eurocent (0.01) each, i.e. a capital increase of a total nominal amount of 6,559.95 euros plus a contribution premium of 22,972,944.90 euros, resulting in a total contribution value of 22,979,504.85 euros. The adopted exchange ratio of 3.3%<sup>2</sup> complies with the Contribution valuation proposed by Accuracy, which had set a range between 3.1% and 3.5% of the Company's capital and voting rights.

The Contribution remuneration was assessed on the basis of standard multi-criteria valuation methods.

- **Contributions auditor's conclusions on the value of the contributions**

In its report on the value of the contributions dated May 31, 2022, the contributions auditor stipulated the following: *"On the basis of our work and as of the date of this report, we believe that the chosen contribution value for the Waga Energy Inc. securities of 22,979,504.85 euros is not overvalued and, therefore, that this contribution is at least equal to the amount of the capital to be created by the receiving company, plus the issue premium."*

- **Contribution auditor's conclusions on the remuneration for the contributions**

In its report on the remuneration for the contributions dated May 31, 2022, the contributions auditor stipulated the following: *"On the basis of our work and as of the date of this report, we believe that the remuneration for the contribution of 190 shares in Waga Energy Inc. by Holweb, which was agreed by the parties and will lead to the creation of 655,995 shares with a nominal value of 0.01 euros each in Waga Energy SA, is fair."*

Following this issue, the Company's share capital will be set at 204,084.12 euros, divided into 20,408,412 shares with a nominal value of 0.01 euros and of the same category. The equity interest of a shareholder holding 1% of the Company's share capital before the issuance of these 655,995 shares as remuneration for the Contribution will be reduced to 0.97% of the Company's share capital after completion of the Contribution.

The Company's new shares will be subject to an application for admission to trading on the regulated market of Euronext Paris (compartment B), on the same listing line as the Company's existing shares (ISIN FR0012532810). They will be processed the same way as the Company's existing shares and will be fully integrated with these shares, including the right to participate in any distribution of dividends, reserves or premiums as from their issuance date.

#### **Legal basis of the transaction**

The Contribution transaction is subject to the usual conditions precedent. Furthermore, the extraordinary general meeting of Company shareholders, to be held on June 30, 2022, will be called upon to decide (based on the 33<sup>rd</sup>, 34<sup>th</sup> and 35<sup>th</sup> resolutions) on the terms of the transaction and the completion of the resulting capital increase<sup>3</sup>. The agenda and the draft resolutions submitted to the extraordinary general meeting of Company shareholders were published in the French official bulletin of legal notices (BALO) on May 25, 2022.

The new shares that will be issued as part of this Contribution will not be subject to a prospectus submitted to the AMF for approval.

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<sup>2</sup> Percentage before taking into account the exercise of founder's share warrants (BSPCE) and stock options.

<sup>3</sup> Holweb SAS will abstain from voting on these resolutions as beneficiary of the Contribution, pursuant to Article L. 225-10 of the Commercial Code, and its shares will not be taken into account when calculating the quorum. Mathieu Lefebvre, Guénaél Prince and Nicolas Paget will abstain, where necessary, from voting on the resolutions regarding the Contribution transaction.

### The Company's share ownership (before and after the Contribution transaction)

As of December 31, 2021, the breakdown of the Company's capital and voting rights was as follows:

SHAREHOLDERS	Capital		Theoretical and exercisable voting rights	
	NUMBER OF SECURITIES	% OF SHARE OWNERSHIP	NUMBER OF VOTING RIGHTS	% OF VOTING RIGHTS
Aliad SA	2,848,729	14.4%	2,848,729	14.4%
Starquest	2,030,898	10.3%	2,030,898	10.3%
Holweb SAS	1,857,500	9.4%	1,857,500	9.4%
Les Saules SARL	1,831,654	9.3%	1,831,654	9.3%
Mathieu Lefebvre	1,730,000	8.8%	1,730,000	8.8%
Nicolas Paget	990,000	5.0%	990,000	5.0%
Guénaël Prince	829,900	4.2%	829,900	4.2%
Noria	935,805	4.7%	935,805	4.7%
Tertium	898,129	4.5%	898,129	4.5%
Other founders	639,600	3.2%	639,600	3.2%
Swift / Swift Gaz Vert	304,001	1.5%	304,001	1.5%
<b>Free float</b>	<b>4,856,201</b>	<b>24.6%</b>	<b>4,856,201</b>	<b>24.6%</b>
<b>TOTAL</b>	<b>19,752,417</b>	<b>100%</b>	<b>19,752,417</b>	<b>100%</b>

After the Contribution transaction, the Company's share ownership will be as follows:

SHAREHOLDERS	Capital		Theoretical and exercisable voting rights	
	NUMBER OF SECURITIES	% OF SHARE OWNERSHIP	NUMBER OF VOTING RIGHTS	% OF VOTING RIGHTS
Aliad SA	2,848,729	13.9%	2,848,729	13.9%
Starquest	2,030,898	9.9%	2,030,898	9.9%
Holweb SAS	2,513,495	12.3%	2,513,495	12.3%
Les Saules SARL	1,831,654	9%	1,831,654	9%
Mathieu Lefebvre	1,730,000	8.5%	1,730,000	8.5%
Nicolas Paget	990,000	4.8%	990,000	4.8%
Guénaël Prince	829,900	4.1%	829,900	4.1%
Noria	935,805	4.6%	935,805	4.6%
Tertium	898,129	4.4%	898,129	4.4%
Other founders	639,600	3.1%	639,600	3.1%
Swift / Swift Gaz Vert	304,001	1.5%	304,001	1.5%
<b>Free float</b>	<b>4,856,201</b>	<b>23.8%</b>	<b>4,856,201</b>	<b>23.8%</b>
<b>TOTAL</b>	<b>20,408,412</b>	<b>100%</b>	<b>20,408,412</b>	<b>100%</b>

### **Forward-Looking Statements**

*Certain information contained in this press release is forward looking statements and not historical data. These forward looking statements are based on opinions, projections and current assumptions including, but not limited to, assumptions concerning the group's current and future strategy and the environment in which the group is developing. They imply known or unknown risks, uncertainties and other factors, which could result in actual results, performances or achievements, or the results of the sector or other events, differing significantly from those described or suggested by these forward looking statements. These risks and uncertainties include those that are indicated and detailed in Chapter 3 "Risk factors" in the Waga Energy's registration document, which was approved by the AMF on 28 September 2021 under number I. 21-056, and the supplement to the registration document approved by the AMF on 13 October 2021 under number I.21-060.*

*These forward looking statements are given only on the date of this press release and the group expressly declines any obligation or commitment to publish updates or corrections of the forward looking statements included in this press release in order to reflect any change affecting the forecasts or events, conditions or circumstances on which these forward-looking statements are based. The forward looking statements and information do not constitute guarantees of future performances, and are subject to various risks and uncertainties, a large number of which are difficult to predict and generally outside the control of the group. Actual results may differ significantly from those described, suggested or projected by the forward looking information and statements.*

### **About Waga Energy**

*Waga Energy (ISIN: FR0012532810, symbol: WAGA) produces competitively priced Renewable Natural Gas (also known as "biomethane") by upgrading landfill gas using a patented purification technology called WAGABOX®. The RNG produced is injected directly into the gas distribution networks that supply individuals and businesses, providing a substitute for natural gas. Waga Energy finances, builds and operates its WAGABOX® units under long-term contracts with landfill operators for the supply of raw gas, and generates income by selling the RNG it generated. Waga Energy operates 13 WAGABOX® units in France, representing an installed capacity of 480 GWh/year. Twelve units are under construction in France, Spain, Canada and the US. Each project initiated by Waga Energy contributes to the fight against global warming and the helps the energy transition. Waga Energy has been listed since October 27, 2021, on Euronext Paris. [waga-energy.com](http://waga-energy.com)*

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