Waga Energy

Public limited company (*société anonyme*) with a Board of Directors and share capital of €245,031.44

Registered office: 5 avenue Raymond Chanas, 38320 Eybens, France

Grenoble Trade and Companies Register no. 809 233 471

UNIVERSAL REGISTRATION DOCUMENT (URD) INCLUDING THE ANNUAL FINANCIAL REPORT FY 2023

Message from the Chairman

"Building a major player in the recovery of biogas into biomethane"

Our mission at Waga Energy is to combat global warming by reducing the methane emissions generated by waste storage sites and by producing biomethane, a renewable substitute for fossil natural gas. Our WAGABOX® solution has a dual advantage from an environmental standpoint: on the one hand, it encourages the best possible capture of a major source of atmospheric pollution, and on the other hand it provides clean, local and renewable energy to decarbonise sectors that are largely dependent on fossil fuels, such as transport and industry.

The projects we develop create value from an environmental and economic standpoint: we guarantee additional revenues for storage site operators, and enable energy companies to access large volumes of biomethane at competitive prices, to meet the expectations of their customers and governments. We also offer investors a unique opportunity to profitably participate in the fight against global warming, a major challenge of our generation.

Since the start of our first production unit in February 2017, we have injected around 100 million cubic metres of biomethane into the gas networks. This represents more than one terawatt hour of renewable energy, and as much fossil gas that has not been extracted from the ground and consumed. In seven years, we have avoided the emission of around 180,000 tonnes of CO_2eq through the substitution of fossil natural gas.

Our IPO in October 2021 gave us the means to act on a large scale. Our production has more than doubled in the last two years. We are now deploying the WAGABOX® solution on two continents and in four countries: France, our domestic market, but also Spain, Canada and the United States, where we have just started our first production unit in the state of New York.

Above all, we have demonstrated, in a difficult economic and geopolitical environment, the performance of our technology, the robustness of our business model, and our ability to meet our financial commitments and create value for our customers and shareholders. Building on these achievements and the success of our recent capital increase, we are more determined than ever to build a major player in the recovery of biogas into biomethane, in the service of the energy transition and the fight against global warming.

Mathieu Lefebvre, Chairman and Chief Executive Officer

TABLE OF CONTENTS

General Comments

In this Universal Registration Document, and unless otherwise indicated:

- The term "Universal Registration Document" means this Universal Registration Document;
- The terms the "Company" or "Waga Energy" mean the company Waga Energy, whose registered office is located at 5 avenue Raymond Chanas, 38320 Eybens, France, registered in the Grenoble Trade and Companies Register under number 809 233 471;
- The term the "Group" means the group of companies formed by the Company and its subsidiaries;
-
- "€" means euros and "$" means US dollars.

Content of the Universal Registration Document

This Universal Registration Document includes the annual financial report and the management report, including the corporate governance report.

Information on the market and the competitive environment

The Universal Registration Document, in particular in Chapter 5 "Overview of activities", contains information on the Group's markets and its competitive positions, including information on market size. In addition to the estimates made by the Group, the elements on which the Group's statements are based come from studies and statistics of third-party organisations (see Section 1.4 "Information from third parties" in the Universal Registration Document) and professional organisations or figures published by the Group's competitors, suppliers and customers. Certain information contained in the Universal Registration Document is public information that the Company considers reliable but which has not been verified by an independent expert. The Company cannot guarantee that a third party using different methods to collect, analyse or calculate data on business segments would obtain the same results. Given a particularly active technological and competitive environment, this information may no longer be up to date. As a result, the Group's business may develop differently from that described in the Universal Registration Document. The Company makes no commitment and gives no guarantee as to the accuracy of this information. This information may prove to be incorrect or no longer up to date. The Group makes no commitment to publish updates to this information, except in the context of any legal or regulatory obligation that may be applicable to it, and in particular Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, as amended.

Forward-looking information

The Universal Registration Document contains information on the Group's outlook and areas for development. These indications are sometimes identified by the use of the future or conditional tenses or forward-looking terms such as "consider", "envisage", "think", "aim", "expect", "suggest", "should", "aspire", "estimate", "believe", "hope", "be able" or, where appropriate, the negative form of these same terms, or any other similar variation or terminology. This information is not historical data and should not be interpreted as a guarantee that the facts and data stated will occur. This information is based on data, assumptions and estimates considered reasonable by the Company. It could change or be modified due to uncertainties related to the economic, financial, competitive and regulatory environment. This information is mentioned in various chapters of the Universal Registration Document and contains data relating to the Group's intentions, estimates and objectives concerning, in particular, the market in which it operates, its strategy, growth, results, financial position, cash flow and forecasts. Forward-looking information mentioned in the Universal Registration Document is given only as at the date of the Universal Registration Document.

Risk factors

Investors are asked to read the risk factors described in Chapter 3 “Risk factors” of the Universal Registration Document carefully before making any investment decision. The occurrence of all or part of these risks is liable to have a material adverse effect on the Company’s activities, financial position, results or outlook. Moreover, other risks not yet identified or considered immaterial by the Company at the date of the Universal Registration Document could also have a material adverse effect.

Rounding

Some figures (including financial data) and percentages presented in the Universal Registration Document have been rounded. Where applicable, the totals presented in the Universal Registration Document may differ slightly from those that would have been obtained by adding the exact values (not rounded) of these figures.

Websites and hypertext links

References to any website and the contents of hypertext links in the Universal Registration Document are not part of the Universal Registration Document.

Glossary

A glossary defining certain terms used in the Universal Registration Document can be found in Chapter 23.

1. PERSONS RESPONSIBLE, THIRD PARTY INFORMATION, EXPERTS' REPORTS AND COMPETENT AUTHORITY APPROVAL

1.1 Person responsible for the Universal Registration Document

Mathieu Lefebvre, Chairman and Chief Executive Officer of the Company.

1.2 Statement by the responsible person

I hereby certify that the information contained in this Universal Registration Document is, to my knowledge, accurate and contains no omission that might alter its scope.

I hereby certify that, to the best of my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets and liabilities, financial position and results of the Company and of all the companies included in the consolidation, and that the management report (a cross-reference table of which is presented in the Appendix to this Universal Registration Document) presents a true and fair view of the development of the business, results and financial position of the Company and of all the companies included in the consolidation and that it describes the main risks and uncertainties they are facing.

Done in Eybens,
30 April 2024

Mathieu Lefebvre
Chairman and Chief Executive Officer

1.3 Expert reports and declarations of interests

No report or statement attributed to a person acting as an expert is included in this document.

1.4 Information from third parties

The Universal Registration Document contains information on the Group's markets and its competitive positions, including information on the size of its markets. In addition to the estimates and analyses carried out by the Group, the elements on which the Group's statements are based come from studies and statistics of third parties and professional organisations, as well as from data published by the Group's competitors, suppliers and customers. To the best of the Company's knowledge, such information has been faithfully reproduced, and no facts have been omitted that would render this information inaccurate or misleading. However, the Company cannot guarantee that a third party using different methods to gather, analyse or calculate data on the business segments would obtain the same results.

1.5 Filing with the AMF

The Universal Registration Document was filed on 30 April 2024 with the AMF, in its capacity as competent authority under Regulation (EU) 2017/1129, without prior approval in accordance with Article 9 of said regulation.

The Universal Registration Document may be used for the purpose of a public offering of financial securities or the admission of financial securities for trading on a regulated market if it is completed by a securities note and, if applicable, a summary and all amendments made to the Universal Registration Document. The set of documents thus formed is approved by the AMF in accordance with Regulation (EU) 2017/1129.

This Universal Registration Document including the Annual Financial Report is a reproduction in PDF format of the official version which has been prepared in ESEF format and is available on the website www.waga-energy.com. This reproduction is available on the same website.

This document is available free of charge at the Company's registered office located at 5 avenue Raymond Chanas, 38320 Eybens, France, as well as on the AMF website (www.amf-france.org) and on the Company's website (www.waga-energy.com).

This Universal Registration Document is prepared in accordance with Appendix 1 of the European Delegated Regulation 2019/980.

Pursuant to Article 19 of EU Regulation No. 2017/1129 of the European Commission, this Universal Registration Document incorporates by reference the following information to which the reader is invited to refer:

The consolidated financial statements and the Statutory Auditors' report on the consolidated financial statements for the financial year ended 31 December 2022, included respectively on pages 228 to 274 and 276 of the Universal Registration Document, approved on 16 June 2023 under the following approval number R23-029.

The annual financial statements and the Statutory Auditors' report on the annual financial statements for the financial year ended 31 December 2022, included on page 275 *et seq.* and page 282 respectively of the Universal Registration Document, approved on 16 June 2023 under the following approval number R23-029.

The consolidated financial statements and the Statutory Auditors' report on the consolidated financial statements for the financial year ended 31 December 2021, included on pages 207 to 256 and page 284 respectively of the Universal Registration Document, approved on 14 June 2022 under the following approval number R22-025.

The annual financial statements and the Statutory Auditors' report on the annual financial statements for the financial year ended 31 December 2021, included on pages 257 to 283 and page 290 respectively of the Universal Registration Document, approved on 14 June 2022 under the following approval number R22-025.

1.6 Person responsible for the financial information

Jean-Michel Thibaud
Group Chief Financial Officer and Deputy Chief Executive Officer
Address: 5 avenue Raymond Chanas, 38320 Eybens, France
E-mail address: *investors@waga-energy.com*

2. STATUTORY AUDITORS

2.1 Name of the Statutory Auditors

Ernst & Young et Autres
Member of the Regional Association of Statutory Auditors of Versailles and the Centre
Represented by Cédric Garcia
Tour First
TSA 1444
92037 Paris-La Défense cedex

Start date of the first term of office: 16 January 2015

Expiration date of the current term of office: General Meeting held to approve the financial statements for the financial year ending 31 December 2026.

BM&A

Member of the Regional Association of Statutory Auditors of Paris
Represented by Pierre-Emmanuel Passelègue
11 rue de Laborde
75008 Paris, France

Start date of the first term of office: appointed by the Company's General Meeting of 17 June 2021

Expiration date of the current term of office: General Meeting held to approve the financial statements for the financial year ending 31 December 2026.

2.2 Statutory Auditors having resigned, having been dismissed or not having been reappointed

None.

3. RISK FACTORS

3.1 Summary of risks

Before proceeding with the acquisition of shares in the Company, investors are invited to examine all the information contained in this Universal Registration Document, including the risk factors described below. At the date of the Universal Registration Document, these risks are those which the Company believes could have a material adverse effect on the Group, its activity, financial position, results or prospects and which are important for investment decision-making. Investors should be aware, however, that the list of risks presented in Chapter 3 of the Universal Registration Document is not exhaustive and that other risks, unknown or whose occurrence is not considered, at the date of the Universal Registration Document, to be likely to have a material adverse effect on the Group, its activity, financial position, results or prospects, may or might in future exist or occur.

In accordance with the provisions of Article 16 of Regulation (EU) 2017/1129 of the European Parliament and of the Council, this chapter presents the main risks that may, at the date of the Universal Registration Document, affect the Group's activity, financial position, reputation, results or prospects. Within each of the risk categories mentioned below, the risk factors that, at the date of the Universal Registration Document, the Company considers to be the most important are presented first.

The Company assessed the degree of criticality of the net risk, based on a joint analysis of two criteria: (i) the probability of the risk occurring, and (ii) the estimated magnitude of its negative impact. The degree of criticality of each risk is set out below, on a scale of 1 to 4 (4 being the highest).

Risk factor	Risk	Probability of occurrence	Degree of severity	Criticality
3.1 Risks related to the business sector	Access to gas sources	1	3	2
	Access to gas networks	1	2	1
	Marketing of biomethane and policies to support renewable energies	1	2	1
3.2 Risks related to the Group's business and strategy	Personnel safety	1	4	3
	International development	2	2	2
	Construction and manufacture of WAGABOX® units	1	2	1
	Operation, safety and maintenance of WAGABOX® units	1	2	1
	Securing of contracts	1	2	1
3.3 Financial risks	Group financing	1	3	2
	Taxation	2	1	1
	Currency exchange	2	1	1
	Credit or counterparty risk	1	1	1
3.4 Legal and regulatory risks	Technology and intellectual property rights	1	3	2

Risk factor	Risk	Probability of occurrence	Degree of severity	Criticality
3.5 Environmental, social and corporate governance risks	Cybersecurity and IT infrastructure	1	2	1
	Permits, licenses, authorisations	1	1	1
	Ethics and corruption risk	1	3	2
	Key skills	1	2	1
	Climate fluctuations and the environment	2	1	1

3.2 Risk management policy

Objectives, organisation, system

Risk management is closely monitored by Group management. The main task of risk management is to identify, assess and prioritise risks (depending on the potential impact and probability of occurrence), as well as to assist the Group's management in the choice of the most appropriate risk management strategy and, in order to limit the significant residual risks, to define and monitor the related action plans. Operational risk management and internal control are the responsibility of the Group's operational departments and subsidiaries, under the functional control of the Group's Finance and Legal Departments.

The Audit Committee set up within the Company's Board of Directors is also responsible for ensuring the relevance, reliability and implementation of the Company's internal control, identification, coverage and risk management procedures relating to its activities and to financial and non-financial accounting information.

Operational risk management

Risk management refers to the measures implemented by the Group to identify, analyse and control the risks to which it is exposed. The risk management system is regularly monitored by the management of the Group's operational entities.

For example, the action plans and internal policies put in place by the entities or departments concerned to manage the major risks identified by the Group are described in the relevant paragraphs of Sections 3.1 to 3.5 of this chapter.

3.3 Insurance policy

The Group's insurance policy is coordinated by the Group's Finance and Legal Departments with the support of the operational departments.

The establishment of insurance policies is based on the determination of the level of cover necessary to meet the reasonably estimated occurrence of liability, damage or other risks. This assessment takes into account the assessments made by the insurers as underwriters of the risks. Uninsured risks are those for which there is no offer of cover in the insurance market or for which the offer of cover and/or its cost is not commensurate with the potential benefit of insurance or for which the Group considers that the risk does not require insurance cover.

In particular, the Group has taken out civil liability and operating liability policies, including an environmental insurance policy, in the various countries in which the Group operates, with internationally reputable and solvent insurance companies, as well as all-risk trial assembly insurance to cover the construction of the facilities and machine breakdown and operating loss insurance to cover the invested assets. For risks not covered by these policies, the Group's policies are supplemented on a case-by-case basis by policies taken out locally for a given subsidiary or site.

3.4 Description of risks

3.4.1 Risks related to the business sector

❖ Risks related to access to gas sources at waste storage sites

Risk description

To commission a biomethane production unit, the Group must access the gas emitted by a waste storage site. This involves first identifying sites with characteristics that are conducive to the installation of a WAGABOX® unit, and secondly signing a long-term contract with the site operator for the development of its gas resource (Gas Right or purification service).

In Europe and the United States, where the Group mainly deploys its solution, there are approximately 4,000 waste storage sites, the majority of which are equipped with gas capture systems. However, some governments take measures to limit the production of waste, and sometimes to promote other methods of treatment (incineration, composting, etc.), in the hope of reducing the impact of the waste in order to preserve the environment. For example, since 1 January 2024, France imposes the sorting at source of bio-waste for private individuals, in application of European Directive 2008/98/EC.

Although the amount of waste produced worldwide is growing rapidly (Section 5.3.1 of the Universal Registration Document) and that such measures will probably take several decades to produce their effects, public policies to limit waste storage could eventually contribute to reducing the available gas volumes, or reducing the methane content of the gas to be recovered. In this case, the Group could see the production of its units decrease, or encounter increased difficulties in identifying sites producing enough methane to ensure the profitability of a WAGABOX® project.

For access to these gas sources, the Group is also in competition with a certain number of players offering storage site operators various energy recovery solutions, based on cogeneration (electricity and heat production) or purification (production of biomethane) (Section 5.4.3 of the Universal Registration Document). The existence of a recovery system on a storage site may delay or prevent the completion of a WAGABOX® project. In such cases, the Group would have to wait for the operator to consider renewing this system before signing a new contract.

Competition for access to gas from storage sites could also increase with the emergence of new players, some of which could have very significant resources, enabling them to offer new technologies, new processes or different, more efficient and more profitable approaches. Energy companies or other private players could decide to extend their activity to the market for the recovery of gas from waste storage sites. For example, the oil group TotalEnergies announced its intention to develop biomethane, and in 2022 its competitor BP acquired the American company Archaea Energy, positioned in the recovery of gas from waste storage sites.

Increased competitive pressure in the Group's current or planned markets, or the emergence of new technological solutions, could slow the deployment of the WAGABOX® solution and have an adverse effect on the Group's business, results and development prospects.

Risk management measures

The Group believes that the gas production from waste storage sites will remain high worldwide, due to a constant increase in waste production due to population growth and urbanisation (Section 5.2.1 of the Universal Registration Document). In developed countries, the improvement of gas capture systems, motivated by the need to reduce methane emissions, should keep the volumes of gas available at a high level, despite the reduction measures imposed on waste storage. In developing countries, the improvement of storage techniques, and in particular the installation of capture devices, should significantly increase the number of sites that can be equipped with a WAGABOX® unit.

The Group believes that the production of biomethane will eventually replace the other gas recovery solutions from storage sites, due to higher energy efficiency and its ability to decarbonise sectors that remain totally dependent on fossil fuels, such as transport and industry (Section 5.3.1 of the Universal Registration Document). This change is already underway in Europe, where cogeneration engines installed on storage sites are gradually being replaced by units producing biomethane. It is boosted by the high cost of the electricity produced by cogeneration systems and by the discontinuation of the subsidies allocated to these projects.

As the only player dedicated solely to the production of biomethane at waste storage sites, the Group believes that it is in a favourable position to establish itself in this emerging market. It has a proprietary and exclusive technology, offering to its knowledge a level of performance unparalleled on the market (Section 5.2.2 of the Universal Registration Document). In particular, it is the only player capable of producing biomethane that can be injected directly into gas networks from gas sources containing up to 30% air, which enables the Group to address virtually all waste storage sites in the world. In particular, the Group believes that it is the only player able to position itself on small sites (from 200 m^3/h) due its technology's performance, integrated business model and standardised and modular approach.

The Group also enjoys strong credibility in this activity thanks to around 20 units in operation in France, Spain, Canada and the United States, and references with several major waste treatment players (Veolia, Suez, Séché Environnement, PreZero, Casella Waste Systems, etc.).

- Risks related to the access to gas grids

Risk description

WAGABOX® units inject their biomethane production directly into the gas networks. Access to the network is therefore essential for their operation; if they are not or no longer able to inject, they must be stopped and the gas emitted by the waste storage be sent to a flare.

The Group focuses its commercial prospecting on waste storage sites that can be connected to a gas network under economic conditions that make the project profitable. At this stage, the Group assesses the technical, economic and administrative feasibility of a connection. In countries where injection projects are new, network operators may impose restrictive specifications on the quality of the biomethane to be produced, or even refuse access to the network, which could in some cases prevent a project from being carried out.

During the construction phase of the project, the Group enters into a contract with the gas network operator for the latter to carry out the connection. In some countries, the cost of the connection can be very high, and sometimes even higher than the estimates made by the Group during the development phase of the project. A very high connection cost is likely to weigh on the profitability of the project, or even in some cases to prevent its completion.

The gas network operator is contractually bound to complete the connection within a timeframe that allows the unit to start up on the date set out in the schedule established by the Group. In the event that this deadline is not respected, due a technical or administrative problem, for example, the start-up of the WAGABOX® unit should be delayed, which could affect the profitability of the project. The risk of delay appears greater in countries where biomethane injection projects are new, and where network operators lack experience in this area.

During the operating phase, some WAGABOX® units could be prevented from injecting due to the saturation of the gas network. The units generally inject into a grid of the distribution network that serves a limited number of consumers, and can therefore be saturated during the hot season, when the shutdown of heating devices causes a decrease in consumption. Such an event generally leads the network operator to temporarily block access to its network at the injection station. This situation is likely to penalise the unit's production and may affect the profitability of the project.

Although the Group pays the greatest attention to the connection of its WAGABOX® units, a delay in the completion of works, a poor assessment of the network's capacity, or the need to undertake additional work to increase its capacity, may cause a delay in the commissioning of a WAGABOX® unit, a lower than expected level of production, or a decrease in the project's economic profitability. The occurrence of these events could have an adverse impact on the Group's business, financial position, results and outlook.

Risk management measures

Network operators are generally very involved in the success of biomethane injection projects insofar as they contribute to preserving the value of their assets, which is essentially based on the distribution of fossil gas, and could be threatened by the evolution of public policies in the coming years. In addition, the Group operates in a sufficiently deep market to be able to concentrate its efforts on storage sites that can be connected.

In addition, prior to any commercial discussion with the operator of a storage site, the Group carries out an in-depth connection study, detailing in particular the technical feasibility, the duration of the work and the cost of the operation. In the event that connection proves impossible, whether for technical, economic or administrative reasons, the injection project is generally abandoned. The possibility of delivering the biomethane production by truck (virtual pipeline) in compressed or liquefied form (bioLNG) could in certain cases be considered instead.

As part of this feasibility study, the Group also assesses the capacity of the gas network to sell its biomethane production, particularly during the hot season. This parameter is taken into account in the design of the WAGABOX® unit. The risk of saturation is non-existent when the unit is connected to a transport network, where gas circulates at high pressure. In the event that it is connected to a distribution network likely to be occasionally saturated, the Group may consider, in consultation with the network operator, the construction of a connection to another distribution network, or the construction of a compression system to convey the gas back to the transport network.

❖ Risks related to the marketing of biomethane and changes in policies to support renewable energies

Risk description

As part of its developer-investor-operator model, the Group finances the construction and operation of the WAGABOX® units through the marketing of their biomethane production, except in the case where it provides a purification service to the waste storage site operator (Section 5.1.6 of this Universal Registration Document).

The marketing of biomethane can be carried out as part of a government subsidy scheme, or as part of long-term private purchase agreements with an energy company or a company wishing to decarbonise its activity (Biomethane Purchase Agreement - EPS). In both cases, the Group secures long-term contracts, guaranteeing a sale price sufficient to ensure the economic balance of the projects over time. Failure to market biomethane at a price sufficient to ensure the economic profitability of projects, or not finding a buyer for its biomethane production, could weigh on the profitability of projects, slow their development, or prevent the completion of certain projects.

In some countries, the Group may benefit from subsidies for biomethane injection, in the form of a mandatory purchase price guaranteed by the State, investment subsidies and/or subsidies for connection to the gas network, or tax exemptions. It has thus been developed in France, where a mandatory purchase price (*Tarif avec obligation d'achat* - TOA) has been in force since 2011, which guarantees a price indexed to various economic indicators, for a period of 15 years from the date of commissioning of the facility.

The Group has also undertaken several projects in Canada, three of which benefit from subsidies granted by the government of the province of Quebec. The latter offers subsidies and a purchase price for a period of 20 years, negotiated with the gas distributor Énergir, for which the government has set the objective of integrating 10% of green gas into its network by 2030.

The mechanisms to support the injection of biomethane in force in France, Canada and other countries are likely to vary according to public policies. Since 2020, the mandatory purchase price in force in France has been reserved for biomethane production facilities whose production does not exceed 25 GWh per year. Beyond this limit, project leaders must participate in a call for tenders organised by the French Energy Regulatory Commission (*Commission de Régulation de l'Énergie* - CRE) to benefit from a mandatory purchase price. Any unfavourable change or call into question of a subsidy system in a country where the Group is established, or intends to establish itself, could slow down or complicate the development of new projects in the country concerned, and jeopardise the achievement of its strategic objectives. Conversely, the introduction of a mechanism to support the injection of biomethane, or the strengthening of a mechanism already in place, would be likely to promote the deployment of its solution (see Section 5.1.3.4 "An energy subsidised in several countries").

The Group also markets the production of biomethane from WAGABOX® units in the context of private purchase contracts called Biomethane Purchase Agreements (BPA), based on the Power Purchase Agreements (PPA) model commonly used in the renewable electricity sector. On 20 June 2023, the Group launched its first production unit financed under a BPA contract at the PreZero waste storage site in Els Hostalets de Pierola, in Catalonia (Spain). In the United States, as well as in all countries where there is no government aid for injection, all projects undertaken by the Group are carried out under BPA contracts.

The signing of a BPA contract involves negotiation of the sale price of the biomethane as part of a long-term contract. This price is generally established on the basis of the value of fossil natural gas, to which is added a premium corresponding to the "green value" of biomethane, due to its positive externalities (decarbonisation of an industrial activity, compliance with environmental regulations, local sourcing, stable price, etc.). In the United States, the green value of biomethane is determined by the Renewable Identification Number (RIN) mechanism. In other countries, this green value is negotiated directly by the Group as part of each BPA contract.

The value of the biomethane negotiated by the Group under a BPA contract may be indirectly affected by the market price of natural gas (the “spot” price). In the event that this price is lastingly low, the Group could encounter difficulties in obtaining a price sufficient to ensure the economic balance of a project. This situation could weigh on the profitability of the project, or jeopardise its completion.

If the price of fossil natural gas were to decrease sharply, or if the cost of biomethane production were to increase, the competitiveness gap between fossil gas and renewable gas could reach a level deemed unacceptable for a buyer in a given jurisdiction. This could materially and significantly affect the Group’s ability to achieve its development objectives as well as its results.

Risk management measures

The Group deploys the WAGABOX solution® in several markets to avoid over-dependence on a given market. It is present in Europe and North America, where sales dynamics are significantly different.

In particular, the Group targets countries where injection assistance mechanisms exist, offering favourable conditions for the marketing of its biomethane production, regardless of the market price of natural gas. In this case, the selling price of biomethane is more or less decorrelated from the market price of natural gas. The Group also ensures that it is involved in professional organisations and other working groups set up in the countries where it operates in order to provide its expertise to public authorities and local decision-makers, and to be able to anticipate any regulatory changes.

Since its creation, the Group has the ambition to produce biomethane at market price, independently of any government support mechanism, under BPA contracts. For this, it relies on the performance of the WAGABOX® technology, which makes it possible to produce renewable gas at a very competitive price by recovering a by-product from waste treatment. The signing of a first BPA contract in Spain at the beginning of 2021, when the market price of natural gas was at a relatively low level in Europe, attests to this.

In most countries where the Group deploys its solution, BPA contract negotiation is currently favoured by a growing demand for renewable energies, and in particular for biomethane, which makes it possible to decarbonise economic sectors that are totally dependent on fossil fuels, such as transport and industry. Since 2022, the Group has also observed a growing demand for biomethane in Europe, due to the increase in the price of natural gas and its volatility, caused by the war in Ukraine and the slowdown in Russian gas imports. This context helps to strengthen the competitiveness of the biomethane produced by WAGABOX® units, especially as the Group is able to offer buyers a stable price over time. For high-capacity WAGABOX® units, the Group now believes that it is able to negotiate better terms under a BPA contract than those obtained through certain subsidy mechanisms.

Lastly, in the United States, the Group is studying the possibility of benefiting from investment subsidies (Investment Tax Credit) under the Inflation Reduction Act (IRA) passed by the Biden administration in August 2022 (see Section 9.2 of the Universal Registration Document). These grants, if they were granted, would represent an opportunity for the Group insofar as they are not currently taken into account in the economic balance of projects.

3.4.2 Risks related to the Group's business and strategy

❖ Industrial risks that may affect employee safety

Risk description

The Group operates in the gas engineering sector, which involves a certain number of industrial risks related to the materials used and the processes implemented for the purification of gas from waste storage sites.

The operation of pressure equipment, at the heart of the industrial processes implemented by the Group, involves risks of explosions, component failure, projections, shock waves, and uncontrolled emissions of potentially hazardous gases or liquids.

Some treated gases, such as methane or hydrogen sulphide, are classified as hazardous gases (flammable gas, toxic gas). Others, such as nitrogen and carbon dioxide, can cause anoxia (oxygen deprivation) in a confined environment. Cryogenic processes, consisting of cooling the gas to very low temperatures, require specific control and protection measures in order to prevent:

- any cryogenic burns associated with liquefied gases;
- anoxia, associated with inert gases;
- explosiveness, associated with methane;
- the weakening of materials at very low temperatures.

Lastly, WAGABOX® units consume electricity and are connected to a low-voltage grid. As a result, employees are exposed to risks of electric shock, electrocution, fire and explosion, potentially aggravated by the handling of flammable gases.

Any accident occurring during the operation of a production unit, caused by a technical malfunction or human error, is likely to cause serious injury or death.

The occurrence of an industrial accident could have serious consequences for personnel and equipment, and consequently for the Group's reputation and financial position. There can be no assurance that the Group's insurance coverage will be sufficient to cover all losses resulting from such events.

Risk management measures

In terms of safety, and in particular of people, the Group has an obligation to achieve results and considers risk management to be its first priority. The Group has a Quality, Health, Safety and Environment (QHSE) team, which employs nine people in Europe and North America, whose mission is to structure a safety approach covering all of the Group's activities in all countries where it is deployed.

The Group complies in the strictest way with all industrial safety standards and regulations in force in the countries where it operates. With regard to the regulations in force relating to the operation of pressure equipment, the Group complies in particular with Directive 2014/68/EU in Europe, the American Society of Mechanical Engineers (ASME) standard in North America, and the Canadian Registration Number (CRN) regulation in Canada; concerning the operation of equipment intended for use in hazardous areas, the Group scrupulously complies with Directive 2014/34/EU in Europe, the Underwriters Laboratories (UL) regulation in the United States, and the Canadian Standards Association (CSA) regulation in Canada. Strict compliance with these standards and regulations involves periodic audits of equipment by independent firms.

In addition to the training and certifications required by regulations, the Group provides training to all employees, in particular to all employees authorised to work on the construction, operation or maintenance of WAGABOX® units, specific and in-depth training on the operation of the technology, the risks inherent to the various interventions, and the procedures to be put in place to prevent them.

Incidents, accidents and “near-accidents” that occur are systematically analysed by the QHSE team, and are the subject of the publication of an “Accident sheet” detailing the tree of causes and the corrective measures implemented to prevent them from recurring, these measures may range from employee training to equipment modifications.

The Group has also taken out insurance covering civil liability for damage caused to third parties as a result of the construction, operation and maintenance of WAGABOX® units.

❖ Risk related to the Group’s international development

Risk description

The Group’s strategy consists of implementing the WAGABOX® solution in a controlled manner in France and internationally in order to take significant action to reduce greenhouse gas emissions. At the date of the Universal Registration Document, the Group generates approximately 27% of its revenue internationally.

France is the Group’s historical strategic market, given the country’s policy of supporting renewable energies (in particular the injection of biomethane from waste storage sites) and innovation, for the start-up of its activity. Nevertheless, France’s share of the Group’s revenue is bound to decrease over time with the opening of new markets. During the financial years ended 31 December 2021, 2022 and 2023, the Group generated 85%, 81% and 63%, respectively, of its revenue on the French market.

Due to its business model, the Group’s international development requires the establishment of one or more dedicated subsidiaries in the target jurisdiction and integration into the local ecosystem (organisation and structuring of development and production tools in relation to the market) and an understanding of market dynamics and local regulations. If the Group were to experience difficulties or fail to implement its strategy of geographically expanding its offering to new markets, particularly in the United States, Canada, the United Kingdom and Spain, this could have a material adverse effect on its outlook, business, financial position and results of operations.

This strategy of growing local teams entails a high cost of entry into a new country and an incompressible development time (creation of subsidiary, recruitment, local studies, etc.). In addition, the first projects developed in each new country may prove to be longer and more costly than initially planned due to the need to increase the Group’s skills and adapt its processes to local regulations and practices.

The risks related to the Group’s international rollout strategy are numerous and include the following risks:

- instability of the political environment (risk of losses in the event of expropriation, nationalisation, confiscation of property and assets, political or social unrest or malicious or terrorist acts);
- legal and commercial constraints on establishing or maintaining operational efficiency in the various markets;
- difficulties in recruiting local resources (employees, industrial partners, etc.);
- dissemination of the corporate culture;
- dispersal of skills, resources and centres of decision-making;
- obtaining the necessary permits and amendments to applicable regulations;
- extension of the development and start-up period of projects;

- adaptation of industrial processes to any local specificities with a risk of extending the construction period of the first projects;
- volatility of local policies in favour of renewable gases;
- need for equity financing for the deployment of the structure and the pre-financing of the first projects;
- presence of corruption or increased business ethics risks; and
- foreign exchange or currency risk.

Difficulties may arise in the process of selecting employees or partners due to the scarcity of such partners in the target market or the Group's incorrect choice of a candidate or an unprofitable project. The inability of the Company to retain these key individuals and to attract new profiles and manage growth, or unexpected difficulties encountered during its expansion, could adversely affect its business, revenue, financial position, results or development prospects.

Making an investment in a country that does not have an incentive policy for renewable energies, and in particular for biomethane, or an unfavourable change in such a policy that would reduce the competitiveness of biomethane and therefore the profitability of the project, could have a material adverse effect on the Group's business, results or financial position.

Risk management measures

The organic growth strategy of the Group's local teams makes it possible to build a solid foundation for the sustainable development of the business, notably thanks to the business model that provides for contractual recurring revenue.

The Group's objective is to:

- be able to quickly dispense with temporary tariff support in order to offer energy at a competitive price, regardless of the country of operation. In addition, regulatory constraints on greenhouse gas emissions are expected to improve the competitiveness of biomethane on the markets;
- limit the risks related to international growth by deploying the solution in a few targeted markets with different dynamics but with sufficient market depth.

Lastly, the Group can capitalise on the signing and successful commissioning of the first international units (commissioning of two units in Canada and one unit in Spain in 2023 and one unit in the United States in 2024). This development and construction phase is now de-risked in three strategic countries, opening up significant potential.

❖ Risks related to the construction and supply of the components required for the manufacture of WAGABOX® units and their integration

Risk description

The Group handles all stages of the WAGABOX® projects up to the commissioning of the units, with the support of its internal teams and service providers. For the construction of the units, it calls on various suppliers of components, equipment and materials, and on precision boilermaking specialists for their integration. The Group does not have its own production workshop.

Construction costs may vary depending on:

- the price of the raw materials needed for manufacturing (such as stainless steel or aluminium);
- the cost of the equipment constituting the WAGABOX® unit;
- the availability of certain key components (filtration membranes, electronic boards, cryogenic components).

The Group could encounter difficulties in obtaining certain components and equipment necessary for the manufacture of its units, due in particular to the inability of a supplier to meet demand, or a problem in transport or delivery. The risk is greater for critical parts (cryogenic valves, membranes, heat exchangers, compressors, etc.) whose supply depends on a single supplier or a limited number of suppliers. In addition, some custom-designed equipment is costly and requires significant manufacturing and delivery times.

The unavailability of certain equipment and components is likely to cause delays in the completion of projects, or operating losses in the case of replacing a defective part on a unit in operation. These situations may cause a loss of revenue that may not be fully offset by penalty clauses included in contracts with suppliers or equipment manufacturers.

As part of its business, the Group subcontracts part of the design, supply and installation of its units to various suppliers or equipment manufacturers. In the event of supply chain incidents, the Group could be faced with requests to cover additional construction costs that may increase the amount of investment originally planned.

Generally, the Group's co-contractors may face supply difficulties, delivery delays and the risk of logistics chain disruption, which are liable to affect prices and conditions for obtaining the components necessary for the design of WAGABOX®, extending the delivery times of these units, increasing their cost, as well as disrupting the development and construction of the projects.

For example, the significant increase in the price of steel and activated charcoal during the health crisis in 2020-2021 had an impact on the Group's supply costs. Likewise, although the Group has no direct exposure in Eastern Europe, the conflict between Russia and Ukraine is causing tensions on the price of raw materials and on logistics chains, which are likely to have a negative impact on costs and supply times, and therefore on the Group's business.

Increased supply costs and longer manufacturing lead times could reduce the value of the projects developed by the Group, each of these circumstances could have a material adverse impact on the Group's business, results or financial position.

Risk management measures

The Group has set up a team dedicated to supply and logistics, comprising around 15 people in Europe and North America, at the date of publication of the Universal Registration Document. This team is structured around three divisions: purchasing and supply management; inventory and flow management; transport and customs.

To ensure its supplies, the Group has forged close relationships with a number of strategic suppliers, with whom it shares its order forecasts for periods of up to 18 months, to ensure that they are able to support its rapid growth. The Group endeavours to sign framework contracts with them requiring them to offer guarantees in terms of delivery times and price control.

The Group also deploys a dual sourcing policy for all of its strategic supplies.

The Group has an internal stock of strategic parts and components (cryogenic exchangers, membranes, spare parts for compressors, etc.) whose manufacture or delivery could require significant delays. These inventories can be mobilised quickly to ensure compliance with start-up schedules, or to be able to intervene quickly in the event of equipment failure on a unit in operation. They are managed using an integrated enterprise resource planning (ERP) software package ensuring automated management of inventory levels.

Lastly, the Group has launched a project to build a WAGABOX® assembly workshop near its registered office in Eybens (Isère), which will be operated in partnership with one of its subcontractors, thus enabling it to significantly increase its production capacity.

- Risks related to the operation, safety and maintenance of WAGABOX® units

Risk description

The Group's economic performance is directly related to the performance of the WAGABOX® units. In order to manage the performance of these units without relying on third parties, the Group manages all aspects of unit operation (preventive and curative maintenance, day-to-day operation, parts inventory management, etc.). This approach also makes it possible to provide expert training and skills to those involved and contribute to the protection of the intellectual property of WAGABOX® units.

While the Group ensures the training and skills of its technicians and designs the units to minimise any technical incidents, it remains exposed to the risks inherent in an industrial activity. The operation of these units, although controlled remotely, requires occasional human intervention. The operation of WAGABOX® units may be affected by breakdowns, or by the failure of certain components or equipment, resulting in a reduction in performance, in particular availability. These breakdowns and failures can have several causes: component or equipment wear; employee negligence (human error, lack of maintenance, or even a deliberate act of sabotage). This type of incident or human error could result in the unavailability of a unit for a shorter or longer period, as well as penalties. In addition, any vagaries in the performance of a WAGABOX® unit resulting from the lack of performance of units in operation or their shutdown, an insufficient quantity of biomethane injected into the operator's gas grid or a lower quality of biomethane than the customer expects, constitute a risk for the Group, leading to additional costs and liable to have direct economic repercussions. In the event of component failure or unit failure, delays may occur in delivering and replacing components.

An unscheduled interruption in the operation of WAGABOX® units generally results in an increase in operating and maintenance costs. These may not be recoverable under biomethane sales contracts and thus reduce the Group's revenue generated by the sale of reduced quantities of biomethane, or force the Group to incur potential penalties payable to the storage site operator or the energy company or significant costs due to the increased cost of operating the facility. An interruption could lead to the termination of a contract and could result in the early repayment of the corresponding project financing.

In addition, the Group is exposed to the risk of an increase in the price of electricity, mainly in Europe, insofar as the operating cost of the WAGABOX® units is sensitive to this and the biomethane sales tariffs are not directly indexed to the price of electricity. A prolonged increase in the market price of electricity could have direct consequences on the profitability of certain projects, notably those for which there is no mechanism for sharing the cost of electricity with the storage site operator.

Lastly, the purification process of the WAGABOX® units consumes various adsorbents (activated charcoal), in particular to filter the sulphur present in the raw gas. The Group is exposed to fluctuations in the price of these adsorbents. An increase in adsorbent prices and the actual cost of supply for the Group could negatively impact the profitability of the projects concerned.

The occurrence of these events could have a material adverse effect on the Group's business, financial position, reputation, results and outlook.

Risk management measures

The Group is attentive to safety in the context of its activity and regularly reinforces the procedures for remote control of units and implements preventive or corrective maintenance. The Group has built up a stock of critical parts in France and North America. In addition, as part of the operation of the WAGABOX® unit, the Group has IT independence from its IT software associated with its management, so that each WAGABOX® is independent of others from the point of view of information systems, thus limiting the consequences of cyber risks.

The Group also strives to put in place contractual mechanisms to mitigate these risks (cost-sharing formulas or renegotiation clauses). With regard in particular to the risk of an increase in the cost of electricity, the Group has negotiated, in the majority of projects in France, a sharing of the cost of electricity consumption with the operator of the storage site, thus limiting the impact of an increase in the electricity price on the operating cost of its units. In addition, when market conditions are favourable, the Group negotiates multi-year electricity supply contracts.

❖ Risk related to the securing of contracts

Risk description

The sale of biomethane from the purification of biogas (landfill gas) is the main source of revenue from the Group's projects (71% of revenue as at 31 December 2023). The average duration of these biogas sale contracts is 10 to 20 years (see also Section 7.1.6 "Main performance indicators" of the Universal Registration Document). In most of the countries in which the Group operates, the biomethane produced is sold either under long-term purchase commitment agreements (as in France) or private biomethane purchase agreements (BPA). The buyer is then an energy company holding a gas supply licence.

To be able to meet the commitments to deliver biomethane to an energy company, securing a contract to purchase biogas from a landfill site operator is essential to carry out a project.

The contractual commitment periods between the purchase of biogas and the sale of biomethane must be aligned as much as possible. If it is not possible to match the conditions or if either party fails to honour its commitments, the project could fail to operate smoothly and could be subject to penalties by either party. Accordingly, for each project, the Group must comply with the legal and regulatory framework allowing it to benefit from such a contract (for example, in France, a request filed with the departmental prefect in order to obtain a certificate giving entitlement to the purchase commitment).

In addition, contracts for the purchase of biogas or contracts for the sale of biomethane, notably those concluded with offtakers (energy companies holding a gas supply permit), require the Group to agree with each counterparty on mechanisms for managing changes in the economic or regulatory environment, risk-sharing mechanisms or robust price adjustment mechanisms, depending on various parameters such as price indices for gas or other products and services (based on past or present changes), elements relating to the productivity of the project undertaken, or the practice in the relevant jurisdiction. It also requires the implementation of complex tools to assess the project's economic performance. Understanding these adjustment mechanisms and their consequences depending on the scenarios studied may lead to longer negotiations and potential disputes with the counterparties to these agreements.

Risk management measures

In general, to manage the risks related to the securing of contracts, the Group relies on the skills of its business developers, the increase in their number, the sharing of best contractual practices, their training on the tools for the economic evaluation of projects and a systematic analysis of the risks of each contract, including the analysis of counterparties, to ensure the development of the projects and their ability to secure biogas purchase contracts in line with the conditions negotiated with the biomethane buyers within the framework of biomethane sales contracts. Business developers can also draw on the expertise of the Legal Department and the “contract management” and “energy” departments, which have been strengthened over the last two years. This combination of skills and expertise remains the true guarantee of the quality and robustness of the contracts thus concluded.

The Group ensures that the facilities do not disregard any contractual provision that would result in the suspension or termination of the purchase agreement. It also ensures that each counterparty has all the permits and authorisations enabling it to fulfil its commitments.

For each project, the biogas purchase contract and the biomethane sale contract include multiple mechanisms, which vary according to the legal framework and practices of the country where the project is developed, making it possible to manage the consequences of potential events occurring under the other contract and thus reduce the risks of misalignment between the biogas purchase contract and the biomethane sale contract.

Lastly, when deciding to invest in a given project, the Investment Committee ensures the alignment of contracts and the control of the associated risks.

3.4.3 Market risks and risks related to the Group's financial position

❖ Risks related to the Group's financing

Risk description

The Group is a developer, investor and project operator using its WAGABOX® technology. The financing of its assets is therefore an integral part of the Group's strategy and performance. This activity of construction, installation and operation of WAGABOX® units is a major consumer of capital and requires significant financing and refinancing through the use of equity and external debt. The majority of the Group's financing is carried out at the level of project companies known as Special Purpose Vehicles (SPV) or AssetCo, with a financial leverage (portion of the financing in debt) of up to 80%. These are mainly loans without recourse to the Group's parent company.

The Group's ability to obtain financing at this level of leverage for its projects depends on many factors, both internal and external: geographical region concerned, stage of development of projects (obtaining the authorisations and permits necessary for construction), level of project profitability, market conditions (liquidity, interest rates, etc.). These financings are complex and time-consuming to implement, and generally involve a portfolio of projects to reach a minimum size.

In the new markets developed by the Group, for example in North America, the implementation of the first financings and the achievement of the target financial leverage may take longer than in the regions better known to the Group, due to the necessary increase in skills in the knowledge of the financial players and the specificities of the sector, and the constitution of a portfolio of projects of a sufficient size to attract funders. In more mature markets such as France, the ability to replicate financing under conditions similar to those previously obtained - particularly in terms of leverage, maturity or cost of credit - depends on the market conditions over which the Group exercises no or limited control.

The financing conditions may also change due to factors inherent to the Company and the Group such as the perceived risk on the Group or WAGABOX® units, as well as external factors such as new banking regulations, a drastic reduction in the supply of credit or a liquidity crisis.

The Group's ability to raise additional funds therefore depends on the financial, economic and market conditions. The Group cannot guarantee that additional funds will be made available to it when needed and, if necessary, that said funds will be available on acceptable terms. Any inability to obtain financing with the target financing levers to achieve its objectives in terms of investment amounts would result in greater recourse to its shareholders and the market to meet the Group's equity needs.

In addition, these financing agreements, entered into by the Company or its subsidiaries, generally include financial and non-financial commitments or "covenants", such as minimum debt service coverage ratios, and other traditional commitments for this type of financing. For more details, please refer to Section 8.3 of this Universal Registration Document.

If the Group fails to comply with a covenant, it could be exposed to the early repayment of the project debt, with a significant adverse impact on the Group's ability to obtain financing in the future and on the cost of its future financing.

Moreover, if the Company were to encounter significant financial difficulties this could lead to the activation of the cross-default clauses present in certain financing contracts and thus lead to simultaneous defaults on several projects at SPV level. If the Company does not obtain the waiver by lenders or a restructuring agreement on their part, they may be entitled to seize the assets or securities given as collateral (in particular the Group's interest in the subsidiary that owns the facility).

At the date of the Universal Registration Document, the Group does not anticipate any particular difficulties with respect to the covenants in the coming months. However, the occurrence of these events could have a material adverse effect on the Group's business, financial position, reputation, results and outlook.

Lastly, the Group has limited exposure to interest rate risk, insofar as the long-term financial debts bear a fixed rate of interest or, for those at a variable rate, have been converted into a fixed rate by means of an effective interest rate swap. However, an increase in key rates would have an impact on the conditions of the new loans to be put in place.

Risk management measures

Since its creation, the Group has been supported by a large number of financial partners who have demonstrated complete confidence. It is in constant contact with banks and investors and monitors the state of the financing markets. In this respect, the Group has diversified financing solutions, enabling it to meet its short- and medium-term financial commitments.

In April 2024, the Group recruited a Deputy Chief Executive Officer / Group Chief Financial Officer to strengthen its financing skills and support the structuring of the organisation in this phase of strong growth and international development.

The Group also benefits from the proceeds of its initial public offering in October 2021 and its capital increase in March 2024. These significant capital increases facilitate access to bank loans and the negotiation of financing conditions. The Group also believes that the robustness of its business model based on high predictability of cash flows and control of its operational activity, demonstrated over the past seven years through the 18 Wagabox units in operation at 31 December 2023, is likely to foster the confidence of banks and investors and thus facilitate access to the credit market.

In addition, the Group systematically prepares a financing plan before any solicitation or commitment, with an early review of the conditions and risks related to the implementation and monitoring of financing.

Lastly, the Group monitors in detail compliance with the covenants defined in all its financing agreements. Regular monitoring is carried out internally and regular reports are sent to banks and investors. If the Group were to anticipate a case of non-compliance with these covenants over a given period, it would engage in discussions with the counterparties with the aim of obtaining a waiver. At 31 December 2023, all commitments, particularly those relating to compliance with financial covenants, are met.

With regard to interest rate risk, the Group favours fixed or hedged interest rates, thus protecting itself against possible interest rate fluctuations.

❖ Risk related to taxation affecting the Group

Risk description

At the date of the Universal Registration Document, the Group operates in various locations around the world (United States, Canada, Spain and France) and is therefore exposed to potential changes in tax regulations in all countries in which it operates. The Group may face changes in tax standards concerning, in particular, mandatory deductions, VAT applicable to Group projects, any withholding tax on distributed revenue, or the tax treatment of the deductibility of interest on loans taken out for specific projects, as well as changes in the tax rates applicable to the various subsidiaries. In particular, the initiatives of governments, the OECD, the G20 or the European Union may have the effect of increasing the Group's tax burden.

In addition, the challenge by the tax authorities of a position taken by the Group could lead to adjustments, payment of additional taxes or payment of penalties. There is no guarantee that the tax authorities will validate the tax positions deemed correct and reasonable by the Group or its tax advisors. Any payment in connection with tax proceedings against the Group could have an adverse effect on its business, results, financial activity and outlook.

The Group has implemented a transfer pricing policy for its various international subsidiaries, which it changes according to the development of its business model and the countries in which it operates. The transfer pricing policy requires transparency vis-à-vis the tax authorities regarding the re-invoicing of costs incurred and the margins applied. If the Group were to undergo a tax audit resulting in a different interpretation by the tax authorities or the implementation of tax reassessment procedures in the event of a proven breach of the intra-group transfer pricing measures, this could not only generate expenses associated with the tax litigation, or any administrative fines, but also a reputational risk in the given jurisdiction.

The impact of these risks could increase the Group's tax burden and thus have an adverse effect on the Group's effective tax rate, financial position and results.

Risk management measures

The Group relies on recognised tax advisors to define and develop its transfer pricing policy. It also relies on local tax advisors in the countries where it operates to comply with the applicable tax rules and prepare tax returns.

- Credit or counterparty risk

Risk description

Credit or counterparty risk corresponds to the risk of financial loss for the Group in the event that a party to an agreement entered into with the Group or a counterparty to a financial instrument fails to fulfil its contractual obligations.

This risk may materialise at any time during the execution of an agreement if the customer's financial situation deteriorates significantly or the customer becomes insolvent, which may result in the customer being unable to meet its commitments to the Company and/or delays in payments due to the Company.

At the date of the Universal Registration Document, the Group's major contracts were mainly concluded with large operators that are, to the best of the Group's knowledge, financially sound. At 31 December 2023, the revenue from the Group's four main customers amounted to respectively €6.7 million (*i.e.* 20% of revenue), €5.7 million (*i.e.* 17% of revenue), €5.1 million (*i.e.* 15% of revenue) and €2.5 million (*i.e.* 8% of revenue).

The Group operates in a waste market that it considers to be dispersed and characterised by low concentration (presence of multiple landfill operators). The Group's strategy also includes plans to expand internationally and diversify from the French market (see Section 5.5.2 "International rollout strategy" of the Universal Registration Document). If a local market in which the Company operates were to be subject to a tightening of players or exposure to regional economic crises, then the Group may not be able to completely limit any potential dependency or resulting credit or counterparty risk.

Lastly, although the Group has put in place government guarantees on the obligations of purchasers of biomethane, it remains subject to counterparty risk if the conditions relating to the implementation of the guarantees are not met or when it contracts with private players through biomethane purchase agreements.

Risk management measures

The Group favours trusted partners in its development strategy. In countries where customers do not benefit from state guarantees regarding the acquisition of biomethane, the Group assesses the financial strength of the operators with which it signs contracts. In certain cases, the Group may require financial guarantees to secure all or part of its counterparty's payment obligations.

- Currency risk

Risk description

At the date of the Universal Registration Document, the Group's exposure to foreign currencies is not significant.

However, in view of its international development strategy, the Group may in the future receive a larger share of its revenues in foreign currencies.

The Group will then be exposed to a foreign exchange risk related to the change in the euro exchange rate with the various currencies concerned to date: US dollars (USD), Canadian dollars (CAD) and Pound sterling (GBP), which could have an unfavourable impact on the Group's financial position and results.

Risk management measures

The Group will use a foreign exchange risk hedging policy based on its international development, conventionally based on natural hedging between revenues and costs, and where applicable on hedging products when they are available.

3.4.4 Legal, regulatory and digital risks

- ❖ Risk related to technology and intellectual property rights belonging to the Group or used by the Group

Risk description

The technology related to WAGABOX® units, which is protected by intellectual property rights, plays a central role in the development and success of the Group's activities. To this end, it is protected by six families of patents filed in France and abroad relating in particular to the coupling of the membrane and cryogenic distillation. These patent families belong to the Group. The identification of a patentable invention and the renewal and protection of patents present uncertainties and raise complex legal issues. The granting of a patent does not guarantee its validity, which could be challenged before a court in the event of a request for invalidity submitted by a third party as principal or counterclaim. Likewise, being the holder of a patent does not mean that its holder will have a monopoly on the marketing of a patented product, since there may be a competing product with the same functional characteristics. The Company's competitors could also circumvent the Company's patents and legally exploit a technology similar to that protected by the Company's patents.

If the measures taken by the Group to protect the intellectual property rights of WAGABOX® units in a given country where it operates are not sufficiently effective, or conversely, in the event of infringement by the Group of the intellectual property rights of third parties or competitors, this could have an adverse effect on the Group's business, reputation, financial position, results and outlook.

In this respect, the Group cannot guarantee with certainty that (i) its products do not infringe or violate patents or other intellectual property rights belonging to third parties, (ii) there are no patents or other intellectual property rights of third parties that may cover certain products, processes, technologies, results or activities of the Group, even if the Group has been granted a licence for said products, processes, technologies, results or activities, and that (iii) third parties will not act against the Group with a view to obtaining damages and/or the cessation of its manufacturing and/or marketing activities relating to the products or processes in question.

Similarly, following an unfavourable change in the regulations relating to the construction or operating codes applying to WAGABOX® units, the Group could lose the right to operate WAGABOX® units in a given jurisdiction. This could generate additional expenses related to compliance with this new regulation, as well as the installation and marketing of WAGABOX® units.

Moreover, the risk of legal action based on alleged violations, infringements or misappropriation of intellectual property rights or technologies belonging to third parties manufacturing or marketing products similar to the WAGABOX® unit would be liable to result in substantial costs and affect the

Group's reputation and business. If these lawsuits were to be concluded, the Company could be forced to interrupt (under penalty) or delay the manufacture or sale of the products or processes covered by these lawsuits, which would significantly affect its activities. Certain competitors with more resources than the Company may be able to better bear the costs of a complex lawsuit. Any such litigation could therefore affect the Company's ability to continue all or part of its activities to the extent that the Company could be required to (i) cease selling or using its products that depend on the disputed intellectual property in a given geographical area, or pay substantial damages, which could reduce its revenues, (ii) obtain a licence from the holder of the intellectual property rights, which may not be granted or may be obtained on unfavourable terms, and/or (iii) review the design of its products in order to avoid infringing on the intellectual property rights of third parties, which could prove impossible or be long and costly, and could have an impact on its marketing efforts. At the date of the Universal Registration Document, the Group is not subject to any claims or litigation concerning its technology.

Conversely, the Group could face a violation of its trade secrets or its know-how due to malicious acts or cyber-attacks. The occurrence of these events and the disclosure to the public of confidential information related to its business or technology could have a significant adverse effect on the Group's reputation, business, results, financial position and development prospects.

Risk management measures

The Group has put in place a patent protection strategy that requires it to publish precise technical information on its technology, and constantly monitors the market activity of its competitors in order to apprehend and combat any counterfeiting. In addition, in order to limit the risks of infringement by a third party of its intellectual property rights or of its liability due to an alleged infringement of their rights by third parties, the Group is monitored by legal counsel and places particular importance on these aspects in all the contracts it signs in the course of its business.

❖ Risk related to cybersecurity and the IT infrastructure

Risk description

The Group requires IT tools for several of its activities (operations, engineering, accounting, logistics, support, etc.).

These IT tools, capable of processing high volumes of content and data, are intended to support the implementation and management of the Group's activities in order to set up and implement a complex operating model at the local but also global scale, with the aim of supporting the growth of its activities.

However, the Group could encounter IT failures, system and network disruptions, cyber-attacks, accidents, electrical failures, or physical or electronic intrusions in the course of its business and particularly during the implementation of the highly automated WAGABOX® unit. In particular, cyber-attacks are becoming increasingly sophisticated and include, but are not limited to, malicious software attacks, attempts to gain unauthorised access to data and systems and other electronic security breaches that could result in system disruption, unauthorised disclosure of confidential or otherwise protected information and data corruption. In particular, data loss or computer system blockages could slow down project rollout, halt operations, lead to a deterioration in customer relationships and create significant expenses to correct security breaches or damage to the system. The Company believes that the WAGABOX® unit control tools, once installed, are not exposed to an operational risk insofar as a simple reset of the programmes is sufficient to restart the facilities, which can operate autonomously for the time it takes to resolve any problems with remote connections or disruptions to the Group's activity due to hacking of its network, for example. Nevertheless, it cannot be ruled out that a prolonged malfunction of these control tools for external reasons (natural disaster, damage, etc.) could have the effect of interrupting or permanently reducing the performance of one or more units. The implementation of the various procedures intended to monitor and mitigate these threats, and increase the security of the IT system, could lead to an increase in capital expenditure and operating costs.

Lastly, the Group is also exposed to the risk of obsolescence of its IT systems in the event that it is not able to rapidly upgrade its infrastructure and its technological offer in the face of changes in the market and the demand for efficiency from its customers or prospects.

The occurrence of these events could have a material adverse effect on the Group's business, financial position, reputation, results and outlook.

Risk management measures

The data collected by the Group is all automated and stored on a dedicated cloud and some local servers for design software to speed up software response time. An IT Department ensures the security of the entire IT equipment fleet and software updates, with the support of an external outsourcing company.

The IT Department ensures the security of all information system components: equipment, software, data, etc. To this end, it relies on IT and OT cybersecurity standards (ANSSI, NIST CSF, CIS Controls, IEC 62443) as well as on internal audits to continually improve its cybersecurity posture. The Group instils a culture of cybersecurity among its employees through training programmes and regular phishing tests.

- Risk related to obtaining the necessary permits, licences and authorisations to carry out its activities or establish its facilities

Risk description

In view of its activities on sites subject to environmental and energy regulations, the Group is dependent on the regulatory requirements imposed by local regulations (*e.g.* ICPE in France) on the operation of these sites, whether on its own behalf or on behalf of third parties. The Group may thus be exposed to the controls carried out by the authorities in charge of local energy or environmental regulations.

Consequently, if the Group does not obtain the necessary permits, authorisations or licences for the establishment and/or operation of its facilities, or fails to comply with, or ensure the compliance of its facilities with the applicable provisions, it could be penalised by the authorities and face administrative (formal notice; deposit of an amount of money; suspension of activity; official fine, where applicable under penalty) and/or criminal sanctions. The Group could also be affected by the increase in operating costs resulting from making its sites compliant and/or the implementation of measures by the site operator to amortise the financial sanctions suffered.

The Group's international development makes it more difficult to assess the risk associated with obtaining the necessary permits, licenses and authorisations and may result in an extension of the development and start-up period of projects.

The permits, authorisations or licences obtained and necessary for the establishment and/or operation of the Group's facilities may also be subject to litigation, in particular by local residents or associations that may in particular claim before the courts that there has been deterioration of the landscapes, nuisance or noise pollution, or damage to the environment. Such claims could lead to the extension of the timeframes related to projects implemented by the Group or their cancellation.

In addition, the Group's regular authorisations could also be suspended in the event of non-compliance with regulations associated with the production or marketing of biomethane. The Group is exposed to administrative and legal sanctions and bans on marketing in the event of non-compliance with applicable regulations in a given territory.

In France, since 1 July 2021, pursuant to Articles L. 446-27 *et seq.* of the French Energy Code, facilities producing biogas for injection into gas grids with a production capacity of more than 19.5 GWh of calorific value per year are subject to sustainability and greenhouse gas reduction criteria. In the event of non-compliance with these criteria, the administrative authorities give notice to the producer to comply with them. Failing that, the producer will have to repay the sums received in respect of the purchase commitment or the additional remuneration premium during the period of non-compliance. At the date of the Universal Registration Document, the Group believes it meets the criteria described above.

In addition, a new system of biogas production certificates has been codified in Articles L. 446-31 *et seq.* of the French Energy Code, applicable since 1 July 2023. Producers who have requested the issuance of such certificates for their facilities may be subject to periodic inspections at their own expense. Producers may be subject to penalties after formal notice (Article L. 446-48 of the aforementioned code).

Internationally, the Group may be exposed to the volatility of certain local policies in favour of renewable gases.

Lastly, facilities benefiting from a support system or biogas production certificate system are subject to a control system aimed at ensuring their compliance with the provisions required by the regulations for their construction and operation. Inspections must be carried out periodically, at the producer's expense, by bodies approved by the State, on new installations benefiting from a purchase commitment or additional remuneration premium, for which the effective date of the contract is subject to the provision of a certificate of compliance. In the event of a breach noted during these inspections, the producer could face suspension of the agreement, possible administrative sanctions and a slowdown of the project during the proceedings.

The Group is thus exposed to any control inspections carried out on waste management sites on which it deploys its WAGABOX® units, which could result in projects being slowed or a shutdown (technical at least) in the event of suspension of site activities. The Group could also be impacted by the increase in operating costs resulting from the work and compliance measures, or measures put in place by the site operator to cushion the financial penalties suffered.

Risk management measures

In most cases, WAGABOX® projects improve the environmental performance of sites without significantly impacting their environment. The authorities therefore accept their implementation and monitor the operation. In addition, the QHSE Department monitors and anticipates the impacts of regulations in the countries where WAGABOX® units are deployed. All regulatory and/or environmental authorisation files are monitored by the QHSE Department, enabling expertise on the subject to be capitalised and files harmonised. No refusal or formal notice has been given to Waga Energy projects. As Waga Energy also operates its units, the file continues to live in operation and ensures regulatory and environmental compliance throughout the life of the unit.

Each first project in a new region cannot be carried out with the same level of control as in a more mature region and additional risks in terms of obtaining authorisations and completing work are to be expected. To prevent this risk, each new type of project is supported with a support solution by competent local organisations.

The French legislation of 1 July 2021 imposes sustainability criteria on certain French units of the Group. Waga Energy complies with this regulation by certifying the units according to the ISCC EU standard. This European standard meets the criteria of French regulations. Each unit concerned is therefore certified. In addition, at the end of this regulation, Waga Energy secured a global contract with a notified body to harmonise the certifications. To date, six units have been certified with renewal audits and no certification has been rejected.

The risks related to the controls of government bodies are monitored by the QHSE Department. The obligations imposed by local regulations are monitored by the department and each control by government bodies is carried out jointly with the QHSE Department.

3.4.5 Environmental, social and corporate governance risks

❖ Ethics and corruption risk

Risk description

The Company is developing internationally, possibly in countries where the risks of corruption are sometimes high and could lead its employees or third parties acting in its name or on its behalf, directly or indirectly, voluntarily or not, to practices contrary to the regulations in force (in particular the US Foreign Corrupt Practices Act and French Law No. 2016-1691 of 9 December 2016 on transparency, the fight against corruption and the modernisation of economic life) and the Group's ethical principles.

Unethical or non-compliant practices by its representatives or employees could expose the Group to criminal and civil sanctions and damage its image.

Risk management measures

The Company set up an anti-corruption programme and implemented the recommendations of the French Anticorruption Agency (AFA) and the Department of Justice of the United States: a code of conduct, risk mapping, a third-party verification procedure, an internal whistleblowing system and training programmes provided regularly to employees. Disciplinary sanctions are provided for in the event of non-compliance with the codes and procedures in place. Due diligence work is carried out specifically on these matters by an external firm on any new major partner. These risks and procedures are supervised by the Legal and Compliance Director, who reports directly to the Company's General Management.

❖ Risk related to key skills

Risk description

The Group's success as well as its future growth depend on the advanced skills of its teams, in particular on the performance of its management team composed of some of the Group's founders, who are: Mathieu Lefebvre, Chairman and Chief Executive Officer of the Company, Nicolas Paget, Deputy Chief Executive Officer of the Company, and Guénaël Prince, Director of the Company and CEO of the subsidiary Waga Energy Inc. (United States). Given their expertise in the renewable gas industry, and biogas in particular, their knowledge of the Group's operational processes and their relationships with the Group's long-term partners such as Air Liquide, the Group may not be able to replace them within a reasonable timeframe in the event of an accident or the departure of one of these executives and key persons.

In general, the Group's business sector requires executive managers with a high level of expertise and specialists in their field of competence, whether in financing, design, construction or the operation of WAGABOX® units. The limited number of qualified candidates and the strong competition for the recruitment of such executives could prevent the Group from benefiting from skills equivalent to those of these executives. The Group may also fail to attract new talent and retain experienced staff.

Moreover, the Company, which was created in 2015, is a recent but growing business characterised by rapid development. This dynamic is a source of challenges on various levels such as the strategy adopted, the establishment of the Group and the recruitment of new employees in the countries concerned. They must then be trained and integrated into the Group's still very changing environment.

Despite the development strategy, if the Group's recruitment campaigns fail to identify, attract, train and retain competent and committed employees, the development of its business and results could be significantly affected.

Risk management measures

The Company believes that the typology of its business (fighting climate change and contributing to the energy transition) is likely to attract and retain employees. The Company is positioned upstream on the training of its personnel for the maintenance activities of its WAGABOX® unit and downstream on recruitment in dynamic employment areas. As part of its CSR policy, the Group is also committed to supporting the development of its employees throughout their careers, including in particular regular training, in order to provide them with the best working experience and environment. The Group's innovative nature and the ambition of its model that is respectful of the planet and the environment are key factors in attracting and retaining highly qualified profiles who share this ambition.

In April 2024, the Group recruited a Deputy Chief Executive Officer / Group Chief Financial Officer to strengthen its financing skills and support the structuring of the organisation in this phase of strong growth and international development.

Furthermore, the Group has developed an attractive incentive policy for employees to benefit from the Group's results, with the allocation of founders' warrants (BSPCEs) or stock options and has key man insurance. Lastly, a succession plan for executives has been drawn up.

❖ Risk related to climate, weather and environmental fluctuations

Risk description

The operation of WAGABOX® units is less subject to climatic hazards than other renewable energy technologies, however it can be affected by high temperatures. The units currently in operation are designed to operate up to an outdoor temperature of 40°C. In the event of a prolonged heat peak, the unit's cooling circuit is no longer able to maintain the temperature of the compressors within the limits set by the manufacturer, so that the appliance breaks down, causing the unit to stop. Other components, also designed to operate up to a temperature of 40°C, are liable to suffer premature wear. To preserve the integrity of WAGABOX® units, the Group may decide to stop them if the outside temperature reaches 40°C. The Group is aware that climate change will have an upward impact on ambient temperatures in all regions. To cope with this certain increase, new facilities are planned to operate up to temperatures of 45°C. The objective of this measure is to limit or even avoid a loss of production of several hours per day during the entire duration of the heat wave, and therefore to avoid having an impact on the revenue generated through the sale of biomethane.

Risks related to changes in climatic or meteorological conditions such as heavy rains, temperature fluctuations, hail or snowfall could affect the Group's facilities and activities. Extreme weather events are liable to damage the Group's facilities but also to lead to an increase in periods of downtime in the operation of WAGABOX® units or production sites, as well as an increase in operation and maintenance costs. These situations could be sources of occasional slowdowns in production levels, as well as a decrease in income and revenues.

The Group could also face unforeseen interruptions or damage to its facilities, as a result of, among other things, fires, pandemics or any other disasters occurring in a region where the Group has a strong presence. These interruptions or damage could lead the Group to generate significant additional costs relating to the refurbishment of WAGABOX® units, which could affect the Group's operating income.

Environmental damage could also occur on the various sites on which the Group operates (waste storage sites, gas distribution grids), which could cause significant human and material damage as well as loss of associated revenue. The Group's civil and criminal liability would then be brought into play by the victims and their families, certain associations specialising in the fight for the protection of the environment or any third party harmed by the accident. These incidents could also tarnish the Group's image and reputation in France and internationally. At the date of the Universal Registration Document, the Group has not been subject to any such claims.

All of the interruptions, damage or accidents described above are liable to result in a loss of revenue and additional costs for the Group and could thus have a significant adverse effect on its business, reputation, financial position, results and outlook.

Risk management measures

The WAGABOX® units currently under construction, or in operation in Spain or in countries where temperatures frequently reach high levels, will be equipped with a reinforced cooling system and more heat-resistant components, so that they can continue to operate up to a temperature of 45°C. This measure will significantly reduce the risk of shutdowns due to temperature spikes.

At the Saint Etienne des Grés site (Canada), the WAGABOX® unit is installed inside a building. The heat generated by the compressors is sufficient to maintain a temperature that allows the unit to operate under all circumstances. Only a few cold-insensitive components, notably the cryogenic distillation module, remain outside the building.

4. INFORMATION ABOUT THE COMPANY

4.1 Company name and trading name

At the date of the Universal Registration Document, the Company's corporate and trading name is "Waga Energy".

All deeds and documents issued by the Company and intended for third parties must indicate the corporate name, preceded or followed immediately and legibly by the words "Société Anonyme" or the initials "SA", and the amount of the share capital.

4.2 Place and registration number of the Company

The Company is registered in the Grenoble Trade and Companies Register under number 809 233 471.

The Legal Entity Identifier (LEI) of the Company is: 969500O3NXA5XJF97623.

4.3 Date of incorporation and duration

The Company was incorporated on 16 January 2015 for a period of 99 years from its registration in the Trade and Companies Register on 28 January 2015, *i.e.* until 28 January 2114, unless extended or dissolved early (Article 5 of the Articles of Association).

The financial year begins on 1 January and ends on 31 December of each year.

4.4 Registered office of the Company, legal form, legislation governing its activities

The Company's registered office is located at 5 avenue Raymond Chanas, 38320 Eybens, France.

Waga Energy is a public limited company governed by the laws and regulations in force in France, in particular by the provisions of the French Commercial Code applicable to commercial companies, as well as by the Company's Articles of Association. See also Chapter 9 "Regulatory environment".

The Company's contact details are as follows:

Telephone: +33 (0)7 72 77 11 85

E-mail: contact@waga-energy.com

Website: https://waga-energy.com

The information appearing on the Company's website does not form part of the Universal Registration Document, unless such information is incorporated by reference in this Universal Registration Document.

5. OVERVIEW OF ACTIVITIES

5.1 General presentation

Waga Energy (EPA: WAGA) is a company specialising in the production of biomethane from biogas from waste storage sites ("landfill gas"). The Group relies on a purification technology that is unique in the world, called WAGABOX®, which makes it possible to recover the biogas produced by the degradation of organic materials contained in waste, to produce biomethane, a renewable substitute for fossil natural gas. This biomethane is injected directly into the gas grids to supply individuals and businesses.

By recovering landfill gas in the form of biomethane, the Group transforms a major source of atmospheric pollution into clean, local and renewable energy. Methane (CH4), the main component of natural gas, is a very efficient fuel, but also a powerful greenhouse gas, which has a warming power that is 84 times greater than that of carbon dioxide (CO2) over a period of 20 years (Source: IPCC).

The WAGABOX® production units are fully automated and controlled remotely by means of an instrumentation and control system. They are modular, integrated and standardised by size to simplify construction, installation and operation. Once connected to the grid of a gas transmission or distribution operator, WAGABOX® units purify the extracted biogas and inject biomethane 24 hours a day seven days a week with a guaranteed uptime of 95%.

The Group uses its proprietary technology under a developer-investor-operator model. The Group develops projects, finances the construction of WAGABOX® units and operates them with the constant aim of optimising biomethane production. It derives its revenues from the sale of biomethane, or from purification services invoiced to storage site operators if they wish to appear as a producer of renewable energy.

In concrete terms, the Group offers waste storage site operators two distinct business models: either it buys the raw gas from them and generates revenue by reselling the biomethane; or it provides a purification service for a monthly fee and the operator itself sells the biomethane. In both cases, the Group remains the owner and exclusive operator of the WAGABOX® units. Exceptionally and for strategic reasons, the Group may be required to make equipment sales, while remaining responsible for its operation.

In both cases, the operation of WAGABOX® units generates recurring and contractual revenues over periods of 10 to 20 years, through the signing of long-term biomethane sales contracts or long-term purification service contracts. The volumes delivered depend on the quantity of biogas produced by the storage site, and are anticipated on the basis of audits carried out upstream. Under a purification service contract, the Group receives a monthly fee.

The Group houses and finances WAGABOX® projects through dedicated companies called Special Purpose Vehicles (SPV). The SPVs generally only have one production unit. They are financed by the Group's own funds, subsidies where applicable, and bank or bond debt. They own the assets and market the biomethane or provide purification services, depending on the model agreed with each customer.

In France, biomethane is usually sold within the framework of a mandatory purchase price (*Tarif avec obligation d'achat* - TOA) scheme guaranteed by the State for a period of 15 years. In other countries, biomethane is sold under long-term private energy purchase agreements called Biomethane Purchase Agreements (BPA), based on the Power Purchase Agreement (PPA) model used in renewable electricity projects. Given the upward trend in energy prices and high market volatility since the war in Ukraine, BPA-type contracts could also be rolled out in France if they prove to be more profitable than the purchase price. This strategy reflects the Group's desire and ability to free itself as much as possible from State support mechanisms.

At 31 December 2023, the Group owned and operated 18 WAGABOX® units, including 15 in France, 2 in Canada and 1 in Spain. Seven of the French units are on sites operated by Suez, and three others on sites operated by Veolia. The Group also operates or supervises two pieces of equipment that it does not own: the WAGABOX® unit sold to Lorient-Agglomération, and the cryogenic distillation module sold to Air Liquide and integrated into a biomethane production unit installed on the Mallard Ridge waste storage site in Delavan (Wisconsin, USA).

This fleet (units owned and units sold) represents a total installed capacity of 800 GWh per year (including 675 GWh for directly owned units), making it possible to supply tens of thousands of households and avoid the emission of around 130,000 tonnes of CO_2eq per year[1] into the atmosphere, by replacing fossil natural gas.

At 31 December 2023, 15 WAGABOX® units owned by the Group were under construction, including 7 in France, 7 in the United States and 1 in Canada, representing a future installed capacity of 1,000 GWh per year. Two items of equipment not owned by the Group are also under construction: the WAGABOX® unit sold to the Capital Regional District (British Columbia, Canada) and a cryogenic distillation module sold to Air Liquide for its biomethane production unit in Winnebago, in Rockford (Illinois, USA). These units represent an additional installed capacity of 400 GWh per year.

The Group wants to roll out its technology on a large scale, primarily targeting Europe and North America, where there are thousands of well-managed storage sites and gas transmission grids. By equipping as many sites as possible with WAGABOX® units, the Group intends to make an active and rapid contribution to the fight against climate change. It measures its impact using three non-financial indicators:

- the volume of biomethane injected during the year (in millions of cubic meters);
- carbon emissions avoided (in tonnes of CO2eq./year);
- renewable energy production (in GWh/year);

The Group aims to reach an installed capacity of 4 TWh per year by the end of 2026.

At the date of the Universal Registration Document, the Group estimates the annual recurring and contracted revenues[2] based on signed projects and projects in operation to be in the region of €100 million compared to €46 million a year before.

[1] Company estimate based on comparative emission factors for natural gas and biomethane in France determined by the ADEME carbon database, covering all scopes (1, 2 and 3), i.e. direct and indirect emissions.

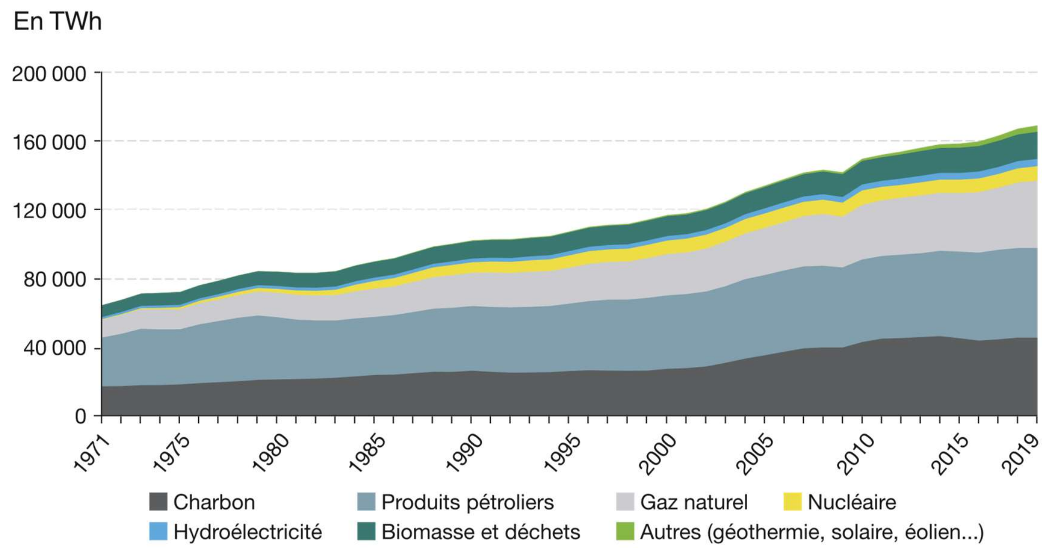
[2] The annual contractual and recurring revenue corresponds to the revenue anticipated by the Company over a period of 10 to 20 years in the context of long-term biomethane sales contracts or purification services. It does not constitute a forecast and is intended to represent, at the date, the potential of the installed base of WAGABOX® units and those under construction. In the case of a biomethane sales contract, the revenue depends on the price obtained from an energy company and the sales volumes anticipated by the Group on the basis of the biogas audit carried out before each project.

5.1.1 The urgency of the energy transition

❖ Dependence on fossil fuels

For nearly 150 years, the development and prosperity of contemporary societies have been based on the use of fossil fuels: oil, coal and gas. Fossil fuels still account for 81% of primary energy consumption worldwide[3].

Fig. 1: Global primary energy consumption by energy



Charbon	Coal
Hydroélectricité	Hydroelectricity
Produits pétroliers	Petroleum products
Biomasse et déchets	Biomass and waste
Gaz naturel	Natural gas
Nucléaire	Nuclear
Autres (géothermie, solaire, éolien…)	Other (geothermal, solar, wind, etc.)

Source: *Ministry for the Ecological Transition (SDES calculations, based on IEA data).*

This situation generates major difficulties:

- the intensive use of fossil resources and the resulting removal of fossil carbon increase the concentration of greenhouse gases (GHG) in the atmosphere. The concentration of carbon dioxide (CO2) has increased by 48% since the pre-industrial era.[4] This causes a rapid rise in average temperatures on earth, which disrupts the balance of the biosphere and its ecosystems on which humanity depends;
- the unequal distribution of fossil resources on the planet generates geopolitical tensions between producing countries and those that do not have them; and
- the gradual depletion of fossil resources will lead to their scarcity and an increase in the cost of accessing and exploiting these resources.

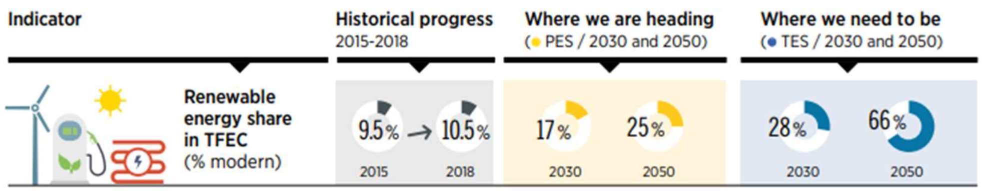
[3] *Source: Ministry for the Ecological Transition and Regional Cohesion based on data from the International Energy Agency.*

[4] *Source: Intergovernmental Panel on Climate Change (IPCC).*

The energy sector needs to undergo a major transformation, the success of which depends on energy sobriety and the widespread development of renewable energies. This development involves a radical change in production, transportation and distribution infrastructures, as well as in consumption behaviours.

❖ The rise of renewable energies

The contribution of renewables to final energy consumption is expected to increase from 10.5%[5] in 2018 to 17% in 2030 and to reach 25% in 2050, according to the International Renewable Energy Agency (IRENA).



Source: IRENA "Global Renewables Outlook 2020"

Today, biomass is the leading source of renewable energy in the global energy mix (11.6% taking into account traditional uses), far ahead of hydropower (3.1%) and wind (0.7%), geothermal, solar thermal (0.5%) and photovoltaic (0.2%) energies, according to the International Energy Agency's (IEA) 2018 report. Biomass therefore represents 10 times the cumulative production of wind and photovoltaic power.

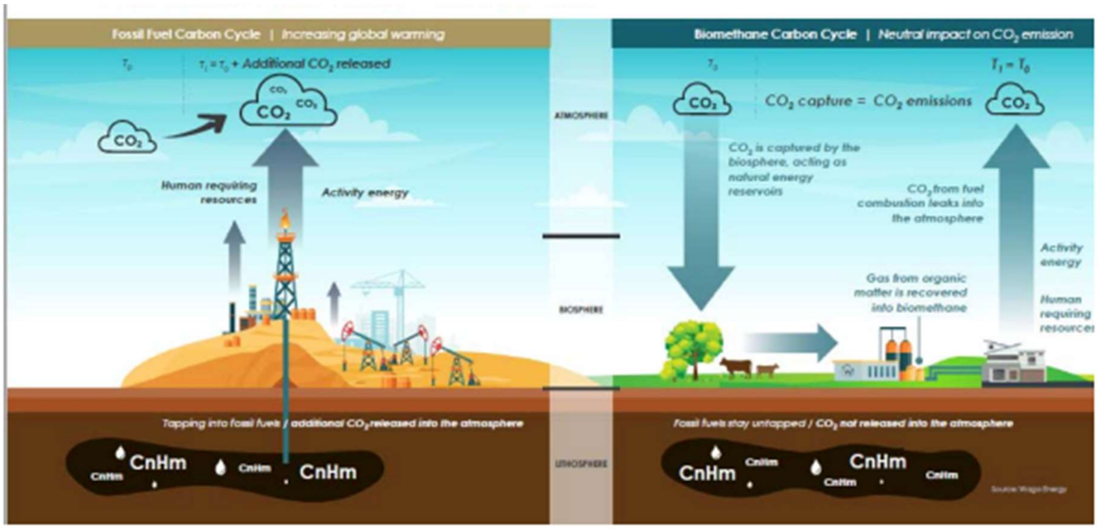
Despite the continued growth of renewable electricity (wind, photovoltaic and hydraulic), biomass should continue to play a central role in the energy mix: it has the advantage of being easily storable and supplying non-intermittent energy (unlike wind and photovoltaic power), and being able to meet multiple needs: heating, transportation, electricity production, etc.

Biomethane is a renewable energy gas produced from biomass. Its chemical composition is similar to that of fossil natural gas: similarly, it consists mainly of methane (CH_4), a high-performance fuel that emits fewer pollutants (particles, NOx, SOx, etc.) during combustion than coal or oil.

In addition, the carbon molecules used in its composition come from the decomposition of organic matter ("short carbon cycle"), whereas in the case of natural gas they have been extracted from the ground. Consequently, the carbon dioxide generated during the combustion of biomethane does not increase the amount of carbon present in the atmosphere: combustion only releases molecules that were already present there and were absorbed by living organisms during their development through photosynthesis ("short carbon cycle"). There is therefore no addition of carbon to the atmosphere. Conversely, the combustion of natural gas unleashes fossil carbon into the atmosphere ("long cycle") and contributes to worsening global warming.

[5] *Excluding energy from traditional biomass. Renewable energies account for 18.1% of final energy consumption worldwide, taking into account energy from traditional biomass (Source: Center for Climate and Energy Solutions - 2017).*

Fig. 2: Indirect reduction of GHG emissions - short carbon cycle



Source: Waga Energy

The average emission factor of biomethane produced in France, injected into the gas grid and consumed in residential and tertiary use, is 23.4 g CO2 eq./kWh PCI, according to a Quantis-GRDF study.[6] This value is approximately 10 times lower than that of natural gas and comparable to renewable electric and thermal energies.

5.1.2 The emergence of biomethane in the renewable mix

❖ A renewable gas with many uses

Biomethane has many advantages: it can be stored and transported in existing gas infrastructures; and it has many uses: heating, transportation, industry, etc. It can also be used to generate electricity, in addition to intermittent renewable electricity sources (although this is not the most relevant use, as there are many ways to generate renewable electricity and very few means of producing renewable gas, which is useful for uses that cannot be electrified).

Its development potential is all the more significant as gas retains a crucial role in the energy mix due to its multiple uses (residential, heating, industry, electricity production, etc.). The share of natural gas in primary energy consumption is expected to remain stable until 2030 and then decline by 2050, due notably to its substitution by biomethane, which at that date will represent 2% of the share of renewable energy, according to the International Energy Agency (the "IEA"). The share of oil and coal is also expected to decline due to the development of renewable energies.

The potential for biomethane production exceeds 8,000 TWh per year according to IEA estimates[7], by taking into account biogas purification solutions as well as pyrogasification and hydrothermal gasification. The resource is geographically widely dispersed: the United States and Europe each hold 16%, China and Brazil 12% and India 8% (without including "energy" crops).

[6] *"Assessment of the GHG impacts of the production and injection of biomethane into the natural gas grid", Quantis-GRDF, March 2020.*

[7] *Outlook for biogas and biomethane, IEA 2020.*

Fig. 3: The development of biomethane is supported by the demand for natural gas

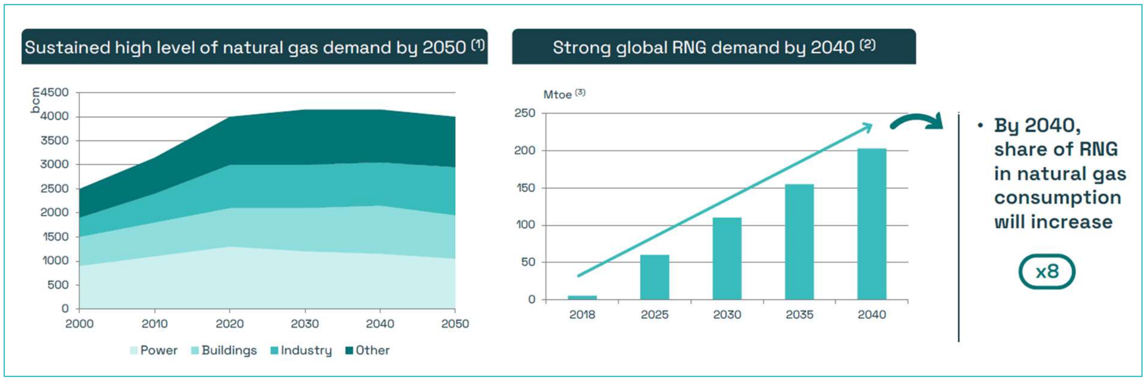
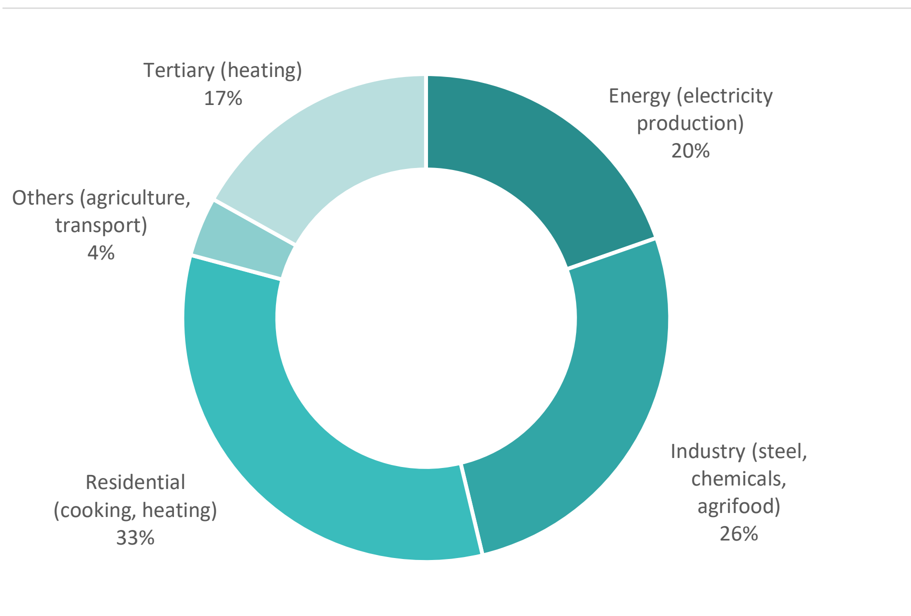
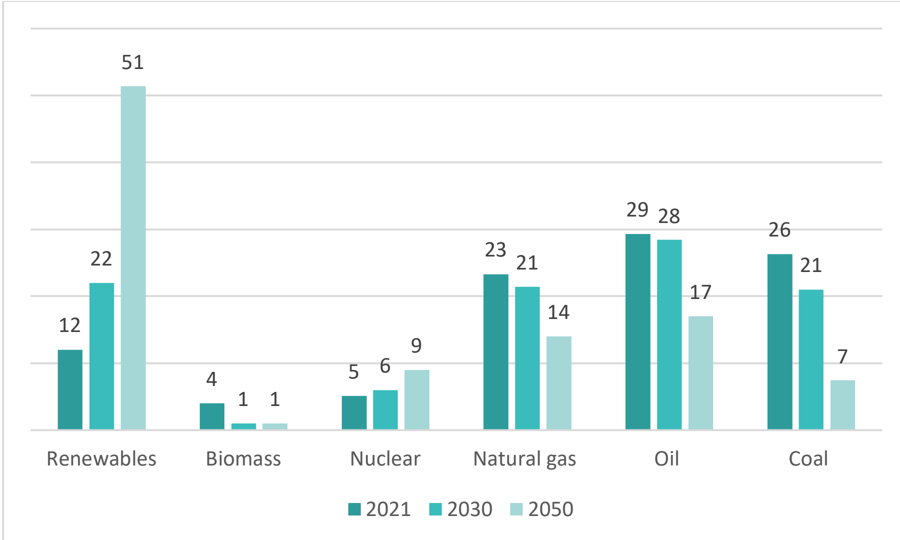


Fig. 4: Main uses of natural gas in France



Sources: SDES, France's energy assessment in 2021

Fig. 5: Global primary energy demand by fuel* (%)



*Source: IEA 2021 | * "New commitments announced" scenario (APS).*

❖ Biomethane's potential to decarbonise the transport sector

Biomethane offers the opportunity to massively decarbonise land, sea and air transport, which remains largely dependent on fossil fuels, without radically modifying existing infrastructures.

In 2022, the sector continued to be 91% dependent on oil, 3.5 points less than in the early 1970s. The emissions from transport increased at an average annual rate of 1.7% between 1990 and 2022, faster than any other end-use sector, with the exception of industry (which also experienced growth of approximately 1.7%).

Transport is the second largest emitter of CO_2 worldwide (24%), behind electricity production (41%) and ahead of industry (19%)[8]. It is responsible for more than a third of CO_2 emissions due to final energy consumption[9].

The "Net Zero" scenario published in May 2021 by the International Energy Agency (IEA) requires emissions from the transport sector to decrease by around a quarter by 2030, even as demand for transport continues to increase. The scenario calls for an increase of around 150% in the share of biofuels (including biomethane), which should represent 8.8% of the sector's energy consumption, ahead of electricity (6.8%) and hydrogen (1.5%).

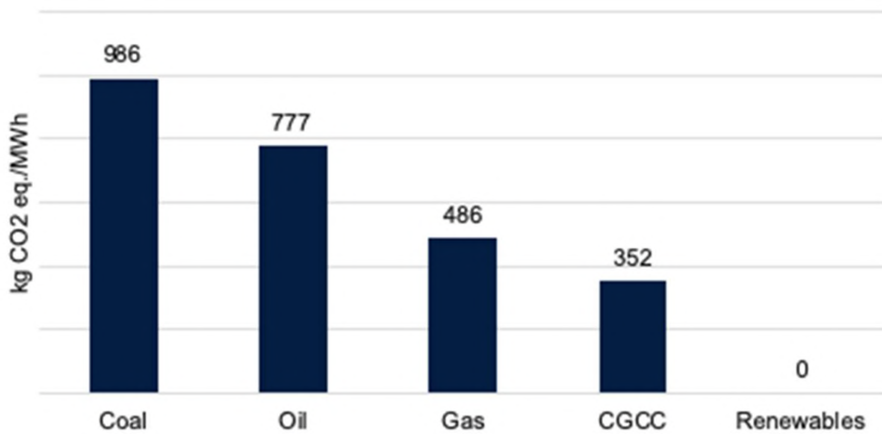
To reduce their environmental impact, transport operators now use vehicles running on natural gas, termed Natural Gas Vehicles (NGVs) or BioNGV (*i.e.* biomethane NGV). According to data from the ADEME carbon database, NGVs emit 6% less CO_2 than diesel, and emits nitrogen oxides (NOx) and particles. BioNGV is even more virtuous: it emits 80% less CO_2 than diesel. According to a study by Carbone 4 on alternative engines[10], the GHG emissions of vehicles running on bioNGV are lower than those of electric vehicles over the life cycle.

The United States is the first country to use biomethane to decarbonise transport with the adoption in 2005 of an incentive legislation called the Renewable Fuel Standard (RFS) and initiatives taken by

[8] *Source: Ministry for the Ecological Transition.*
[9] *Source: International Energy Agency (IEA).*
[10] *"Which motorisation should be chosen to really decarbonise the road transport sector? ", Carbone 4 (November 2020).*

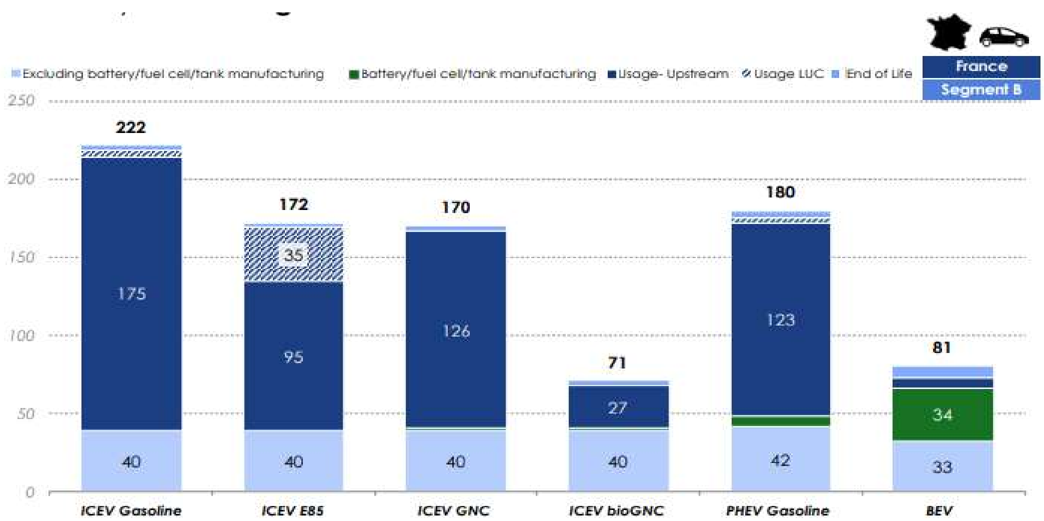
certain states (California Low-Carbon Fuel Standard). Other countries are developing gas-based transport infrastructures such as Sweden, Italy, India and China. Almost 30 million vehicles run on natural gas worldwide, mainly in Asia, making it the leading alternative fuel.

Fig. 6: CO2 emissions (kg/MWh) by fuel type



Sources: RTE France, ADEME, ENTSO-E

Fig. 7: Average carbon footprint over the lifetime of a car sold in 2020 (France - segment B | gCO_2eq/km)



Source: Carbone 4

❖ Energy obtained by biogas purification

Biomethane is obtained by the purification of biogas from the methanisation (or anaerobic digestion) of organic matter, *i.e.* the fermentation of organic matter in an environment deprived of oxygen. This phenomenon occurs spontaneously in marshes, paddy fields, wastewater treatment sludge or waste storage sites ("landfill sites" or more commonly "landfills"). It can also be produced artificially in a methaniser fed with organic waste (slurry, manure, agricultural or agro-industrial waste).

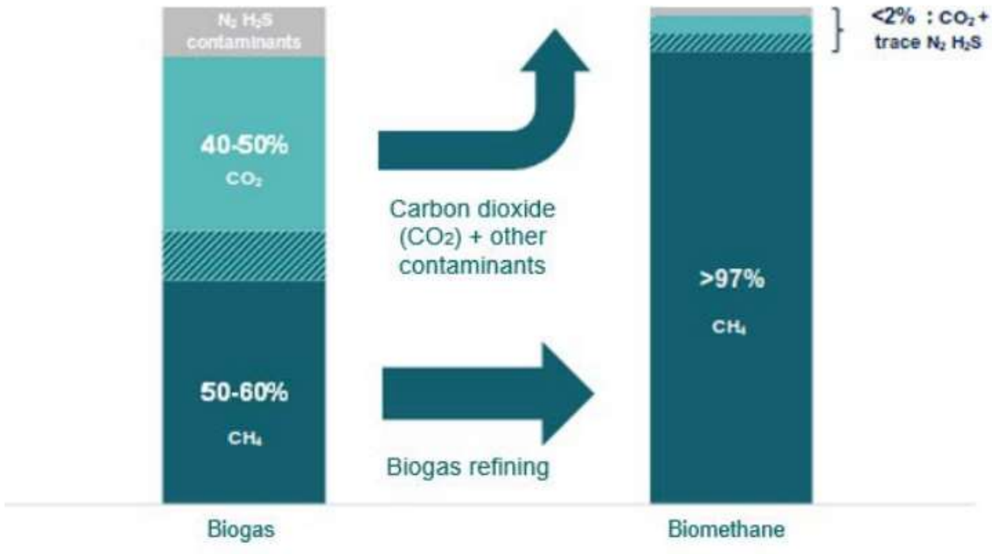
The biogas produced by methanisation contains between 40% and 60% methane, mixed with carbon dioxide (CO2) and various other gases in low concentrations (nitrogen and hydrogen sulphide in particular). Its energy power is directly related to the methane concentration and can vary from 4 to 7 kWh/m3. It can be burned directly in an engine or turbine to produce electricity and heat. However, unlike biomethane, it cannot be stored or transported in existing gas grids as it does not meet the operators' injection criteria.

On the other hand, biogas can be purified to produce biomethane. The operation consists of increasing the concentration of methane to increase its energetic power up to 11 kWh/m3. Biomethane containing at least 97% methane has properties identical to those of fossil natural gas. It can thus be injected directly into existing gas grids to supply households and businesses. It can also be compressed to be used as fuel (BioNGV) for vehicles or boats/vessels.

Different technologies can be used to purify biogas, depending on its origin. The biogas produced in a controlled manner in a methaniser is relatively simple to purify. On the other hand, biogas generated spontaneously by landfills is very difficult to purify because it is unpredictable, mixed with air (oxygen and nitrogen) and contains numerous pollutants. This explains why the recovery of landfill gas in the form of biomethane has not been more extensively developed.

Fig. 8: Main sources of biogas to be recovered for biomethane production

Fig. 9: From biogas to biomethane



Source: Waga Energy

❖ Biomethane helps reduce methane emissions

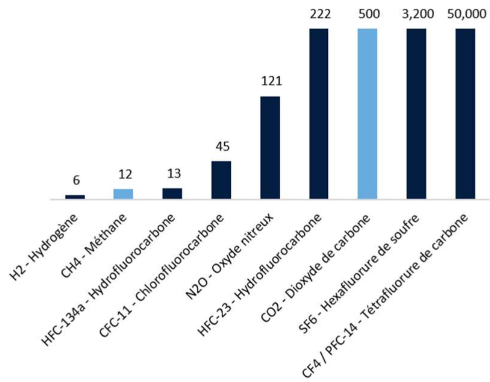
In addition to its advantage in replacing fossil natural gas, the production of biomethane from gas spontaneously emitted by waste storage sites helps to reduce methane emissions into the atmosphere by encouraging operators to capture the methane.

Methane is not only an energy gas: it is also a powerful greenhouse gas, with a Global Warming Potential (GWP) that is 84 times that of carbon dioxide (CO_2) over a period of 20 years. Although it disappears after 10 years, its GWP is still 28 times that of CO_2 over a period of 100 years (Source: IPCC).

The concentration of methane in the atmosphere has increased by 150% since the beginning of the industrial era. It is the second-largest contributor to global warming, after carbon dioxide. While some methane emissions come from natural sources (paddy fields, marshes, animal digestion, etc.), more than half are linked to human activity, particularly agriculture, waste treatment and the use of fossil fuels.

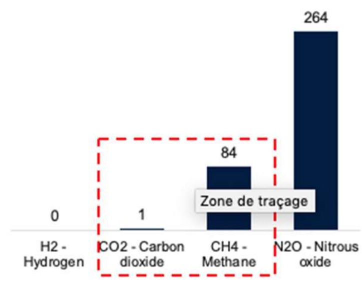
Capturing methane to transform it into biomethane is therefore an effective way to achieve the objective of reducing GHG emissions by 30% by 2030 (compared to the 1990 level) set by the European Council in 2014.

Fig. 10: GHG emissions – lifetime in the atmosphere (years)



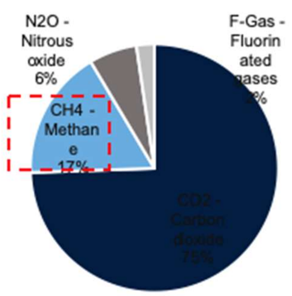
Source: Climate Change 2013: The Physical Science Basis

Fig. 11: GHG emissions – GWP over 20 years



Source: Climate Change 2013: The Physical Science Basis

Fig. 12: Breakdown of greenhouse gas emissions by type of gas (CO_2 equivalent)



Source: Climate Watch

5.1.3 Biomethane at the heart of political and economic strategies

❖ A green energy booming around the world

The biomethane market is relatively young and is attracting growing interest in many countries due to its potential to decarbonise activities such as heavy industry and transport, to adapt existing gas infrastructure to the energy transition, and to strengthen the energy independence of the regions.

In 2020, the global production was estimated at around 40 TWh by the International Energy Agency (IEA). It is mainly concentrated in Europe and North America, but is growing rapidly in other countries, notably in China, India and Brazil. In Europe, the production increased by 28% in 2021 to reach 32 TWh.[11] Growth is particularly strong in France thanks to the introduction of a feed-in tariff mechanism in

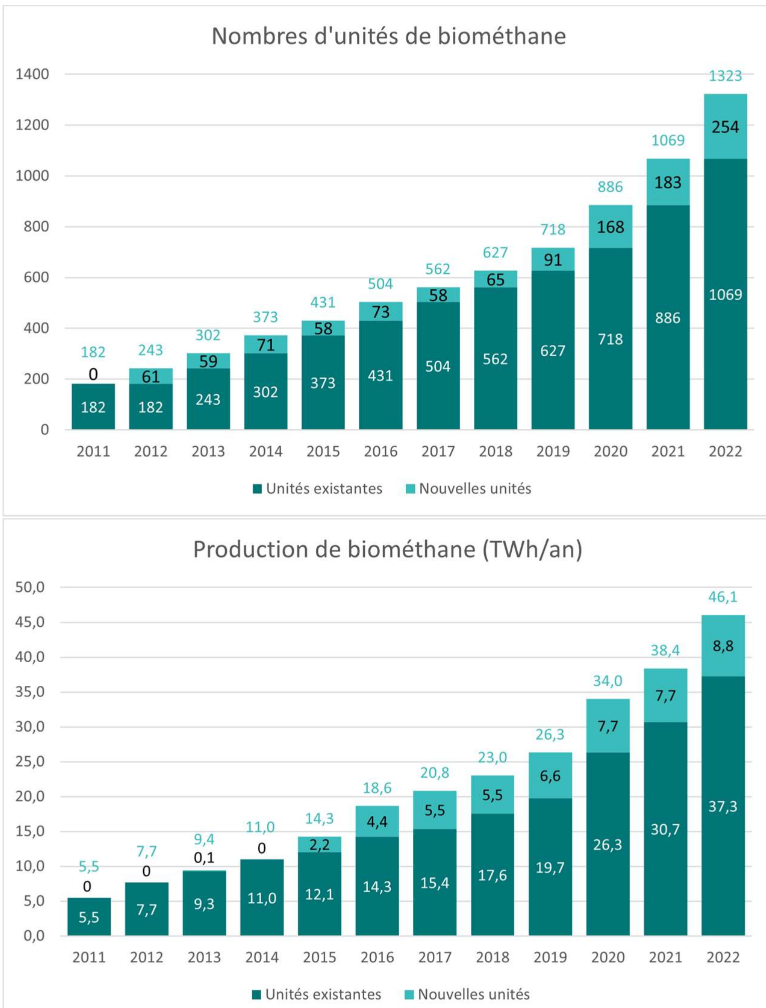
[11] *Biomethane Observatory 2022, GRTGaz.*

2011: the installed base numbered 514 production sites in 2022 (+41%) representing a total production capacity connected to the network of 9 TWh.[12]

According to the IEA, the global consumption of biomethane will reach 527 TWh per year in 2030 and 902 TWh per year by 2040 (SPS - Stated Policies Scenario 2018–2040). In 2040, the consumption will reach 115 TWh in Europe and 140 TWh in North America.

In its proactive scenario ("Sustainable Development Scenario"), the IEA estimates that biomethane must account for 10% of the gas transported in the networks in Europe and 5% of the gas in North America by 2040, and could thus avoid the emission of 1 billion tonnes of CO_2eq through the substitution of natural gas and the reduction of methane emissions related to human activity[13].

Fig. 13: Number of biomethane production units in Europe and production (TWh/year)



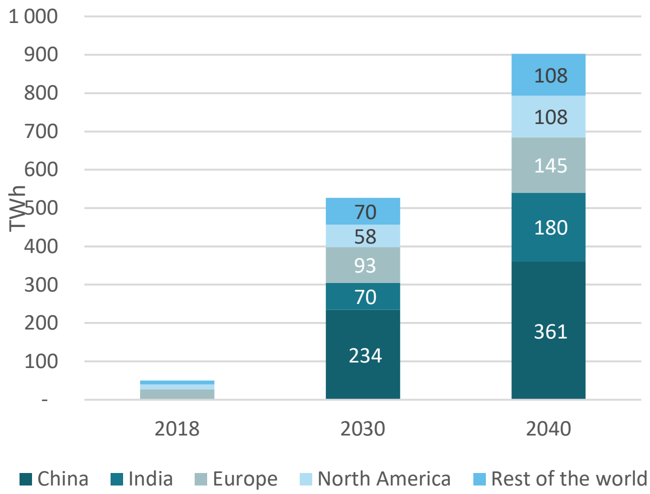
Source: EBA-Statistical-Report-2023

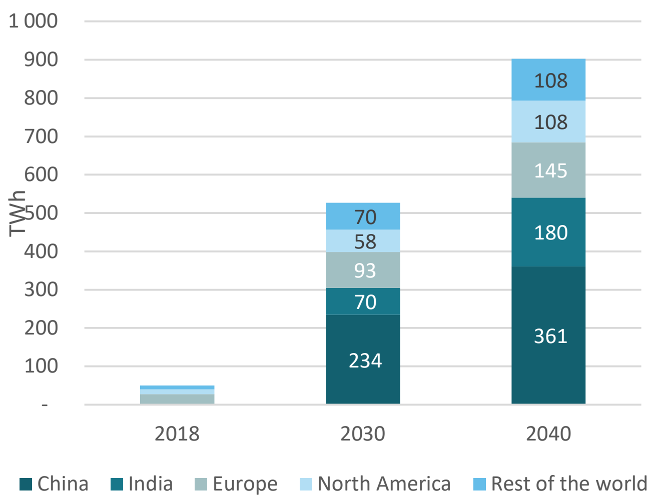
Nombres d'unités de biométhane	Biomethane production units
Production de biométhane (TWh/an)	Biomethane production (TWh/year)
Unités existantes	Existing units
Nouvelles unités	New units

[12] *Biomethane Observatory 2022, GRTGaz.*

[13] *"Outlook for Biogas and Biomethane", IEA 2020.*

Fig. 14: Global biomethane consumption under the SPS 2018–2040 scenario

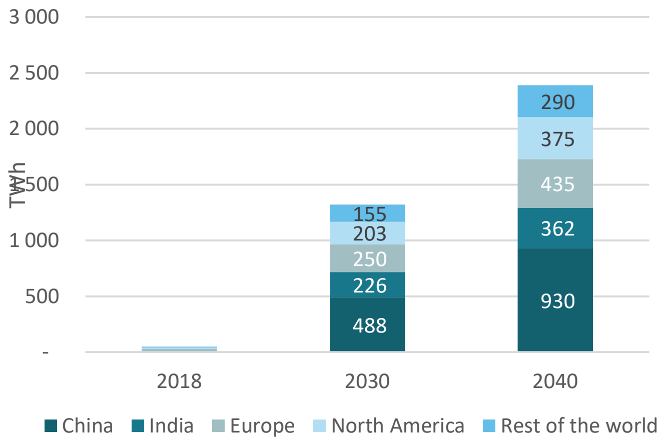


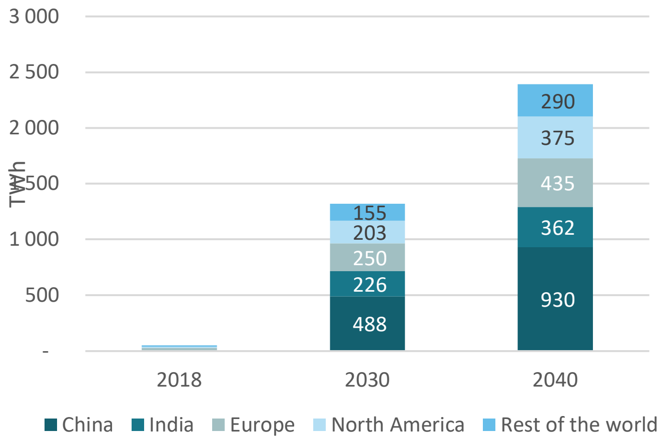


Source: IEA

In a more ambitious scenario, the IEA estimates that the consumption of biomethane could reach 1,322 TWh in 2030 and 2,392 TWh in 2040 (SDS—Sustainable Development Scenario). This level of consumption would avoid the emission of 1,000 million tonnes of GHG, *i.e.* the equivalent of the emissions of a country such as India (that figure includes (i) CO_2 emissions that would have occurred if natural gas had been used instead of biomethane, as well as (ii) the methane emissions that would have resulted from the breakdown of raw materials if they had not been recovered).

Fig. 15: Global biomethane consumption under the SDS 2018–2040 scenario





Source: IEA

❖ Methanisation

Biomethane is mainly produced by the purification of biogas obtained by the methanisation of organic waste of agricultural or agrifood origin. This waste must be sorted and stored in a digester, inside which conditions favourable to the development of microorganisms are created. Their action produces a biogas consisting of methane and carbon dioxide, which is then purified to obtain biomethane.

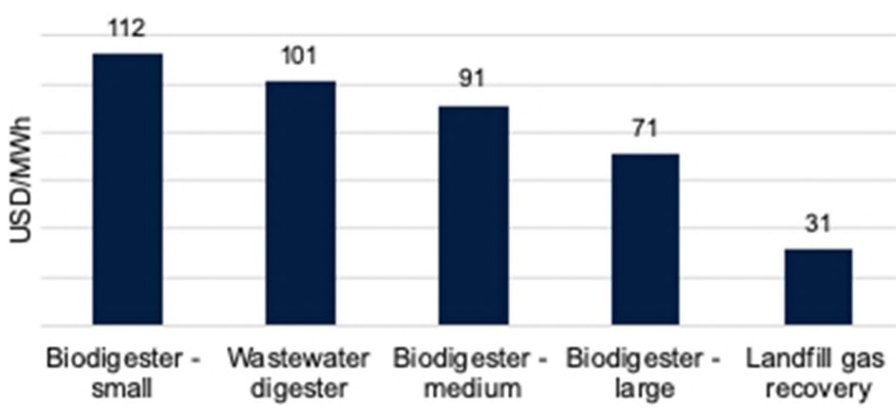
According to the IEA, the cost of producing biomethane through methanisation is between €60 and €95 per MWh, taking into account the costs of the methaniser, the purification unit and inputs. It is therefore generally higher than that of fossil natural gas, although the latter has increased significantly since 2022 and is now experiencing high volatility.

Despite the rise in gas prices, the cost of biomethane production remains an obstacle to its development. This is why the development of this renewable energy, which is extremely relevant for decarbonising the energy mix, remains dependent on support mechanisms put in place in each country and the political commitment of governments and the resources allocated by public finances (see in particular Section 3.4.1 "*Risks related to the marketing of biomethane and changes in policies to support renewable energies*") of this Universal Registration Document.

Fig. 16: Methaniser in Germany

Source: Google Images

Fig. 17: Average biomethane production costs (including raw material costs)



Source: IEA, 2018

❖ Ambitious public policies

Biomethane is at the heart of the energy and economic strategies of many countries. In addition to its environmental interest, it meets important geostrategic challenges: produced and consumed locally, it contributes to the energy independence of States.

In France, the Energy Transition for Green Growth Act ("LTECV") sets a target of 10% renewable gas in the grids by 2030. The current multi-year energy programme provides for a target of 14 to 22 TWh of biomethane injected by 2028. On the basis of the proactive scenario of the forward-looking multi-year gas assessment for 2017-2035, GRDF even estimates that it is possible to reach 30% by 2030.

At the European level, the ambition of the Gas for Climate consortium, gathering the main gas transmission operators, is similar, with the objective of reaching 11% renewable gas in the grid by 2030. Following the invasion of Ukraine by Russia, the European Commission announced, in May 2022, the REPowerEU plan, which provides for an investment of €37 billion in the biogas sector and an increase in biomethane production to 35 billion cubic meters by 2030.

In Italy, the government adopted a ministerial decree in March 2018 to support the production of biomethane fuel. The objective is to reach 10% biofuels (mainly biomethane) in the transport sector by 2022.

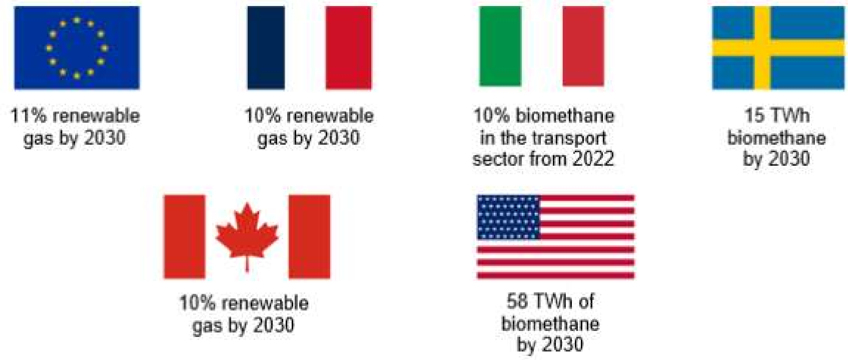
Sweden's ambition is to produce 15 TWh of biomethane and biogas by 2030, compared with the 50 TWh of global demand in 2018.

Beyond Europe, Canada and the United States are also aiming high. In Canada, the Quebec grid operator Énergir is targeting 10% biomethane to be injected into the grid by 2030. The United States aims to produce 58 TWh of biomethane by 2030, which is higher than global demand in 2018 (50 TWh). The sector should benefit from the measures adopted as part of the law on the reduction of inflation ("Inflation Reduction Act") adopted in August 2022, which will devote $369 billion to renewable energies.

Major oil companies, including TotalEnergies, BP and Shell, now consider biomethane as a strategic energy source. In February 2022, TotalEnergies and Veolia announced an agreement to accelerate the development of biomethane production. Several acquisitions have been made in this market in recent months:

- Acquisition of Vanguard Renewables by BlackRock for $700 million;
- Acquisition of MAS CanAm (subsidiary of MAS Energy) by CIM Group;
- Acquisition of Aria by Archaea Energy for $750 million;
- Acquisition of Ingenco by Archaea Energy for $215 million
- Acquisition of Archaea Energy by BP for $3.8 billion;
- Acquisition of the assets of Energy Power Partners Fund (EPP) by NextEra Energy for $1.1 billion;
- Acquisition of seven production units of Morrow Renewables by Endbridge for $1.2 billion;
- Acquisition of three MasCanAm sites by Kinder Morgan for $355 million.

Fig. 18: Targets for the integration of biomethane worldwide

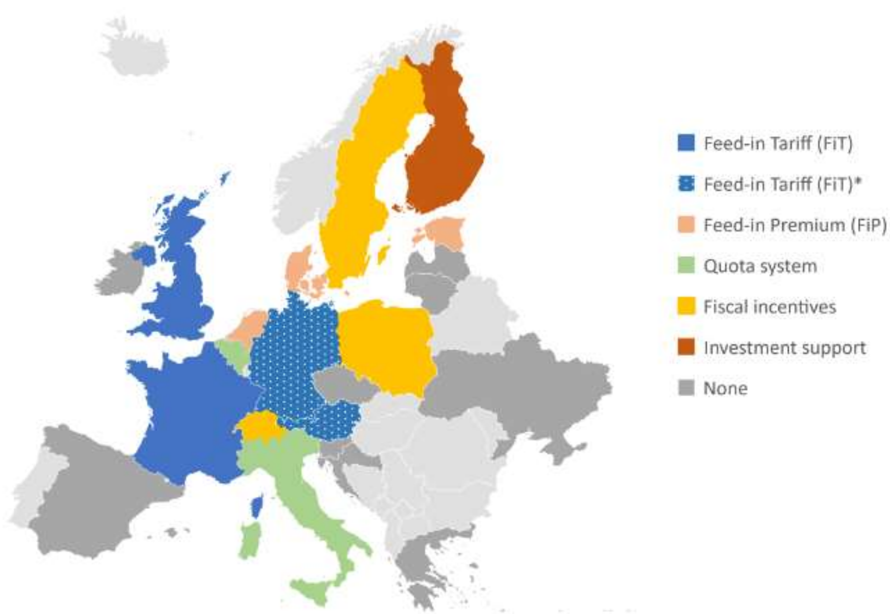


Sources: IEA 2020, Regatrace 2020, GRDF 2019, Énergir

❖ An energy subsidised in several countries

Several countries, including France, Italy, Canada and the United States, have set up support mechanisms for the development of the biomethane sector. These mechanisms, from which the Group benefits for the development of most of its projects, can take different forms from one country to another. These may be i) a mandatory purchase price (feed-in tariff), ii) a quota system, iii) a subsidy on investments (Capex), iv) tax benefits, v) a premium on the sale price, or vi) an obligation to incorporate it into the energy mix.

Fig. 19: Support mechanisms in Europe



Sources: IEA, Regatrace, GRDF, Energir

In France

In 2011, the public authorities introduced a mandatory purchase price scheme (*Tarif avec obligation d'achat* - TOA) for the biomethane injected into the gas grids. This system offers project leaders the guarantee that they will be able to sell their production at a price set by ordinance for a period of 15 years. Since 2021, only units whose production capacity does not exceed 25 GWh per year are still eligible. Beyond this limit, project leaders must participate in a call for tenders organised by the French Energy Regulatory Commission (*Commission de Régulation de l'Énergie* - CRE) to benefit from a mandatory purchase price.

In 2023, the tariff with purchase obligation of biomethane from a methaniser ranged between €110 and €145 per MWh, depending on the capacity of the unit. The purchase price for biomethane produced by the purification of gas from waste storage facilities was the lowest of all: it ranged between €70 and €120 per MWh.

The Climate and Resilience Act of 2021 introduced another support system for biomethane production: Biogas Production Certificates (*Certificats de Production de Biogaz* - CPB). Producers who inject biomethane without using the mandatory purchase price will issue CPBs that can be marketed independently of the molecule. Energy suppliers that market natural gas must return CPBs to the State each year, in proportion to the volumes of gas sold. They will be able to acquire CPBs either by injecting biomethane themselves, or by purchasing CPBs from biomethane producers. This scheme will provide producers with additional income associated with the marketing of the CPBs. The implementing decrees are under discussion.

In the United Kingdom

The United Kingdom supports biomethane production through the Green Gas Support Scheme (GGSS), which awards producers a quarterly subsidy calculated on the volume of biomethane injected. This subsidy is in addition to the selling price of natural gas on the market. The producers also issue Renewable Gas Guarantees of Origin, as part of the GGSS scheme, which can then be monetised. Several incentive systems make it possible to produce biomethane for renewable heat *via* the RHI (Renewable Heat Incentive) and for road transportation *via* the RTFO (Renewable Transport Fuel Obligation).

Fig. 20: Amount of the subsidy allocated to biomethane producers

	Production (MWh)	Tariff rate
Category 1	< 60 GWh/year	6.09 p/kWh
Category 2	60-100 GWh/year	3.90 p/kWh
Category 3	100-250 GWh/year	3.45 p/kWh

Source: GGSS

In Italy

As part of its National Plan for Recovery and Resilience (*Piano Nazionale di Ripresa e Resilienza*), in 2022 the Italian government adopted a decree encouraging the injection of biomethane into gas networks. The "biomethane decree" allocates €1,730 million to the sector through subsidies calculated on the amount of expenses incurred, and the implementation of a mandatory purchase price.

A second decree adopted in 2023 allows biomethane producers to issue Guarantees of Origin (GO), based on the volume injected, in accordance with the mechanism defined by the European Renewable Energy Directive (RED II). These GOs can be valued in the Emissions Trading Scheme (ETS). This system replaces the biofuel quotas previously imposed on energy companies through the issuance of certificates of release for consumption (*Certificati di Immissione in Consumo* - CIC).

In Spain

There is no mechanism to support the production of biomethane in Spain. An investment subsidy programme was launched in 2022 with a focus on the use of biogas for the production of electricity and local heat rather than biomethane. A second investment aid programme has been in preparation since the summer of 2023.

In Canada

In Canada, biomethane production benefits from subsidies granted at the provincial level.

In Quebec, the Ministry of the Economy, Innovation and Energy has set up a Support Programme for the Production of Renewable Natural Gas (*Programme de Soutien à la Production de Gaz Naturel Renouvelable* - PSPGNR) to subsidise biomethane (known as Renewable Natural Gas - RNG - in Quebec) injection projects. These subsidies can cover up to 50% of the cost of facilities and connection, with a maximum of C$15 million.

A regulation adopted in 2019 and strengthened in 2022 also requires Énergir, the natural gas distributor in this province, to increase the share of biomethane in its network to 5% by 2025 and to 10% by 2030. To this end, Énergir has implemented a biomethane procurement policy based on the signing of long-term contracts (20 years) at a fixed price.

In British Columbia, the energy distributor Fortis BC also offers biomethane producers procurement contracts for up to 20 years, with the objective of incorporating 15% renewable gas into its grid by 2030.

United States

At the federal level, the Environmental Protection Agency (US EPA), which administers the Renewable Fuel Standards (RFS), imposes a minimum volume of renewable fuel production (Renewable Volume Obligation, RVO) based on the expected petrol and diesel consumption for the year and the legislative requirements of the RFS programme. Fuel refiners and importers must purchase credits, called Renewable Identification Numbers (RIN), to reach their annual RVO quota. One RIN is equivalent to 1 gallon of ethanol.

Biomethane belongs to the category of cellulosic biofuels (D3-RIN). The price of D3-RIN has historically fluctuated between $0.50 and $3.50 over the last five years and has averaged a value of $2.50. Considering that one US gallon (gal) of biofuel corresponds to 0.022 MWh of electricity (EPA formula), the cost of renewable biofuel from the quota can be estimated at around €104.5 per MWh. In 2022, the EPA strengthened the RFS programme by setting RVOs over a three-year period and increasing them by more than 25% each year.

In California, a second system of quotas for biofuel is combined with that of RINs. The Low Carbon Fuel Standard (LCFS) is designed to reduce the carbon intensity in California's transportation fuels. Its specificity lies in the attribution of an order of merit to the various biofuels according to their carbon intensity ("CI"), *i.e.* the emissions that they help to avoid. One LCFS credit per tonne of CO_2 avoided is attributed to biofuel producers. However, this credit is difficult to monetise for gas from waste storage sites, which have a higher CI than that of gas from methanisation according to the methodology used by the California Air Resources Board (CARB), which administers this programme. The capacity of the WAGABOX® solution to reduce the methane emissions of these sites could contribute to reducing their index, once it can be measured and certified.

❖ Prospects for carbon emission taxation: increasing pressure on fossil fuels

The competitiveness of biomethane could improve with the increase in carbon prices and the application of new taxes on fossil fuels.

In 2005, the European Union set up the Emissions Trading Scheme (EU-ETS), as part of the ratification of the Kyoto Protocol. This European exchange enables manufacturers from different sectors (electricity, steel, cement, etc.) to buy and sell quotas to offset their polluting emissions.

Between 2013 and 2017, the price of the allowance was around €5 per tonne of CO2 due to a structural imbalance between supply and demand. In 2017, the creation by the European Commission of a "Market Stability Reserve" to address the historical surplus of allowances, and the announcement of an upward revision of the CO2 emissions reduction targets with a view to carbon neutrality by 2050, has quadrupled the price of the allowance in one year.

The increase in carbon prices in the EU ETS is likely to strengthen the competitiveness of renewable energies and biomethane in particular.

Fig. 21: Change in CO2 prices in Europe (EU ETS credit)

Source: Ministry for the Ecological Transition and Regional Cohesion

Prix du quota dans le SEQE	Quota price in the EU ETS
€/tCO2	€/tCO2

❖ The guarantee of origin (GO) system: a framework ensuring traceability between producers and consumers committed to greener energy

In several European countries, the traceability of the biomethane injected into the gas network is ensured by the Guarantees of Origin (GO) system, defined by the European Directive on renewable energies (RED II Directive).

Each megawatt hour of biomethane injected gives rise to the issuance of a GO, an official electronic document certifying the date, place and origin of production, and the identity of the buyer and the end user. A GO proves to the end customer that the energy it consumes, or at least part of this energy, has been produced from renewable sources, regardless of the physical location of the production facilities.

In each country concerned, an operator is responsible for managing a Register of Guarantees of Origin. In France, EEX has assumed this function since 1 October 2023, succeeding the network operator GRDF.

The creation of the European Renewable Gas Registry (ERGaR) in 2016 now authorises cross-border transactions between European countries. ERGaR currently has 40 members from 14 national registers. More than 2 TWh of biomethane were transferred between European countries *via* its platform.

❖ Waga Energy, the specialist in the recovery of landfill gas in the form of biomethane

Waga Energy was created in 2015 in the Grenoble region by three engineers specialising in gas engineering and committed to the fight against climate change, supported by several experts. The Group deploys a purification technology called WAGABOX® internationally, making it possible to recover the methane spontaneously emitted by waste storage sites (commonly called "landfills") to produce biomethane that is injected directly into the gas distribution networks. This technology provides clean, local and renewable energy that replaces fossil natural gas. It also helps to reduce fugitive emissions of methane at waste storage sites.

The Group uses the WAGABOX® technology as part of a developer-investor-operator model. The Group buys landfill gas from waste storage site operators, finances the construction and operation of WAGABOX® units, and generates revenue by reselling the biomethane produced to energy companies. If the storage site operator wishes to be seen as a biomethane producer, the Group generates revenue by invoicing it for the operation of the WAGABOX® unit.

By recovering gas from waste storage sites, a by-product of the waste treatment, the Group is able to market large volumes of biomethane at a price that it considers competitive, in support of the energy transition.

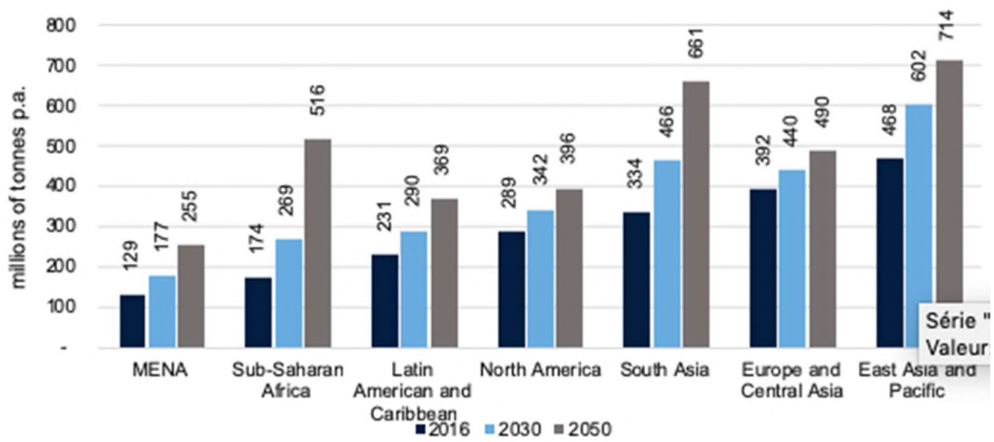
5.1.4 A renewable energy source and a solution to climate change

❖ Storage: the number one waste treatment method worldwide

More than two billion tonnes of household waste are produced worldwide per year. This figure is constantly increasing due to urbanisation and demographic growth. It should reach 2.6 billion tonnes in 2030 (+28%) and 3.4 billion in 2050 (+70%), according to World Bank estimates.[14]

[14] *Source: What A Waste 2.0: A Global Snapshot of Solid Waste Management to 2050 (World Bank 2018)*

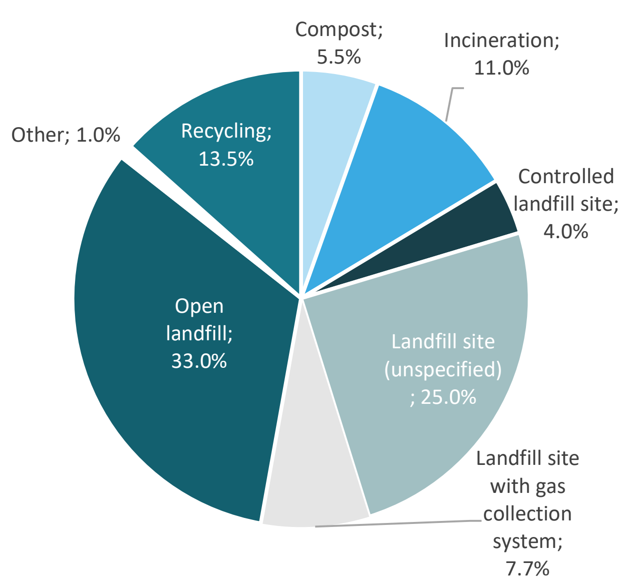
Fig. 22: Production of household and similar waste worldwide



Source: World Bank

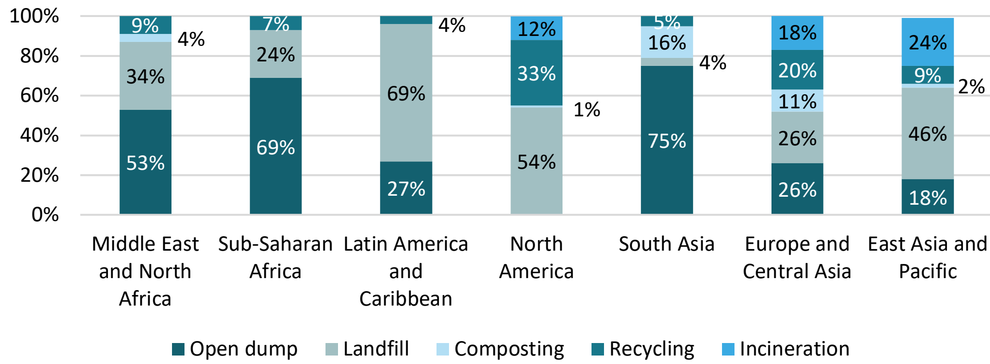
Only 13.5% of this waste is recycled worldwide (barely 50% in Europe, according to the European Environment Agency). Around 70% of the waste ends up in storage sites where it is buried. The term covers a wide range of realities: storage sites in developed countries are highly controlled industrial facilities that manage the environmental impact of waste and implement energy recovery solutions. Conversely, in some countries, landfills can be simple holes in which waste is piled up, without sealing to protect the soil, groundwater or the atmosphere.

Fig. 23: Overview of waste treatment worldwide: 70% of waste is stored



Source: What A Waste 2.0: A Global Snapshot of Solid Waste Management to 2050 (World Bank 2018)

Fig. 24: Municipal waste treatment methods worldwide*



Source: What A Waste 2.0: A Global Snapshot of Solid Waste Management to 2050 (World Bank 2018)

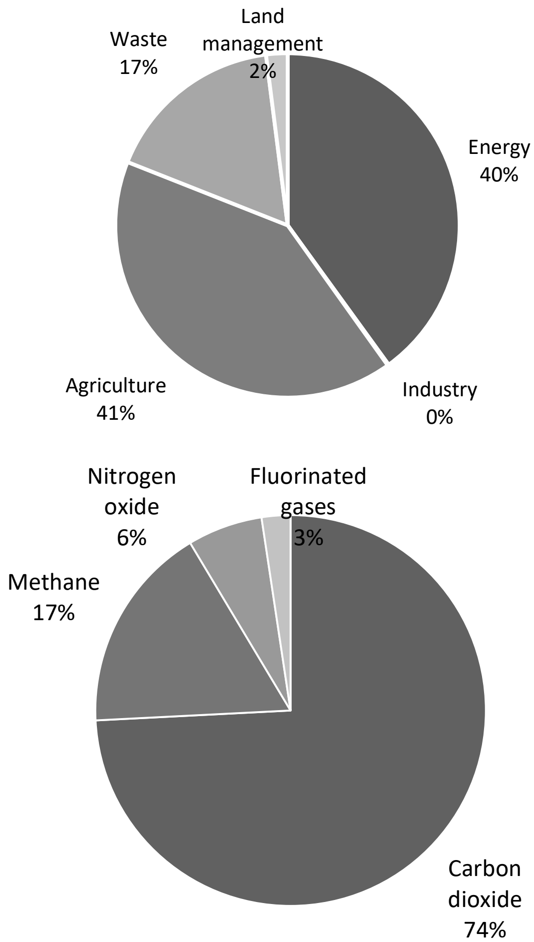
** ELS: Engineered landfill centre (Centre d'enfouissement technique).*

Landfilled waste always contains some organic matter (diapers, food scraps, etc.). When degrading, these organic materials naturally and spontaneously produce a gas containing a significant proportion of methane. Methane is a powerful greenhouse gas, the direct emission of which into the atmosphere contributes to global warming.

Waste management is responsible for 3.2% of the greenhouse gas emissions, and landfill alone accounts for 1.9% of the emissions, *i.e.* as much as air transport, according to the open source Climate Watch database[15].

15 Climate Watch, World Resources Institute (2020).

Fig. 25: Breakdown of greenhouse gas emissions and contribution to methane emissions



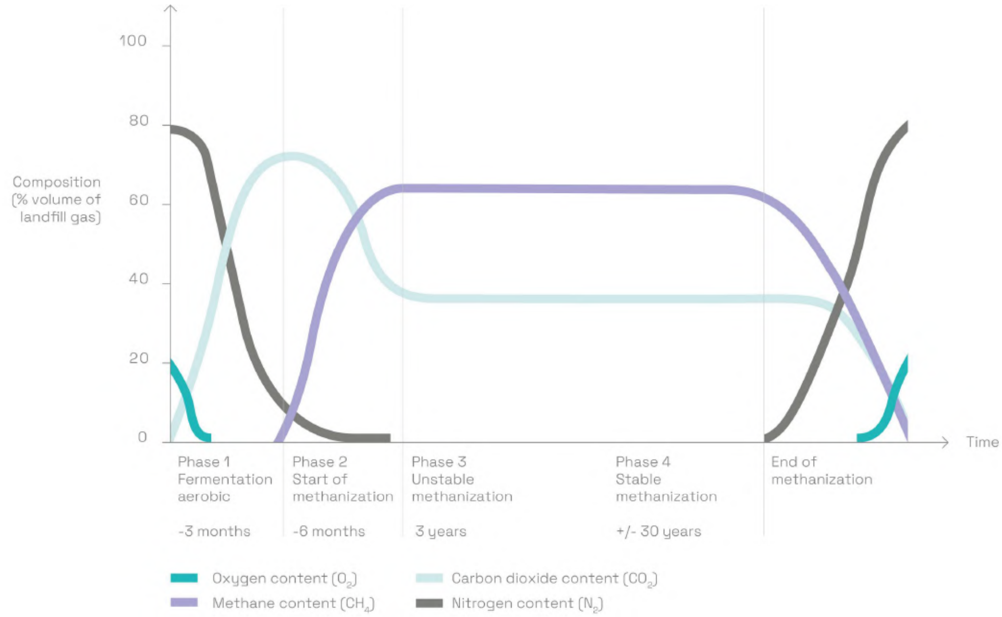
Sources: Climate Watch, World Resources Institute 2019

❖ Landfill gas formation

Organic materials account for between 25% and 30% of the tonnage of landfilled waste. Their degradation, in a humid and oxygen-deprived environment, spontaneously produces biogas, mainly consisting of methane (CH_4) and carbon dioxide (CO_2), as in a methaniser. Operators must capture it to avoid fires and atmospheric pollution: methane is a highly flammable fuel and a powerful greenhouse gas.

The biogas is gathered using a network of wells and pipelines connected to a compressor. As these pipes and the waste mass are never perfectly airtight, these devices also suck in air (oxygen and nitrogen), as well as various Volatile Organic Compounds (VOCs) from the waste (paint, aerosol, etc.).

Fig. 26: Spontaneous methanisation process within the waste mass



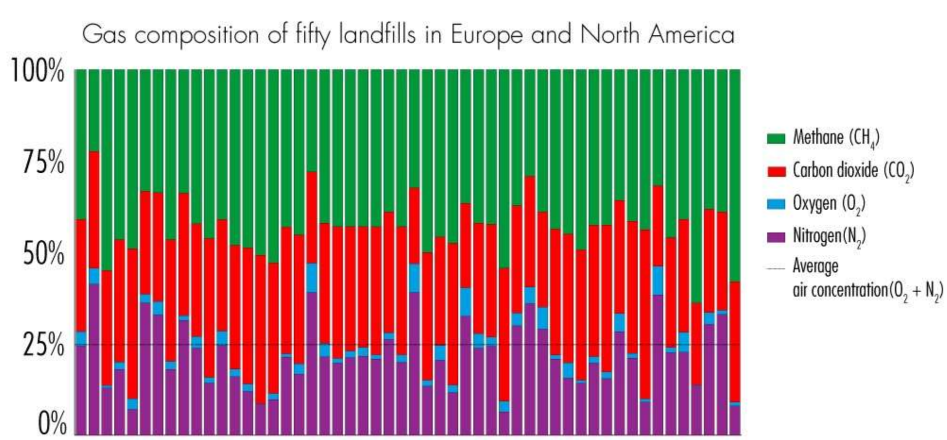
Source: Waga Energy

Gas that is flared or arrives at the recovery unit is made up from three distinct gas sources: (i) biogas generated by the fermentation of organic matter, (ii) air that enters the collection grid, and (iii) VOCs.

Landfill gas consists of 40% to 50% methane, mixed with carbon dioxide, oxygen, nitrogen and various pollutants. However, its chemical composition varies depending on many criteria: the nature of the waste stored, the progress of the organic matter fermentation process, the seals on the collection system, compressor settings, etc. The meteorological conditions (temperature, humidity, atmospheric pressure in particular) also influence the formation and composition of this gas resulting from a biological process.

Gas production from a storage site spans several decades. It increases steadily during the site's operational phase and peaks a few months after the last waste is added. It then gradually declines over several years, or even decades if the quantity of waste stored is significant, until the total decomposition of the organic matter.

Fig. 27: Gas composition of 52 landfill sites in Europe and North America



Source: Waga Energy

❖ Landfill gas purification: a technical and economic challenge

Recovering the methane contained in the gas emitted by the storage sites to inject it into the gas distribution networks contributes to reducing the direct methane emissions into the atmosphere, and makes it possible to produce clean, local and renewable energy as a substitute for fossil natural gas.

To achieve this, the methane must be separated from the other components (carbon dioxide, oxygen, nitrogen, hydrogen sulphide and VOCs), until a concentration that meets the grid operator's injection criteria (~97% depending on the country). This operation is difficult to carry out under acceptable economic conditions:

- the separation of methane (CH_4) from oxygen (O_2) and nitrogen (N_2) is difficult to achieve because the molecules are of similar size;
- the mixture of methane and oxygen is potentially explosive under certain conditions;
- the flow rate and composition of the gas to be treated are unpredictable and vary with the atmospheric conditions (temperature, pressure, humidity);
- the composition of the gas to be treated varies from one site to another, depending on the nature of the waste, storage conditions and local atmospheric conditions; and
- the gas to be treated contains pollutants and impurities that must be removed.

The purification technologies based on membrane filtration (gas permeation), physical or chemical washing, or pressure swing adsorption (PSA), used for the treatment of biogas from methanisers, are ineffective: they can separate methane from carbon dioxide, but not remove oxygen, nitrogen or Volatile Organic Compounds. Pollutants in landfill gas can also reduce the effectiveness of these processes.

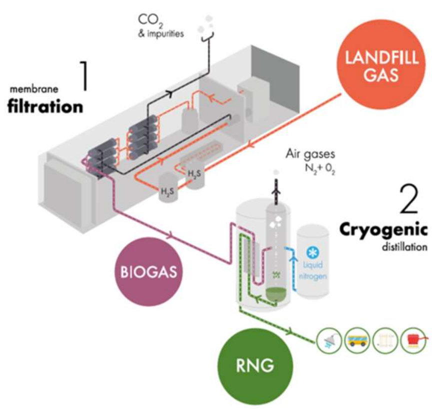
5.1.5 WAGABOX®: a patented technology guaranteeing yield, quality and reliability

❖ An innovative technology for the recovery of landfill gas

Waga Energy has developed a breakthrough technology for recovering gas from waste storage sites in the form of biomethane. Called WAGABOX®, this technology is based on the combination of two processes: membrane filtration (to separate out carbon dioxide) and cryogenic distillation (to separate out nitrogen and oxygen). These two processes are integrated into a compact, standardised and fully automated purification unit. The WAGABOX® technology guarantees the production of high-quality biomethane that can be injected directly into gas grids, regardless of the air concentration (oxygen and nitrogen) in the raw gas.

The membrane filtration process for WAGABOX® units is similar to that used to treat biogas from methanisers or integrated into existing landfill gas purification systems. However, the cryogenic distillation process is totally innovative. Its principle consists of cooling the gas to a temperature of -166°C by means of a heat exchanger and by using the Joule-Thomson effect (production of cold by the expansion of a gas) to liquefy the methane while the nitrogen and oxygen remain in a gaseous state. The methane is then distilled at cryogenic temperature to increase its purity and then re-vaporised for injection into the grid. This cryogenic distillation allows the simultaneous separation of nitrogen and oxygen from methane under optimal safety conditions. This process, which is unique in the world to our knowledge, is the subject of patents registered by the Group in France and abroad. The Group is the exclusive owner of the patents relating to (i) the coupling of membrane filtration processes with cryogenic distillation processes, and (ii) the cryogenic distillation method.

Fig. 28: Illustration of how a WAGABOX® unit works



❖ A patented technology, the result of 15 years of R&D

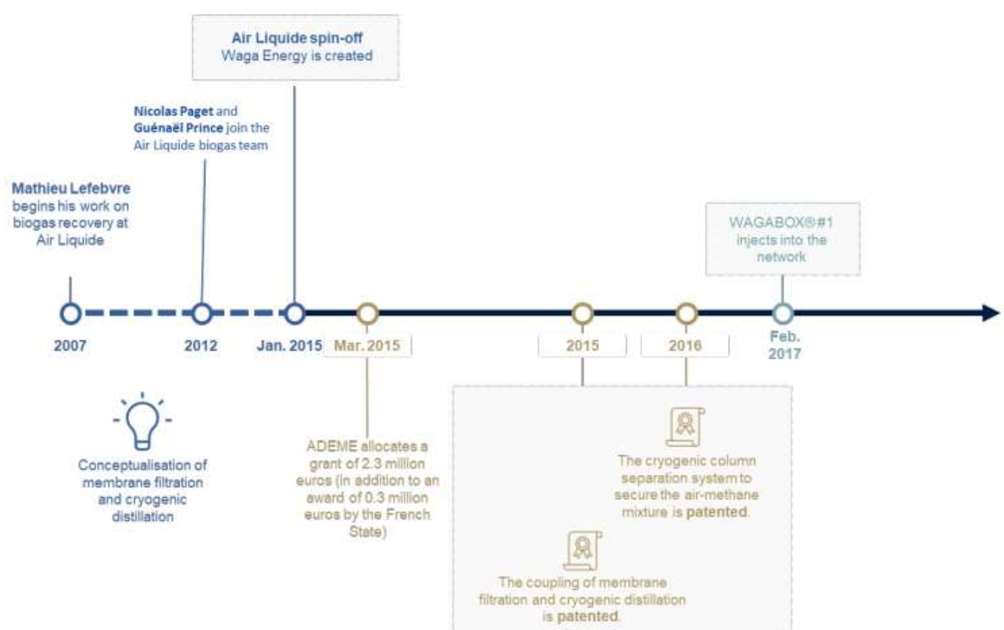
The concept was born in 2007 within the Air Liquide group. It was developed as part of a working group on the purification of gas from waste storage sites created and led by the engineers Pierre Briend and Mathieu Lefebvre. They were joined in 2010 by two other engineers, Nicolas Paget and Guénaël Prince.

The combination of membrane filtration and cryogenic distillation processes seemed obvious to them: the gas permeation process was developed by a subsidiary of the Air Liquide group (MEDAL) in the nineties, thanks to progress made in the manufacture of polymers; cryogenic distillation is at the origin of the creation of the Air Liquide group in 1902, for the production of nitrogen and oxygen from the liquefaction of air.

In 2015, Mathieu, Guénaël and Nicolas left the Air Liquide group to create Waga Energy. They were accompanied in this process by Pierre Briend (who had reached retirement age) as technical advisor. The Air Liquide group supported this entrepreneurial approach, notably by acquiring a minority stake during the first financing campaign in June 2015, alongside Starquest Capital and Les Saules (holding of the Ovive industrial group). The Air Liquide group, like the other historical investors, continues to support Waga Energy in the deployment of the WAGABOX® solution.

Several years of development were necessary to move from concept to the commissioning of an operational unit, carried out by the Group in February 2017.

Fig. 29: Genesis of technology development



Source: Waga Energy

Waga Energy holds the right to exploit all the intellectual property developed by Air Liquide on the subject of landfill gas purification, in the form of a license. Having now developed and patented its own technologies, the Group will terminate this licensing agreement as of June 2024. The Group has filed two major patents, relating to the purification of gas from waste storage sites, of which it is the exclusive owner: a first patent relating to the coupling of a membrane filtration process and a cryogenic distillation process, adapted to the purification of this gas (“coupling” patent), filed on 24 December 2015; and a second patent for a cryogenic distillation process guaranteeing efficient and safe separation of a mixture of methane, nitrogen and oxygen, filed on 27 May 2016. These patents have been obtained in strategic regions (Europe, the United States, Canada and certain Latin American countries) and are being extended worldwide, particularly in countries where the Group plans to expand.

The WAGABOX® technology is characterised in particular by a combination of the following technologies: (i) a membrane filtration process coupled with a pressure inversion adsorption device (Pressure Swing Adsorption - PSA), (ii) the coupling of this membrane filtration process to a cryogenic distillation device, protected by a patent held by the Company, and (iii) the cryogenic distillation method protected by a patent held by the Company.

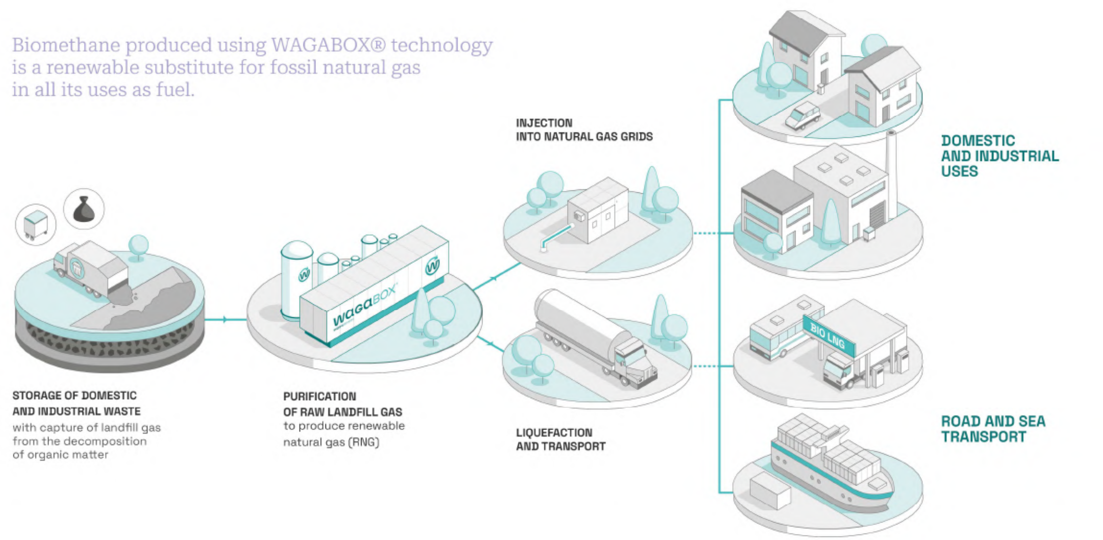
Fig. 30: Presentation of patents

Patent	Patent number	Inventors	France	Worldwide
Process for the production of biomethane from landfill gas	1563357	Guénaël Prince Mathieu Lefebvre Pierre Briend Nicolas Paget	Obtained 05/01/2018	Obtained in Europe, the United States, Australia, Brazil, India, Mexico and Russia. PCT/FR2016/052937
Process of separating a gas flow containing methane and air	1654798	Guénaël Prince Nicolas Paget Jean-Yves Lehman	Obtained 25/05/2018	Obtained in Europe, the United States, Australia, Brazil, India, Mexico, Russia and China. PCT/FR2017/050651
Methane liquefaction method	1852962	Guénaël Prince	Obtained 29/05/2020	Obtained in Europe
Cryogenic process for the separation of a feed gas containing methane and air gases	3116445	Guénaël Prince Antonio Trueba	Obtained 17/11/2023	No international extension request in progress PCT/FR2021/051967

Source: Waga Energy

❖ Performance guaranteed at levels of up to 30% air in the raw gas

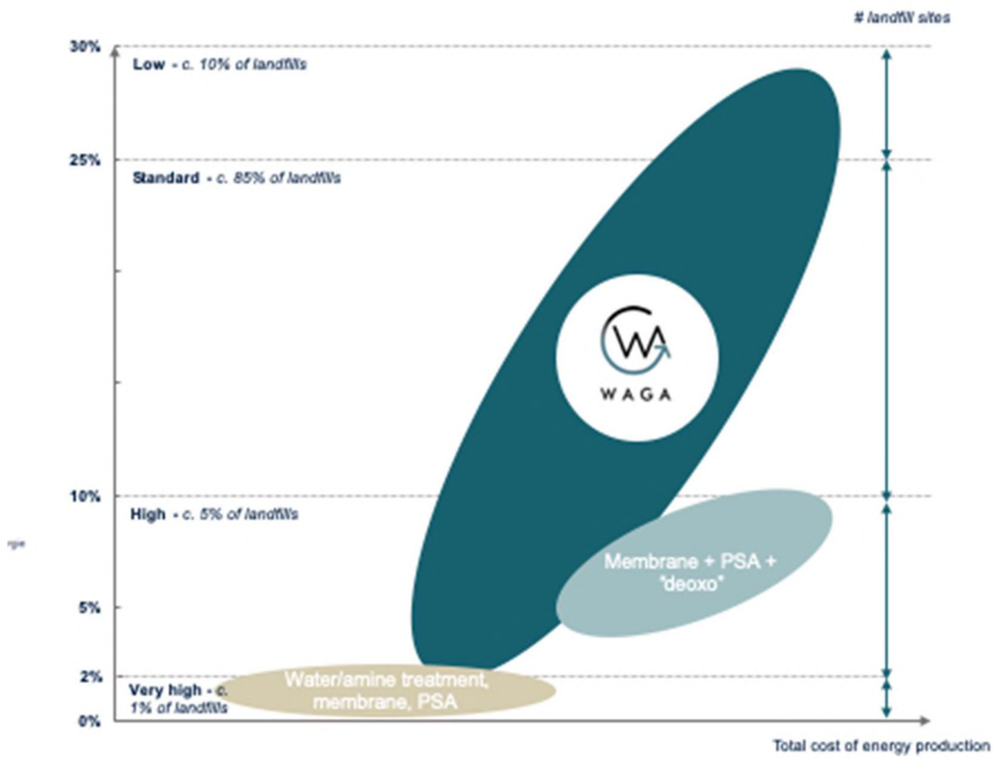
The WAGABOX® technology meets all the challenges posed by the purification of gas from waste storage sites. It guarantees the production of biomethane containing at least 97% methane from raw gas containing up to 30% air (oxygen and nitrogen). This level of purity meets the criteria imposed by gas grid operators to authorise injection.



Most waste storage facilities produce gas containing more than 10% air. For these sites, and particularly small and medium-sized sites where there are no economies of scale, the Group believes that the WAGABOX® technology offers a better technical and economic balance than alternative solutions. It recovers 90% of the methane contained in the raw gas, the remaining 10% being used to burn the pollutants (in particular the VOCs) in an oxidiser, thus avoiding their direct emission into the atmosphere. The yield remains constant, even when the air concentration increases or the amount of gas varies. The WAGABOX® technology is capable of purifying waste storage site gas containing up to 30% air, a level rarely reached. Thus, the implementation of this technology does not impose any operational constraints on the operator of the waste storage site, which can continue to draw in the gas to avoid fugitive emissions, which could cause atmospheric pollution and unpleasant odours.

The WAGABOX® technology is efficient and competitive, which makes it possible to equip storage sites with small capacities, producing little gas (from 200 m3/h), or sites that are no longer in operation but still emit gas (gas emissions can last 10 to 15 years after the end of operation).

Fig. 31: Mapping of available technological solutions



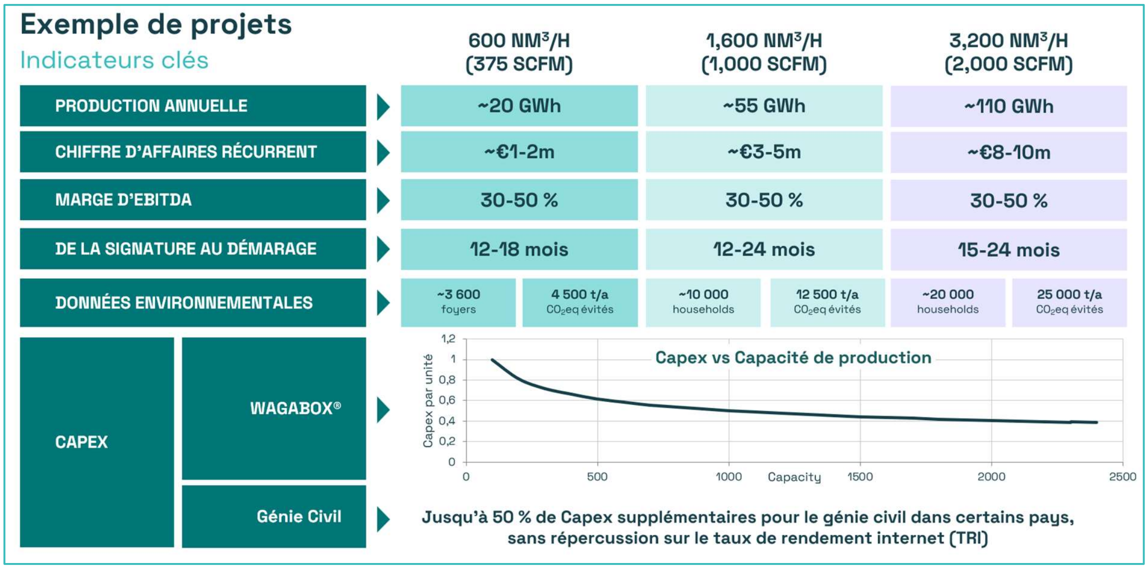
Source: Waga Energy

The technology developed and patented by the Group is currently the only one that can be implemented on almost all waste storage sites, regardless of the volume of gas to be treated and its air concentration (up to a maximum of 30%). To achieve a competitive biomethane production cost, competing solutions are limited to sites producing large volumes of gas (over around 4,000 m3/h) with an air concentration of less than around 10%, *i.e.* approximately 5% of storage sites worldwide.

❖ Fully automated, remotely controlled units

WAGABOX® purification units are fully automated and remotely controlled using a monitoring and control system. They operate 24 hours a day, seven days a week. The Group contractually commits to ensuring 95% uptime.

Fig. 32: Comparison of the characteristics between WAGABOX® units of 600 m³/h, 1,600 m³/h and 3,200 m³/h



Source: Waga Energy

Exemple de projets	Example projects
Indicateurs clés	Key indicators
PRODUCTION ANNUELLE	ANNUAL PRODUCTION
CHIFFRE D'AFFAIRES RÉCURRENT	RECURRING REVENUE
MARGE D'EBITDA	EBITDA MARGIN
DE LA SIGNATURE AU DÉMARRAGE	FROM SIGNATURE TO START-UP
DONNÉES ENVIRONNEMENTALES	ENVIRONMENTAL DATA
CAPEX	CAPEX
WAGABOX®	WAGABOX®
Génie Civil	Civil engineering
12-18 mois	12-18 months
~3600 foyers	~3,600 households
4500 t/a CO_2eq évités	4,500 t/y CO_2eq avoid
12-24 mois	12-24 months
~10000 households	~10,000 households
12500 t/a CO_2eq évités	12,500 t/y CO_2eq évités
3,200 NM³/H	3,200 NM³/h)
(2,000 SCFM)	(2,000 SCFM)
~110 GWh	~110 GWh
~€8-10m	~€8-10 million
30-50 %	30-50%
15-24 mois	15-24 months
~20000 households	~20,000 households
25000 t/a CO_2eq évités	25,000 t/y CO_2eq évités
Capex vs Capacité de production	Capex *vs* Production capacity

Capex par unité	Capex per unit
Jusqu'à 50 % de Capex supplémentaires pour le génie civil dans certains pays, sans répercussion sur le taux de rendement internet (TRI)	Up to 50% additional Capex for civil engineering in some countries, with no impact on the internal rate of return (IRR)

❖ Development of a modular offer

The WAGABOX® units are modular and integrated and their manufacture is partly standardised. They have been designed with the aim of simplifying construction, on-site installation and operation. The Group offers different capacity models depending on the volume of gas to be recovered: the smallest can process up to 600 m3 per hour, offering a maximum installed capacity of around 25 GWh per year (depending on the concentration of methane in the raw gas), and the largest up to 3,000 m3 per hour, offering a maximum installed capacity of around 110 GWh per year. Most of the components are identical, in particular the cryogenic distillation and membrane filtration modules, in order to simplify the supply and management of spare parts.

The various modules and equipment that make up a WAGABOX® unit are pre-assembled in the workshop and delivered to the site separately. They are then connected to each other. Once assembled, the unit is connected to the site's gas capture network and to the injection station of the natural gas grid operator.

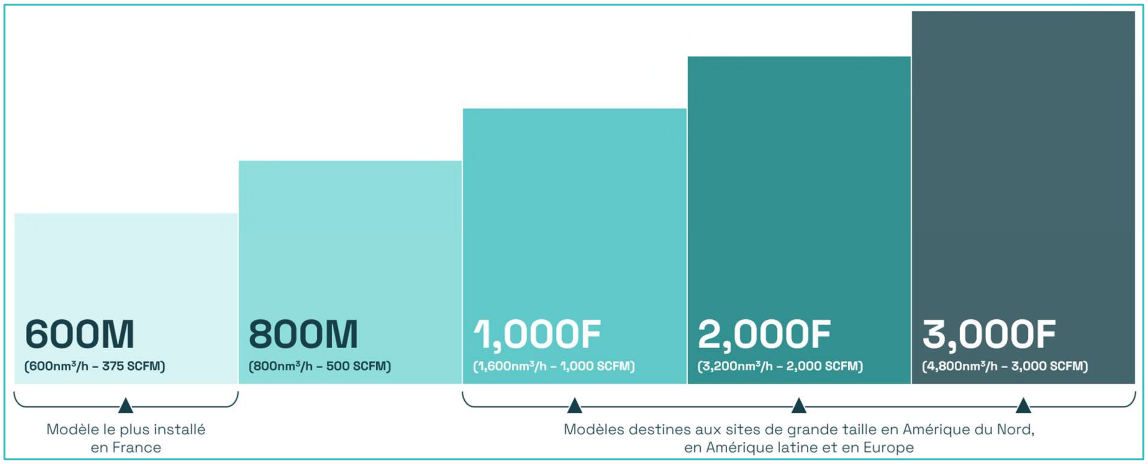
The construction, pre-assembly and installation phase lasts between 12 and 24 months, depending on the country where the production unit is located.

Waga Energy has standardised the manufacture of each component of WAGABOX® units to facilitate prefabrication, transport and on-site assembly with a "plug and play" approach. This standardisation contributes to reducing the cost of biomethane production, which also decreases significantly as the size of the unit increases.

- The CT1 container houses the pre-treatment equipment (H_2S reduction, cooling); as well as the compressor.
- The CT2 container houses the pressure variation adsorption system (PSA) and the pressure and temperature variation adsorption system (PTSA);
- The CT3 container houses the compressor used to push the gas into the membranes ("membrane compressor") as well as the membranes themselves. It is sized to process 1,600 m^3 of gas per hour, *i.e.* 1,000 standard cubic feet per minute (SCFM), the unit of measurement used in the United States. A unit in the "1,000 SCFM" range will include one CT3 module and one unit in the 3,000 SCFM range will include three such modules.
- The CT4 container houses the compressor used to send gas to the distribution network ("network compressor").

This standardised range enables the Group to meet the needs of all waste storage sites, up to 4,800 m3 per hour. Beyond this size, the installation of two units may be considered.

Fig. 33: The range of WAGABOX® units



Source: Waga Energy

Modèle le plus installé en France	Most installed model in France
Modèles destines aux sites de grande taille en Amérique du Nord, en Amérique latine et en Europe	Models for large sites in North America, Latin America and Europe

Fig. 34: The WAGABOX® unit installed on the Suez site in Les Ventes-de-Bourse

Photo: Waga Energy

❖ An internationally recognised solution

The Group has received several awards for the development of the WAGABOX® technology, and its contribution to the fight against climate change.

Winner of the Investments for the Future Programme (*Programme d'Investissements d'Avenir*, PIA) operated by ADEME in 2015.

- In 2016, First Prize in the fight against climate change awarded by ADEME and the French Ministry of the Environment, Energy and the Sea.
- Winner of the Pollutec Innovation Competition in 2016.
- Start-up of the year in 2016 in the Auvergne-Rhône-Alpes region, awarded by l'Express and EY.
- Innovation award for ecological society in 2018 (Pexe, ADEME).
- Finalist in the European Business Awards For The Environment in 2018.
- WAGABOX® technology is one of 1,000 solutions certified by the Solar Impulse foundation based on criteria of respect for the environment and economic profitability.
- Winner of the start-up competition organised by the South Summit (Spain) in the Energy & Sustainable Development category in 2019.
- Evolen Innovation Award 2020.
- Certified French Tech Green 20 by the Ministry of the Economy and the Ministry of Energy Transition.
- French Tech Capital Days Miami Award (2023)
- Greentech & Energies Award of the Growth Company Summit (2024)

❖ Technical solutions deemed unsatisfactory

Several players, mainly in the United States, have carried out landfill gas injection projects, combining several purification processes: membrane filtration (to separate out carbon dioxide) and pressure swing adsorption (to separate out nitrogen). However, this approach has drawbacks:

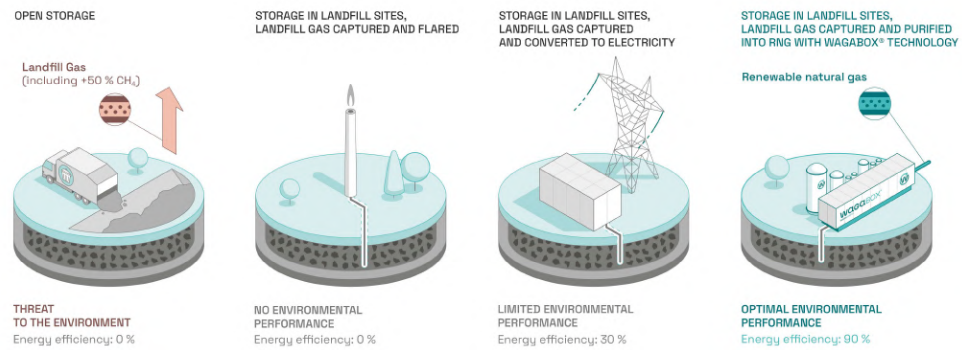
- the performance of nitrogen separation processes is greatly reduced when the nitrogen concentration is above 5% to 8%;
- the yield (methane recovery rate) decreases with increasing air concentrations;
- performance is reduced in the event of flow variations; and
- an additional process is required to remove oxygen (catalytic oxidation).

This solution is complex and very expensive. It can only be used on sites producing large volumes of gas, with a relatively low air concentration (below 10%). These constraints limit its implementation: around 70 storage sites currently recover their gas in the form of biomethane in the United States, out of a total of approximately 2,700 sites.

To date, the standard solution for recovering gas from waste storage sites is to burn it in a cogeneration engine to produce electricity and heat. However, the energy efficiency is low at around 65% when the heat can actually be used, which is rare due to the remoteness of the heating networks (storage sites are rarely located near urban areas), and falls to 30% when this is not the case. Cogeneration projects are only profitable thanks to subsidies or other public support mechanisms.

In the absence of a satisfactory recovery solution, most waste storage sites simply burn the landfill gas in a flare to avoid direct methane emissions into the atmosphere. In countries where this is not mandatory, most of them let it escape into the atmosphere, thus contributing to global warming. Millions of cubic metres of methane are lost every hour at storage sites around the world.

Fig. 35: Landfill gas treatment overview



Source: Waga Energy

The Group estimates that 50% of waste storage sites worldwide release gas into the atmosphere. Approximately 40% of the gas is captured and burned in a flare (combustion then transforms it into carbon dioxide, whose warming power is much lower than that of methane). Nearly 90% of the gas from landfills is not recovered despite its significant energy potential.

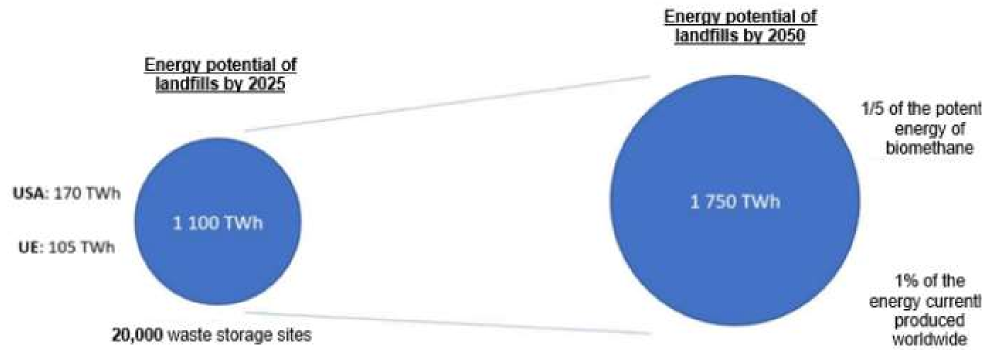
Globally, less than 10% of the gas from landfills is recovered for energy purposes. The common solution is to burn the gas in a cogeneration engine to produce electricity (and heat if necessary). However, the energy efficiency is low (between 30% and 65% depending on whether the heat is recovered or not).

Only a few dozen landfill sites (less than 1% of the gas) have set up a system for producing biomethane.

❖ A renewable gas source to be exploited

Given the volume of waste produced worldwide, storage sites could theoretically supply 1,100 TWh of biomethane in 2025, and 1,750 TWh in 2050 (by way of comparison, the French nuclear fleet produced 280 TWh of electricity in 2022).

Fig. 36: Energy potential of storage sites worldwide



Source: Waga Energy

5.1.6 A business model guaranteeing optimal development of the source

❖ An integrated model from the design of the units to the sale of biomethane

Waga Energy deploys the WAGABOX® technology as part of a developer-investor-operator model. The Group finances the construction and operation of WAGABOX® units under a long-term purchase agreement with landfill operators for the supply of raw gas, and generates revenue by selling the biomethane produced to energy companies or private buyers (offtakers). If the landfill operator wishes to appear as a biomethane producer, the Group operates the WAGABOX® unit on its behalf under a service contract, in exchange for fixed monthly compensation indexed to the volume of biomethane produced.

The business model was designed with the aim of offering, based on a complex technology, a solution that is simple to implement, without constraints for the operators of waste storage sites and guaranteeing them a high value creation.

❖ A sustainable, unifying model that benefits everyone

Landfill gas injection projects based on the WAGABOX® solution create value and positive synergies for all stakeholders: energy companies, waste storage site operators, public authorities and local communities. They also contribute to the common good through the production of renewable energy for the energy transition and the fight against climate change.

Energy companies

Energy companies have access to significant and predictable volumes of renewable gas, immediately available and at competitive prices, to meet the expectations of public authorities and consumers for greener energy. They also benefit from a guaranteed purchase price over a period of 10 to 20 years, which is not the case for natural gas, the price of which is subject to significant fluctuations.

Waste storage site operators

Waste storage site operators benefit from a “turnkey” solution to recover their gas, requiring no investment on their part and generating additional revenue. This revenue contributes to the profitability of the gas capture mechanism, whose implementation is mandatory in many countries, and which is often used only to supply a flare.

The installation of the WAGABOX® unit does not require any change to the organisation and operation of the storage site. The unit is connected upstream to the existing gas capture grid, in place of the flare or the electricity recovery unit, and is connected downstream to an injection station giving access to the local gas grid. The operation and maintenance is entirely carried out by the Group.

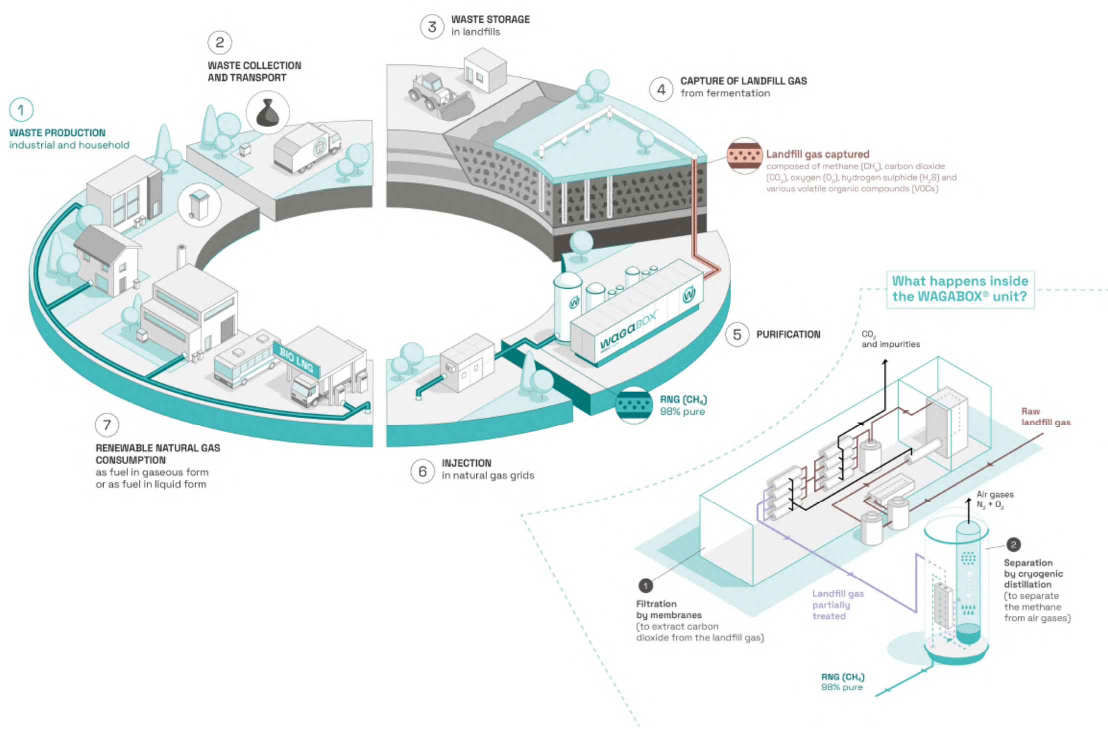
The installation of a WAGABOX® unit contributes to improving the site’s acceptability for local residents, by reducing unpleasant odours (the model encourages maximum gas capture) and by enhancing the site’s image through implementation of a renewable energy project.

Governments

Governments that choose to subsidise biomethane from renewable energy waste storage facilities achieve a significant reduction in greenhouse gas emissions for a relatively small investment. The cost per megawatt hour of biomethane produced in a waste storage facility is lower than that of an anaerobic digestion unit, and of most renewable energy sources.

The WAGABOX® solution makes it possible to roll out circular economy projects on a regional scale, with residents consuming renewable gas from the waste they themselves produce. The production of clean, local and renewable energy helps to reduce the dependency of states on countries that import fossil energy.

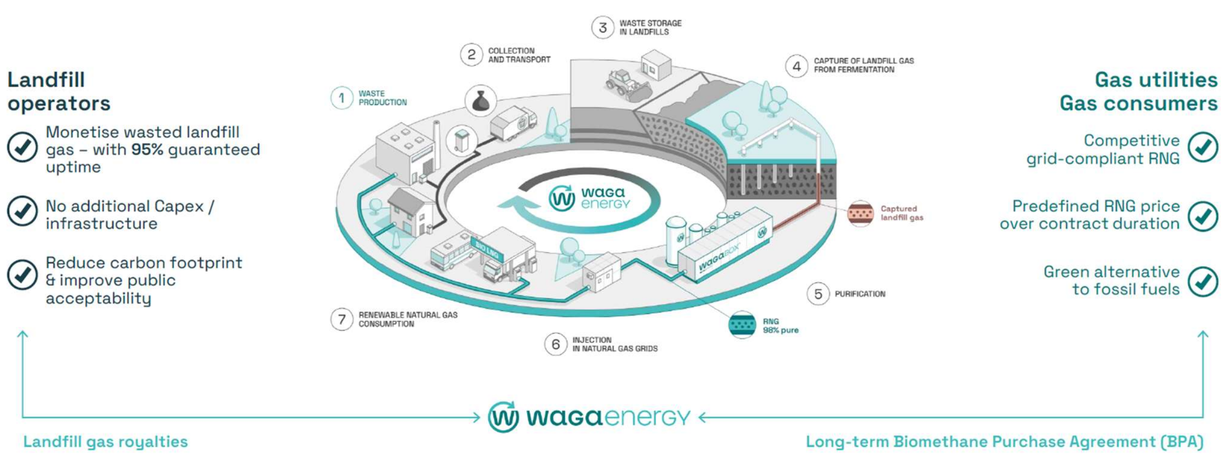
Fig. 37: Circular economy projects on a regional scale



Source: Waga Energy

Finally, the WAGABOX® projects improve the environmental performance of waste storage sites.

Fig. 38: Waga Energy is positioned as the missing link between storage site operators and energy companies



Source: Waga Energy

❖ A model with financial and operational benefits

The developer-investor-operator model adopted by Waga Energy allows for rapid deployment of its technology in France and internationally, which is essential to act as quickly as possible to reduce greenhouse gas emissions. By controlling all the parameters of a project (including the regulatory aspects and the obtaining of necessary authorisations), from financing to operation.

The commercial development phase lasts between six months and several years (depending on the level of knowledge of the customer, the existence or not of a recovery solution on its site, the duration of the negotiations, etc.), and ends in the signature of a raw gas purchase agreement with the storage site operator (Gas Rights) or the signature of a purification service agreement. The Group then undertakes to sign additional contracts: contract for the sale of biomethane, contract for connection and injection into the gas network, and electricity connection.

At the same time, the Group launches the construction of the unit and obtains the various permits and administrative authorisations. The Group is able to commission a WAGABOX® unit within 12 to 24 months after signing a contract with the storage site operator, depending on the deadlines for connection and obtaining authorisations, which vary depending on the country. This phase mobilises many partners, and results in the commissioning of the unit.

The operating phase then begins, lasting from 10 to 20 years, under the contract signed with the operator of the storage site (sale of biomethane or purification services).

The Group believes that at present it is the only player dedicated exclusively to the production of biomethane from the gas from waste storage sites. Thanks to its developer-investor-operator model, it has unique expertise in the world in this market segment, which has many specificities compared to other renewable gas sectors. This expertise extends to commercial, legal, contractual, financial and technological aspects.

The Group maintains a high level of performance on all its WAGABOX® units by making technological improvements that are systematically integrated into all units ("revamping"). In 2023, the fleet achieved an average availability of 95.7% for the 13 units operated for more than 12 months, and of 94.2% including the 5 units started up during the year (excluding shutdowns attributable to external causes).

The joint work carried out with storage operators to optimise the collection of raw gas, as well as a better understanding of the specificities of landfill gas, also contribute to increased production and reduced direct methane emissions.

The developer-investor-operator model adopted by the Group has many advantages, both operationally and financially.

Financial benefits

- The Group generates recurring revenue over the entire duration of the project *via* the sale of biomethane to an energy company or the purification service provided to the landfill operator, under long-term contracts (10 to 20 years).
- The Group pools the financing and operating costs of its fleet of WAGABOX® units.
- The Group may renew gas purchase and biomethane sales contracts once they expire. In this case, the cost of producing biomethane will be reduced because the investment will already have been amortised.

Operational benefits

- The Group is able to commission a WAGABOX® unit within 12 to 24 months after signing a contract with the storage site operator.
- The Group exercises full control over its proprietary technology, of which it remains the exclusive operator.
- The Group is committed to a process of continuous improvement of its proprietary technology, enabled by feedback generated by the operation of the units.
- The Group guarantees optimal use of the gas source and controlled safety conditions.
- The Group collects multiple data on landfill gas, through the 150 or so sensors fitted to each WAGABOX® unit; this database could enable the development of further improvements and new services.
- In the event that the storage site no longer produces gas, or the operator does not wish to renew the contract, the Group is able to dismantle the unit and reassign it to another site or reuse its components.

5.1.7 Rapid rollout in France and internationally

❖ First injection of landfill gas in Europe in February 2017

Fig. 39: Aerial image of the first WAGABOX® unit

The Group commissioned the first WAGABOX® unit in February 2017 at the Saint-Florentin (Yonne) waste storage site, operated by Coved, a subsidiary of the Paprec group.

Its development and construction represented a total cost of €4.35 million. It was financed by a subsidy of €2.3 million granted by ADEME as part of the Investments for the Future Programme (PIA), of which €1.6 million was a repayable advance and €0.7 million was a subsidy. The remainder of the financing was provided through financing of €1.8 million from three private investors (Air Liquide Venture Capital, Les Saules and Starquest Capital) and bank debt (including a loan of €0.5 million from Bpifrance).

The biomethane produced by the WAGABOX® unit in Saint-Florentin is sold to Air Liquide at the mandatory purchase price in force in France since 2011.

❖ Twenty-three units in operation in France, Spain, Canada and the United States

At the date of the Universal Registration Document, the Group operates 23 biomethane production units (21 owned and 2 units sold) in France, Spain, Canada and the United States. These units represent a maximum installed production capacity of 915 GWh per year.

France

At the date of the Universal Registration Document, the Group operates 18 WAGABOX® units in France, at waste storage sites belonging to industrial players (Suez, Veolia, Paprec, Séché Environnement, etc.) or to local authorities (Lorient Agglomération, Trigone, Sivom SGMAM, etc.). The Group owns 17 of them, the last having been sold to Lorient Agglomération for commercial reasons. This fleet represents an installed production capacity of 550 GWh per year. Five other units are under construction.

The biomethane produced by these units is sold within the framework of the mandatory purchase price scheme (a government subsidy system in force since 2011).

Spain

The Group signed its first international contract in December 2020 with Cespa, a subsidiary of the Spanish group Ferrovial Servicios, specialising in services to local authorities, to equip the Can Mata waste storage site, located in the town of Els Hostalets de Pierola, in Catalonia (Spain). Cespa was sold in December 2021 to PreZero, a subsidiary of the Schwarz group.

The WAGABOX® unit at Can Mata was commissioned on 20 June 2023. It can process 2,200 m^3 of biogas per hour and produce 70 GWh of biomethane. Its production is injected into the network of the gas distributor Nedgia, and avoids the emission of approximately 11,500 tonnes of CO_2eq per year[16].

This is the first landfill gas injection project financed by a long-term Biomethane Purchase Agreement (BPA) in Europe, based on the Power Purchase Agreement (PPA) model used to finance renewable electricity projects.

Following the signing of this contract, in 2021 the Group created a subsidiary in Spain having its registered office in Barcelona (Catalonia, Spain).

Canada

In 2019, the Group created a subsidiary in Canada having its registered office in Shawinigan (Quebec, Canada).

The Group signed its first contract in 2021 with Régie de Gestion des Matières Résiduelles de la Mauricie, now renamed Enercycle, to equip the site at Saint-Étienne-des-Grès (Quebec). The WAGABOX® unit was commissioned on 24 May 2023. It can process 3,200 m^3 of raw gas per hour (*i.e.* 2,000 SCFM, the North American unit of measurement) and produce around 130 GWh of biomethane per year, thus avoiding the emission of 19,000 tonnes of CO_2eq into the atmosphere per year.

On 6 December 2023, the Group launched a second WAGABOX® unit at the waste storage site in Chicoutimi (Quebec), operated between 1998 and 2017 by Matrec-GFL, a division of GFL Environmental Inc. Although it is no longer supplied, the storage site continues to produce biogas, which is now injected into Énergir's distribution network.

Two WAGABOX® units are also under construction in Canada: one in Cowansville (Quebec), on the site of the Régie Intermunicipal Management of Residual Materials of Brome-Missisquoi, and the second in Hartland (British Columbia), on the site of the Capital Regional District (CRD). In the case of the Hartland contract, the Group agreed, on an exceptional basis, to sell the WAGABOX® unit to the CRD (as was

[16] *Estimate based on comparative emission factors for natural gas and biomethane in France determined by the ADEME carbon database, covering all scopes (1, 2 and 3), i.e. direct and indirect emissions.*

done for the unit commissioned on the Lorient Agglomération site). This transaction amounted to C$30.2 million, including the completion of civil engineering work, subcontracted to the local company Maple Reinder. This sale is accompanied by an exclusive operation and maintenance contract for a period of 25 years.

The biomethane produced in Quebec is sold to the operator Énergir and injected directly into its grid. The biomethane to be produced in British Columbia will be injected into the network of the distributor Fortis BC.

United States

In 2019, the Group created a subsidiary in the United States having its registered office in Philadelphia (Pennsylvania). Since 2021, it also has an office in Miami (Florida).

At the end of 2021, the Group won the tender launched by Steuben County (New York State, United States) to recover gas from its waste storage site, located in the town of Bath. The WAGABOX® unit was commissioned on 15 March 2024. It can produce 55 GWh of biomethane per year, *i.e.* the consumption of around 4,000 local households, and will avoid the emission of 13,500 tonnes of CO_2eq per year according to the calculation methodology of the United States Environmental Protection Agency (EPA).

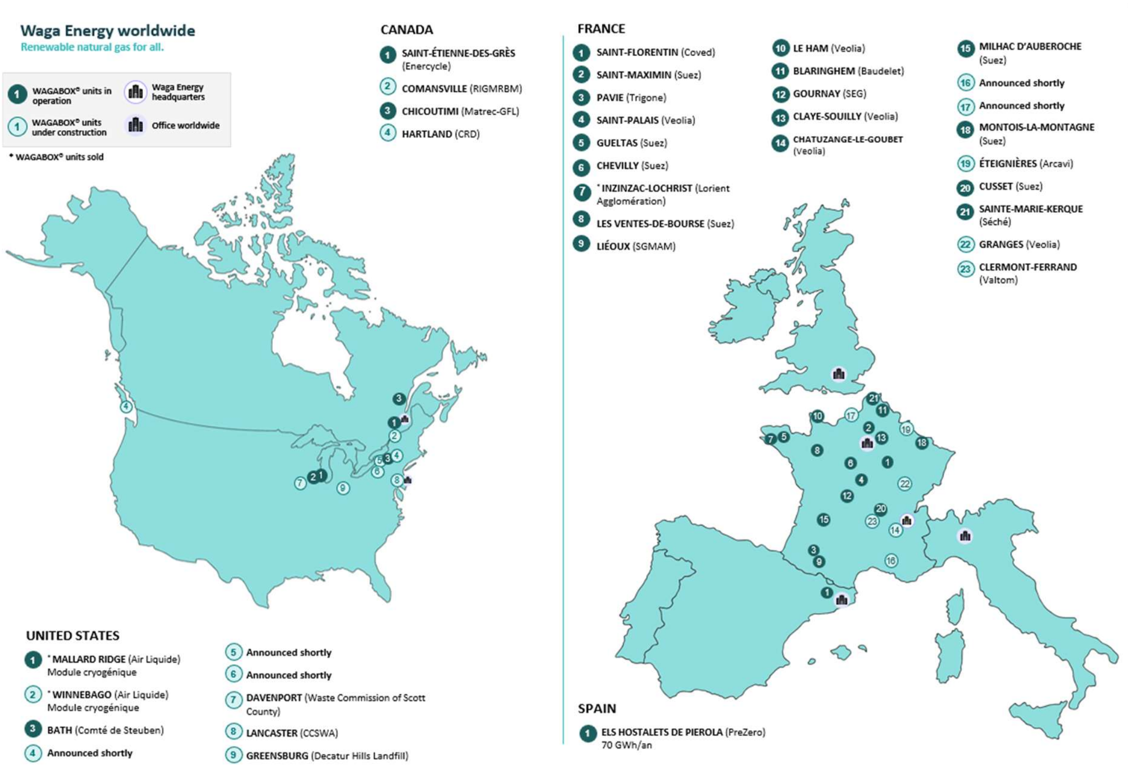
In March 2022, the Group also launched a cryogenic distillation module (Nitrogen and Oxygen Removal Unit - NORU) sold to Air Liquide and installed in a biomethane production unit located at the Mallard Ridge storage site (Wisconsin). This equipment, used to separate the methane from the air, is identical to the cryogenic modules manufactured in series by Waga Energy for its large-capacity WAGABOX® units. Able to process 3,200 m^3 of gas per hour and representing an installed capacity of 110 GWh of biomethane per year, it is operated by Waga Energy under a remote supervision and maintenance contract.

In 2023, the Group launched the construction of six new large-capacity WAGABOX® units in the United States. Three of them are located on sites operated by Casella Waste Systems, a major player in waste treatment and recovery in the east of the country. The other three are located at sites operated by local authorities in Davenport (Iowa), Lancaster (Pennsylvania) and Greensburg (Indiana).

The Group also delivered two cryogenic distillation modules to Air Liquide for a biomethane production unit under construction at the Winnebago waste storage site in Rockford (Illinois). This equipment will be commissioned soon and will be managed by the Group under a supervision contract.

Fig. 40: Mapping of the biomethane production units in operation worldwide

Fig. 41: (at the date of the Universal Registration Document)



France	
Saint-Florentin (Yonne)	Commissioned: 14 February 2017 Storage site operator: Coved Installed capacity: 25 GWh/year
Saint-Maximin (Oise)	Commissioned: 26 June 2017 Storage site operator: Suez Installed capacity: 25 GWh/year
Pavie (Gers)	Commissioned: 30 May 2018 Site operator: Trigone (mixed syndicate) Installed capacity: 15 GWh/year
Saint-Palais (Cher)	Commissioned: 6 November 2018 Storage site operator: Suez

France	
	Installed capacity: 20 GWh/year
Gueltas (Morbihan)	Commissioned: 13 November 2018 Storage site operator: Suez Installed capacity: 25 GWh/year
Chevilly (Loiret)	Commissioned: 20 December 2018 Storage site operator: Suez Installed capacity: 15 GWh/year
Inzinzach-Lochrist (Morbihan)	Commissioned: 26 November 2019 Storage site operator: Lorient-Agglomération Installed capacity: 15 GWh/year
Les Ventes-de-Bourse (Orne)	Commissioned: 15 January 2020 Storage site operator: Suez Installed capacity: 25 GWh/year
Liéoux (Haute-Garonne)	Commissioned: 16 January 2020 Storage site operator: SGMAM Sivom Installed capacity: 35 GWh/year
Blaringhem (Nord)	Commissioned: 2 September 2020 Storage site operator: Baudelet Environnement Installed capacity: 25 GWh/year
Gournay (Indre)	Commissioned: 26 January 2022 Storage site operator: SEG Installed capacity: 15 GWh/year
Claye-Souilly (Seine-et-Marne)	Commissioned: 9 March 2022 Storage site operator: Veolia Installed capacity: 120 GWh/year
Le Ham (Manche)	Commissioned: 7 April 2022 Storage site operator: Veolia Installed capacity: 20 GWh/year

France	
Milhac-d'Auberoche (Dordogne)	Commissioned: 15 November 2022 Storage site operator: Suez Installed capacity: 25 GWh/year
Montois-la-Montagne (Moselle)	Commissioned: 26 January 2023 Storage site operator: Suez Installed capacity: 25 GWh/year
Cusset (Allier)	Commissioned: 1 September 2023 Storage site operator: Suez – Vichy Communauté Installed capacity: 25 GWh/year
Sainte-Marie-Kerque (Pas-de-Calais)	Commissioned: 30 January 2024 Storage site operator: Séché Environnement Installed capacity: 35 GWh/year
Chatuzange-le-Goubet (Drôme)	Commissioned: 11 April 2024 Storage site operator: Veolia Installed capacity: 25 GWh/year

Spain	
Els Hostalets de Pierola (Catalonia)	Commissioned: 20 June 2023 Storage site operator: PreZero Installed capacity: 70 GWh/year
CANADA	
Saint-Etienne-des-Grés (Quebec)	Commissioned: 25 May 2023 Storage site operator: Enercycle Installed capacity: 130 GWh/year
Chicoutimi (Quebec)	Commissioned: 6 December 2023 Storage site operator: Matrec-GFL Installed capacity: 25 GWh/year

UNITED STATES	
Mallard Ridge (Wisconsin) (Cryogenic module)	Commissioned: March 2022 Production unit operator: Air Liquide Installed capacity: 110 GWh/year
Bath (New York)	Commissioned: 15 March 2024 Storage site operator: Steuben County Installed capacity: 60 GWh/year

At the date of the Universal Registration Document, 14 units are under construction, including 5 in France, 7 in the United States (including a cryogenic module) and 2 in Canada.

France

- Eteignères - Arcavi
- Clermont-Ferrand - Valtom
- Granges - Veolia
- two sites whose names have not yet been communicated

United States

- Davenport (Iowa) - Waste Commission of Scott County
- Lancaster (Pennsylvania) - Chester County Solid Waste Authority
- Greensburg (Indiana) - Decatur Hills Landfill
- Three sites operated by Casella Waste Systems
- Rockford (Illinois), cryogenic module installed on an Air Liquide production unit

Canada

- Cowansville (Quebec) - Régie de Brome-Missisquoi
- Hartland (British Columbia) - Capital Regional District (CRD)

5.2 Operational implementation of the WAGABOX® solution

5.2.1 Group business model

❖ An independent biomethane producer combining a proprietary technology with a “developer-investor-operator” model.

Waga Energy implements its patented WAGABOX® technology, developed specifically for the purification of landfill gas, through a developer-investor-operator model. The Group develops the projects, finances the construction and installation of the production units on site, and operates and retains ownership of the units (with the exception of the unit in operation on the Lorient Agglomération site and the one under construction on the Hartland site, which were sold on an exceptional basis).

The Group positions itself as the specialist in the recovery of gas from waste storage sites in the form of biomethane, and signs long-term raw gas purchase contracts with them (10 to 20 years). To this end, it capitalises on its proprietary technology and unique expertise in carrying out these complex projects, its industrial know-how and its operational flexibility.

The Group sells the biomethane production of the WAGABOX® units through long-term contracts with public or publicly owned companies, gas distribution companies or energy companies, using government support mechanisms for the production of renewable gas when possible (mandatory purchase price, subsidies, etc.).

Each phase of a project, from business development to the sale of biomethane, and including financing, design, construction, commissioning and operation, is implemented in accordance with the Group’s standards and long-term development objectives. The business model also enables the continuous improvement of the WAGABOX® technology through the feedback generated by the operation of the units.

The Group only focuses on high quality projects, guaranteeing a satisfactory return on investment. The investment criteria take into account technical feasibility, economic analysis and risk analysis. These factors help to improve project performance and optimise financing conditions. The Group places great importance on building long-term relationships of trust with all stakeholders.

It has sales teams in countries with significant development potential (France, the United Kingdom, Spain, Italy, the United States, Canada). Their role is to identify storage sites that could be equipped with the WAGABOX® solution, carry out technical studies and secure the rights to raw gas. These investments make it possible to assess the feasibility of the projects but also to promote the WAGABOX® solution. In the case of a call for tenders, the Group’s experience enables it to construct solid offers based on realistic financial models.

In some countries, the Group also relies on developers or consultants (United Kingdom, Portugal, Australia, Italy, Canada, United States, etc.) to identify business opportunities, improve its knowledge of the market and respond to calls for tenders.

The Group’s developer-investor-operator strategy and the confidence generated by its proprietary technology enable the Group to benefit from optimal financing conditions. When a project is launched, it secures non-recourse financing on the Parent company and/or assets other than those held by the project company (SPV); if this is not possible, it resorts to intermediary financing (bridge financing) while it secures long-term financing. The cash flows generated over time by the sale of biomethane, and the performance of the WAGABOX® units, are key factors in obtaining this financing.

The Group reinvests all or part of its revenues in new projects, which, with the contribution of its shareholders, strengthens its portfolio of assets. It has built up a fleet of 23 production units representing a maximum installed capacity of 915 GWh per year (including the cryogenic module). At 31 December 2023, the average age of these units was 2.7 years and the residual term of the contracts was 12.2 years. At the date of the Universal Registration Document, 14 additional units were under construction, representing a total capacity of approximately 1.4 TWh per year (cryogenic module included).

❖ International rollout

Driven by the desire to develop the use of biomethane to support the energy transition, and to reduce greenhouse gas emissions (and, in particular, methane emissions from waste storage facilities), Waga Energy is rolling out the WAGABOX® solution internationally.

The Group is mainly targeting Europe and North America, where it has operated since 2019 through a subsidiary in the United States and another in Canada. Its objective is to develop a local presence in each of the target countries, with the aim of developing WAGABOX® projects.

Development in a new market is carried out in three phases: (i) Commercial prospecting, (ii) Implementation of a first project in the target country, and (iii) Deployments.

i/ Commercial prospecting phase

The Group assesses the potential of new markets based on various criteria:

- the number of waste storage facilities in operation;
- the existence of a natural gas grid and the possibility of connecting to it;
- the existence of a stable political and economic environment, in particular enabling the Group to retain ownership of all or most of the assets;
- the existence of a policy supporting biomethane;
- the possibility of selling biomethane locally on the market at a price high enough to finance a project;
- the opportunity to enter into long-term biomethane sales contracts with reliable counterparties;
- the availability of long-term non-recourse or limited-recourse financing from local or international lenders;
- the possibility of minimising exposure to foreign exchange risks by aligning project debt, capital expenditure and revenue generated with the same strong and stable currency (euro, US dollar and Canadian dollar); and
- the opportunity to achieve a leadership position in the local market.
-

ii/ Implementation of a first project in the target country

Once the WAGABOX® solution deployment has been approved, the Group recruits employees on site or local partners to engage in discussions with waste storage facility operators or to take part in calls for tenders.

This prospecting phase is designed to lead to a first project in this new market.

To do this, the manager of this new market works with any local partners that may be recruited and with teams and experts at the headquarters, whether on technical matters or legal and regulatory matters. These partners are developers or consultants (legal, technical). They allow the Group to rapidly acquire a sound understanding of the standards, social structures and legal and administrative frameworks.

The local teams negotiate the acquisition of the rights to exploit the gas produced by the storage sites and manage relations with all stakeholders (administration, grid operator, etc.), with the technical and operational support of the sales teams based in France.

This stage allows the Group to have a clear vision of the sustainability of the storage site, the legal framework, the conditions of connection to the grid, the possibility of recruiting teams locally, taxation and any renewable gas support mechanisms, etc. It also makes it possible to establish relationships with industrial partners and regulatory authorities.

To initiate the development of a project, the prospecting team must be able to respond positively to three questions:

- does the storage site have sufficient gas potential?
- can biomethane production be sold under satisfactory conditions?
- does the storage site operator want to work with the Group?

The first project carried out on a new market is particularly important because it will serve as an example and reference for the realisation of subsequent projects.

iii/ The deployment phase

Once the first project is underway, the Group strengthens its local presence by sending experienced project managers and technicians to the site and by recruiting local resources. Its local presence helps strengthen its legitimacy with environmental and energy players, and with all stakeholders.

The sales team continues to feed the project pipeline.

❖ Ownership of the WAGABOX® units

As part of its developer-investor-operator strategy, the Group wishes to retain ownership of the WAGABOX ® units in order to maintain control over their management and to be able to optimise their performance. This approach also makes it possible to pool certain operations (in particular maintenance and purchasing) and to constantly improve their operation through innovation and the integration of operating feedback (revamping). The Group's objective is to build a portfolio of very high-quality assets, meeting high standards, delivering a high level of performance, under perfectly controlled safety conditions.

In certain cases, however, the Group may choose to grant a minority stake to partners, in order to facilitate access to a methane source, the signing of a biomethane sales agreement or as part of a call for tenders.

On an exceptional basis, on two occasions the Group has agreed to sell a WAGABOX® unit to a local authority, for strategic reasons: the first time to Lorient Agglomération (France) in 2017, and the second time to the Capital Regional District (Canada) in 2022.

In all cases, the Group remains the exclusive operator of the WAGABOX® units.

5.2.2 Project planning and development

The development of the WAGABOX® projects is provided by sales engineers. This step includes prospecting, carrying out technical studies, the sizing of units and the study of the on-site location, with a view to signing a gas purchase agreement with a waste storage site operator (or the signing of a purification service agreement when the site operator wishes to position itself as a renewable energy producer).

This stage also includes the signing of an agreement for the sale of biomethane with an energy company or a private buyer, the signing of an injection contract with the local grid operator for connection works to be undertaken and the provision of an on-site injection station.

❖ Organisation of the development process

The development of a WAGABOX® project follows a structured process.

1. Business development

- Prospecting
- Feasibility studies (technical, financial and regulatory).
- Negotiation with the storage site operator
- Negotiation for the sale of biomethane, if applicable

The commercial development phase can last from six months to several years and results in the signature of a contract giving the Group access to the gas source (Gas Right), followed by the signature of a contract for the sale of biomethane.

2. Project set-up

- Engineering studies
- Obtaining authorisations
- Negotiation of gas and electricity connections
- Creation of the project company (Special Purpose Vehicle - SPV)
- Financing
- Construction of the WAGABOX® unit by a subcontractor

The project set-up phase lasts between 6 and 12 months and results in the declaration of implementation (Notice to Proceed).

3. Construction and commissioning

- On-site civil works
- Connections to the gas distribution network
- Connection of the site to the electricity grid
- Delivery of equipment on site
- Equipment interconnections
- Filling with gas and injection.

The construction phase lasts between 12 and 18 months and ends with the start-up of the unit, responsibility for which is immediately transferred to the Operations Department.

4. Operation and maintenance

- Management of the unit
- Maintenance
- Sale of biomethane
- Customer relationship management
- Invoicing.

The operating phase starts at the time of the first injection and ends with the shutdown of the unit, occurring either due to the exhaustion of the gas field or to the end of the agreement signed with the storage site operator, 10 to 20 years after start-up depending on the contracts.

❖ Prospecting and identifying opportunities

The Group selects project opportunities based on various criteria:

- The waste storage site must be operated in a professional manner and be managed in accordance with the legal and regulatory obligations.
- The site must be equipped with a gas collection system (this is the case for most sites in Europe and North America);
- The site must be able to supply enough gas to ensure the profitability of the project; the existence of a system for recovering gas in the form of electricity (cogeneration engine) is not prohibitive when the remaining volume of gas is sufficient to make a WAGABOX® project profitable; however, this situation may generally lead to the injection project being postponed until the renewal of the equipment in place (generally every five to seven years) or until the end of the electricity sale contract.
- The storage site must be close enough to a gas network to be able to connect the WAGABOX® unit to it under economic conditions that allow the project to be profitable; the connection distance depends on the volume of methane to be recovered and may exceed 20 kilometres; in some cases, the transport of biomethane by truck may be considered.
- The local gas grid must be able to absorb the production of the WAGABOX® unit.

The Group targets all waste storage sites that meet these criteria, and in particular small- or medium-sized sites for which its technology, standardised approach and business model are particularly competitive. The prospecting costs, which mainly correspond to the salaries of sales engineers, studies and consulting services, are mainly financed by equity. They can vary significantly from one country to another.

❖ Securing of projects

In addition to the negotiations with the operator of the waste storage site, the Group's sales engineers take the necessary steps to obtain all the permits and administrative authorisations required for the project to be carried out. They also negotiate the contract for the sale of biomethane. At this stage, the costs incurred are capitalised and included in the project investment cost. In the event that the project is ultimately abandoned, they will be reincorporated into the Group's expenses.

The biomethane sales contracts entered into by the Group extend over long periods, ranging from 10 to 20 years. In France, the mandatory purchase price is granted for a period of 15 years. The buyer of the gas can be an energy company or a private player with significant energy needs and seeking to decarbonise its activity.

Long-term biomethane sales agreements provide the Group with predictable recurring revenues over long periods of time, transforming market risk into limited counterparty risk. The involvement of highly creditworthy partners and limited counterparty risk make it easier to obtain financing on favourable terms, which helps to improve the competitiveness of offers.

In addition to over-the-counter contracts, the Group participates in calls for tenders launched by public entities or private parties operating a waste storage site. The resulting raw gas purchase agreements may differ in certain respects from those negotiated over-the-counter, but are generally of a duration compatible with the project's depreciation constraints.

In the United States, calls for tenders launched by public operators generally lead to an exclusive negotiation period of 6 to 12 months at the end of which the two parties decide whether or not to commit to a contract.

5.2.3 Project financing

The business model adopted by Waga Energy requires significant investments: the completion of a WAGABOX® project represents an investment ranging from €3 million to more than €25 million, depending on the unit's capacity and the country where it is commissioned. To raise these funds, the Group relies on a team of employees specialising in project financing, as well as on external legal and financial consulting firms. As soon as a project in the development phase approaches the signing of the biogas purchase contract, the team and advisors begin to study all possible financing options.

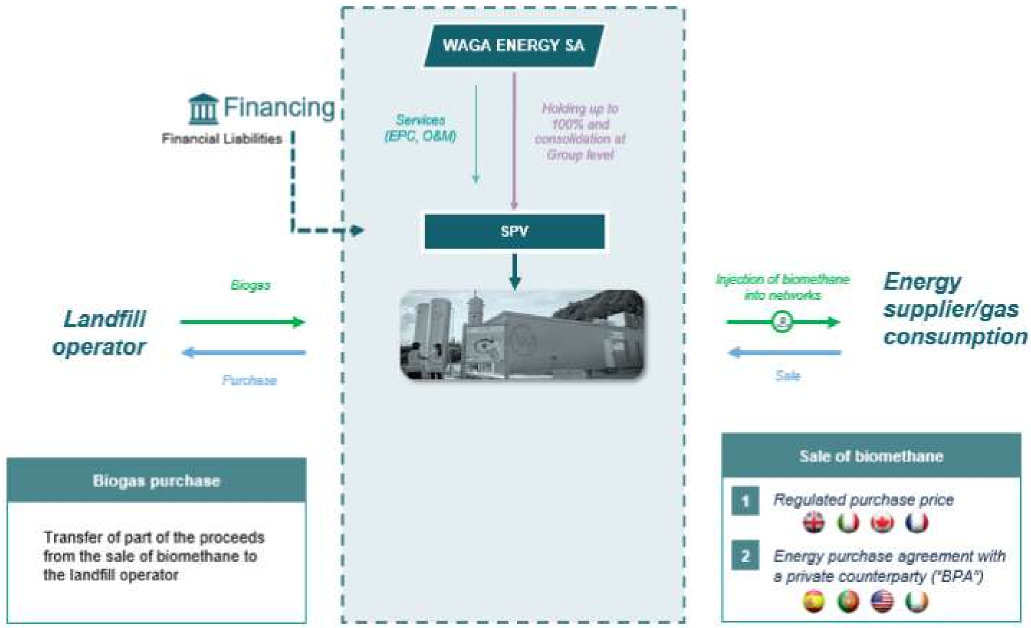
❖ Funding process

The Group's financing strategy is based on the creation of dedicated project companies known as Special Purpose Vehicles (SPV), with no employees. Thanks to the high predictability of the cash flows generated, each WAGABOX® project is lodged in a SPV financed by equity, bank debt or bond debt. The bank debt leverage (ratio of debt to total investments) generally ranges between 60% and 80% of the financing, depending on the nature of the project, allowing limited use of the Company's equity. The Group's objective is to finance the construction of WAGABOX® units through SPVs without the possibility of recourse to the assets of the parent company.

The Group ideally wishes to hold the SPVs at 100%, but allows itself the possibility of opening the capital to a minority shareholder to satisfy a mutual commercial and economic interest. The first two SPVs created by the Group (Sofiwaga 1 and Sofiwaga Infra) each include three WAGABOX® units, and are held only up to 49%. However, the Group retains effective control (see Note 5.2 to the consolidated financial statements presented in Chapter 19 "Financial information" of the Universal Registration Document). This arrangement has enabled the Group to develop projects while limiting its equity contribution in this phase of the Company's development.

The joint holding of the share capital of SPVs with minority shareholders is one of the financing tools considered by the Group to limit the use of its own funds.

Project structuring and main contracts



Source: Waga Energy

❖ Leverage/Gearing

Project financing is carried out through a detailed and structured process, involving the completion of an extensive prior audit (due diligence) and the negotiation of financing contracts. Before each financing, the technical analysis and the provisional business plan are prepared and validated by the Group's Finance Department in order to verify the profitability of the project and the repayment capacity. As far as possible, the Group favours project portfolio financing in order to pool amounts and risks.

The financing conditions, and in particular the level of indebtedness of the SPV or the intermediate holding company, depend on various factors:

- Project location. Projects in mature markets provide greater leverage than in developing markets.
- Cash flow generated by the project. The expected cash flows depend on the conditions obtained in the biomethane sales contract and the production of the facility (biogas capacity and availability); the lender concerned will therefore carry out a prior audit (due diligence) of the business plan and carefully review the biomethane sales contract(s), contractual agreements and technical specifications for each project. As a result, the Group pays particular attention to the negotiation of contractual clauses (extension of the term, guarantees, etc.) offering lenders all possible guarantees as to the reliability of the cash flows generated by its projects.
- Counterparty risk: the financing terms depend on the solvency and credit rating of the buyer of the biomethane, if it is sold under a private purchase agreement.
- Market risk. The share of revenues from the sale of biomethane exposed to a market risk (spot price of natural gas, or the environmental value of renewable gas) generally bears a lower percentage of debt in view of the risk of price fluctuations, compared to the sale of biomethane on the regulated market.

Based on the factors described above, as well as other factors, lenders will determine the minimum debt service coverage ratio.

- Financing structure and scope

The WAGABOX® projects are financed at the level of the SPV or at the level of an intermediate holding company (an Asset Co) grouping several projects. The Group uses equity (possibly provided by minority investors) and/or senior debt in the form of an intermediate bank or bond financing (bridge) put in place to build the unit. Refinancing in the form of bank debt is then committed at the start of the unit.

In all cases, the financing taken out on behalf of each SPV and each intermediate holding company has no recourse to the Group's other assets or to the assets of other Group entities. This financing does not generate any refinancing risk because it is repaid in full from the cash flows generated by the project(s) financed. (See also the description of the different financing solutions for the investments in Sections 5.6 and 8.3 of this Universal Registration Document).

5.2.4 Design, construction and commissioning of WAGABOX® units

The construction of the WAGABOX® units is provided by the Projects Department under an Engineering, Procurement, Construction and Commissioning (EPCC) contract signed with the project company (SPV).

The Projects Department is organised around four divisions:

- Design office
- Construction of new projects
- Continuous improvement
- Electricity, instrumentation and automation (EIA).

The construction of the units is subcontracted to external service providers specialising in precision boilermaking, based in Auvergne-Rhône-Alpes (France) and Quebec (Canada).

The project manager is responsible for all technical aspects of the project, as well as managing the relationships with all stakeholders (customer, network operator, integrators, local authorities, etc.). He supervises the design of the unit on the basis of existing standardised models, the on-site layout, the supply of parts and materials, the assembly of modules ("skids") by specialised subcontractors, on-site delivery of equipment, interconnections and gas supply.

More specifically, the project manager:

- manages the progress of the project within the set deadlines and budget;
- monitors the construction of the unit at the integrator's premises and ensures the proper execution of the work on site;
- ensures compliance with current Health, Safety and Environment regulations in conjunction with the QHSE Department;
- supervises the start-up of the unit in conjunction with the Research & Development Team;
- drafts the technical and regulatory documentation to be submitted to the operator.

In France, the unit is commissioned within 12 to 16 months of signing the contract with the storage site operator. In other countries, this period can last for up to 24 months.

5.2.5 Operation of production assets

The injection into the gas grid and the signing of the individual acceptance report mark the start of the operating phase of the WAGABOX® unit. This phase will initially last 10 to 20 years, depending on the contractually agreed terms and conditions. It is generally 15 years in France, which corresponds to the duration of the allocation of the mandatory purchase price guaranteed by the State.

The Waga Energy units are operated by Waga Energy SA's Operations Department under operating and maintenance (O&M) contracts with the project companies (SPVs) holding the assets (the latter having no employees). In line with its "developer-investor-operator" strategy, the Group places great importance on the proper functioning and preservation of its production assets.

The Group's Operations Department includes around 40 highly qualified engineers and technicians spread across France, Canada, the United States and Spain. All have in-depth knowledge of the WAGABOX® technology, and are made aware of the risks inherent in gas engineering.

The Operations Department is divided into a Production Division and a Maintenance Division.

- The Production Division, whose role is to manage and optimise the operation of all WAGABOX® units in production worldwide. To this end, they rely on the instrumentation and control systems developed by the Group, which enable the units to be monitored and controlled remotely ("Supervision" and "Hypervision" systems).

  The team also provides data necessary for invoicing, production of operating reports and monitoring of performance indicators, with the aim of continuous improvement of the units in production and sharing of the Group's best practices.

- The Maintenance Division maintains equipment and carries out curative interventions. The team has a 1,200 square metre workshop at the Group's headquarters in Eybens, where the critical parts and consumables required for operations are stored. It also relies on a computerised maintenance management system (CMMS) software to plan interventions and manage supplies.

  In France, technicians based in the regions, who have all the equipment needed for day-to-day operations locally, are able to work on any unit in less than four hours.

The Operations Department guarantees the performance of the WAGABOX® units, and, in particular, their yield (methane extraction rate) and their uptime (measurement, expressed as a percentage, of the relative time during which an asset is in operation and generates value). The Group contractually commits to ensuring 95% uptime.

The Operations Department works closely with the Operations and Performance Support Division, attached to the Research & Development Department, to constantly improve unit performance, optimise maintenance and reduce downtime. It also collaborates with the Quality, Health, Safety and Environment (QHSE) Department to monitor regulations and ensure the sharing of best practices within the Group.

5.2.6 Contract negotiation - Sales administration

Administrative and legal monitoring is carried out by the Contract-Projects Department, whose mission is to ensure the contractual security of the projects carried out by the Group. This monitoring covers a wide range of technical, commercial and legal expertise and is provided by seven employees based in France and one in the United States. This department is involved in the negotiation of all contracts necessary for the completion of a WAGABOX® project, throughout its implementation. It also relies on specialised law firms in all countries where the Group has a subsidiary, and in countries where it could consider expanding.

The Contracts-Projects Department is divided into two divisions:

- The Development and Support of Contracts-Projects Division

In support of the Business Development Department and the Energy Department, the Development and Support of Contracts-Projects Division is involved in the negotiation and drafting of all contracts necessary for the completion of a WAGABOX® project: contract with the operator of the waste storage site, contract with the biomethane buyer (Offtaker), contract for connection to the natural gas distribution network, Engineering, Procurement, Construction and Commissioning (EPCC) contract and Operation and Maintenance (O&M) contract between the Group and the project company (SPV), etc. The team ensures that fair agreements are reached, guaranteeing the level of compensation expected by the Group, in compliance with a contractual policy aimed at guaranteeing the best possible financing for the project.

- The Project Contract Implementation and Monitoring Division

The Project Contract Implementation and Monitoring Division ensures the proper execution of the contracts during the operating phase of the WAGABOX® units. Its mission includes the processing of invoicing transactions and the updating of prices in accordance with the contractual clauses and indexation mechanisms. The team also produces monthly and annual production reports for each WAGABOX® unit based on the data transmitted by the Operations Department, and ensures compliance with the commitments made by the Group to all counterparties.

5.2.7 Sale of biomethane

As part of its developer-investor-operator model, the Group is responsible for marketing the biomethane produced by the WAGABOX® units (except when the storage site operator wishes to position itself as a renewable energy producer, in which case the Group invoices it for a purification service). The marketing of the biomethane is supervised by the Energy Department, whose mission is to find the best value for the biomethane produced by the WAGABOX® units and to manage the associated risks. Its expertise is also mobilised to optimise the Group's energy purchases.

The Energy Department brings together experts in the energy markets, based in France and the United States. It monitors changes in prices and regulations affecting the marketing of biomethane in all countries where the Group operates, as well as in those where it may be deployed. In conjunction with the Commercial Development and Contracts-Projects departments, it assesses the risks and opportunities related to energy in the projects developed by the Group, participates in the negotiation of sales and energy supply contracts, and monitors the proper application of these contracts.

In certain cases, the Group may sell the biomethane under a contract guaranteed by the State, to a natural gas distribution company or a public counterparty. This is notably the case in France and Canada. An additional premium may sometimes be negotiated between the biomethane producer and the acquiring gas supplier.

The Group can also sell the biomethane produced by the WAGABOX® units under a long-term energy purchase agreement (Biomethane Purchase Agreement, BPA) entered into with a private player. In this case, the compensation includes the Guarantees of Origin (GO) associated with the production of renewable energy, which can be marketed by the energy buyer to companies wishing to decarbonise their activity or to customers wishing to reduce their environmental footprint (Section 5.1.3 of the Universal Registration Document).

- Mandatory purchase price

Some governments, including France, Quebec (Canada) and Italy, encourage the injection of biomethane through the introduction of a mandatory purchase price, allocated to project leaders over periods ranging from 10 to 20 years.

In France, the Group sells its biomethane production to energy companies within the framework of the mandatory purchase price scheme, at a price set by ministerial decree, up to a volume defined and declared by the Group at the time of the completion of the project, regardless of the natural gas market price. The contracts based on the tariff with purchase obligation have a term of 15 years from the date of commissioning of the production unit.

This mechanism, introduced in 2011, was revised in 2021 and is now reserved for projects whose production capacity does not exceed 25 GWh per year. Beyond that, project leaders may, however, benefit from a subsidised price as part of a call for tenders launched by the French Energy Regulatory Commission (*Commission de Régulation de l'Énergie* - CRE).

Since 2021, producers are no longer able to negotiate the sale of Guarantees of Origin (GO) in addition to the mandatory purchase price, as their ownership has been transferred to the State. However, the Group has secured several projects at the 2011 rate for waste storage sites in the commercial development phase, for a period of three years from the date of signature of the contract.

In Quebec, the Group also benefits from a purchase price guaranteed by the government for a period of 20 years, the level of which is negotiated for each project with Énergir, the main natural gas distribution company in Quebec.

All contracts with a mandatory purchase price in France, Quebec and Italy include adjustment formulas that follow inflation or specific cost indices.

- OTC biomethane sale agreement (corporate BPA)

In countries where there is no mandatory purchase price, or when it is more profitable, the Group markets the biomethane production of the WAGABOX® units under long-term energy purchase agreements with private players (Biomethane Purchase Agreements - BPA). BPA contracts are taken out with energy companies marketing renewable gas, or private companies wishing to decarbonise their activity. They relate to a determined volume of biomethane, delivered to the counterparty *via* the gas distribution network, at contractually defined prices.

The WAGABOX® unit launched on 20 June 2023 at the PreZero waste storage site in Els Hostalets de Pierola, in Catalonia (Spain), is the first to have been financed under a BPA contract. It is also the first biomethane injection project on a waste storage site financed according to this model in Europe. In the United States, the biomethane from projects undertaken by the Group is sold through BPA contracts.

The signing of BPA contracts is favoured by the competitive price of the biomethane produced by the WAGABOX® units, and by certification of its renewable nature by an independent body. In Europe, six WAGABOX® units (including the Els Hostalets de Pierola unit) have obtained ISCC EU certification, attesting to compliance with the criteria of sustainability and greenhouse gas emissions reduction defined by the European RED II Directive. This certification enables the purchaser of the biomethane (the offtaker) to use its purchase to reduce the environmental impact of its activity, measure the carbon footprint of its products, or justify compliance with any regulatory obligations.

BPA contracts still represent a small percentage of the projects undertaken by the Group. However, thanks to the competitiveness of its biomethane production cost, the Group aims to use it more in the coming years, in order to increase its revenues and those of its partners, and to reduce its dependence on public subsidy mechanisms, and to benefit from greater flexibility in the setting of pricing structures and conditions.

5.2.8 The final value beyond the term of biomethane sales agreements

The quality of construction of the WAGABOX® units and the care taken in their operation mean that they can be operated for longer than the duration of the contracts signed with the operators of waste storage sites. Many sites equipped by the Group will continue to produce biogas beyond the initial contracts signed. The Group could therefore negotiate the extension of the raw biogas purchase contracts if the deposit is still sufficient.

The cost of producing the biomethane produced by a WAGABOX® unit is the sum of three components: the purchase price of the raw biogas from the storage site operator, the project's capital expense and the operating costs. In the event that a contract is extended beyond the initial term, the cost of biomethane production will no longer include a portion of the capital expense. The production cost should then be competitive with natural gas, in other words at "grid parity", even for relatively small sites.

The renegotiation of purchase contracts or the extension of these contracts would be an additional source of revenue for the Group. The estimate of these revenues will depend on the conditions applicable at the time of the negotiation, insofar as the term of the biogas purchase contract is generally aligned with the term of the biomethane sale contract. At the date of the Universal Registration Document, the Group has not yet renewed any contracts, the first expiry dates falling in 2032 (see also the residual end of contracts presented in Section 7.1.6 "Main performance indicators" of the Universal Registration Document).

5.3 Global development potential

The WAGABOX® solution, combining a patented technological innovation and a developer-investor-operator model, paves the way for the recovery of landfill gas in the form of biomethane worldwide.

5.3.1 More than 20,000 waste storage sites to be equipped worldwide

According to Group estimates, around 20,000 waste storage sites are currently in operation worldwide. More than 2 billion tonnes of household waste are produced worldwide, and this figure is expected to reach 3.4 billion tonnes by 2050 as a result of population growth and urbanisation, according to a study by the World Bank[17].

In developed countries, most waste (around 96%) is collected, of which 39% is sent to storage sites.[18] Public authorities are seeking to reduce landfill by promoting upstream waste separation. But the efforts made to date remain insufficient and the prospect of a world without landfill remains remote. Furthermore, landfills continue to produce biogas and emit methane for many years, and sometimes decades, after they are closed.

In 2020, the countries of the European Union stored more than 120 million tonnes of waste in nearly 1,500 landfill sites in Europe.[19] In France, around 200 landfills are in operation.[20] These are among the best managed in the world because of the standards to which they are held. In Poland, Slovenia, Latvia, Lithuania and Romania, most waste is stored, which suggests a high potential for gas to be recovered.

In the United States, 146 million tonnes of household waste (municipal solid waste) were landfilled in 2018, *i.e.* 50% of the total (292.4 million tonnes).[21] The country has approximately 2,700 landfill sites, most of which are very large.[22] Around 20% of them are equipped with a gas recovery system (electricity production, cogeneration, direct use, purification) and less than 3%[23] recover it in the form of biomethane. The low number of projects implemented in relation to the number of waste storage site is due to the fact that the available technologies do not offer economically viable solutions.

---

[17] *Report "What A Waste 2.0: A Global Snapshot of Solid Waste Management to 2050" (2018).*

[18] *Report "What A Waste 2.0: A Global Snapshot of Solid Waste Management to 2050" (2018).*

[19] *Eurostat.*

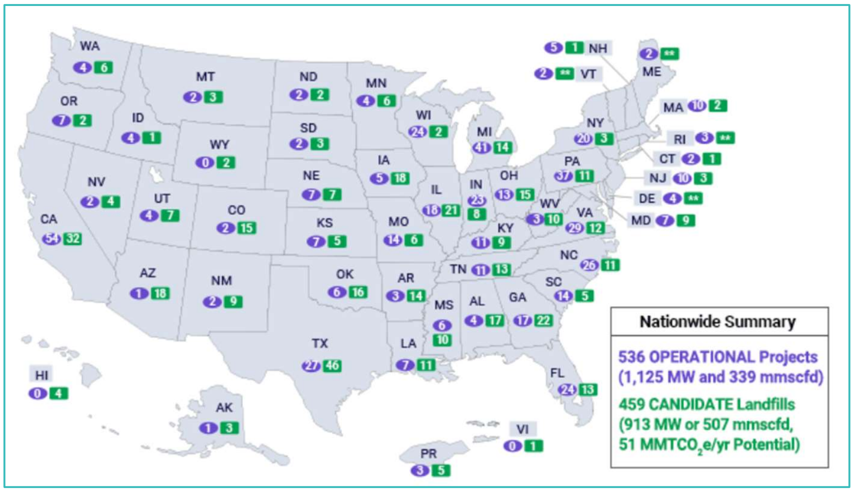
[20] *ADEME.*

[21] *United States Environmental Protection Agency (EPA): Facts and Figures on Materials, Wastes and Recycling.*

[22] *Landfill Methane Outreach Program LMOP (EPA).*

[23] *Landfill Methane Outreach Program LMOP (EPA).*

Fig. 42: Landfill gas recovery projects in the United States — March 2024



Source: Landfill Methane Outreach Program – EPA

In upper-middle-income countries, 84% of the waste is collected and more than half of it is sent to storage sites (54%). In developing countries, the collection rate is lower (84% in Latin America, 44% in South Asia and Sub-Saharan Africa), and more than 90% of tonnages are sent to storage sites or to surface landfills.[24]

Most storage sites operated in developed countries are now equipped with a cover to optimise gas collection and avoid fugitive emissions of methane into the atmosphere. This is not yet the case in developing countries, but this evolution is underway as environmental awareness and economic growth increase. For example, the big storage sites in Morocco, Colombia and Brazil are now largely covered. As a result, the Group now believes that it is able to deploy its solution in all OECD countries and in many other countries.

The WAGABOX® technology is capable of purifying gas from most waste storage sites around the world, provided that they meet a certain number of technical and economic criteria guaranteeing profitability (gas capture, minimum volume of gas, distance to the natural gas network, etc.). It can treat gas containing up to 30% air (oxygen and nitrogen), a rate rarely exceeded in a site equipped with cover tarpaulins.

5.3.2 Competitive biomethane

The waste storage sites produce significant volumes of biogas that are growing steadily due to demographics and urbanisation. The WAGABOX® technology contributes to removing two major obstacles to the recovery of this virtually untapped source of renewable energy:

The ability to achieve biomethane quality compatible with injection into the gas grid despite a high concentration of air in the raw gas

[24] *Report "What A Waste 2.0: A Global Snapshot of Solid Waste Management to 2050" (2018).*

The biomethane must meet certain criteria set by the operator to be able to be injected into an existing natural gas grid. These criteria may vary depending on the operator and country. The WAGABOX® technology has proven in operating conditions its ability to produce biomethane that meets the injection criteria of most grid operators, regardless of the quality of the raw biogas and particularly its air concentration. In some countries, however, the unit's setting could marginally affect its performance. Gas grids make it possible to store and transport large volumes of biomethane from the production site to the final consumer, in an efficient manner, without loss and at a lower cost.

The ability to sell biomethane at a price competitive with natural gas, on a market basis (grid parity)

The vast majority of countries in the world do not offer a support mechanism for renewable gas. To implement a WAGABOX® project in one of these countries, it is necessary to be able to market the biomethane production on a commercial basis. This entails not depending on public aid. Thus, renewable electric energies (wind and photovoltaic) have been developing massively over the last 10 years thanks to technological progress that has enabled them to compete with other conventional electricity sources, with limited or no support from public authorities.

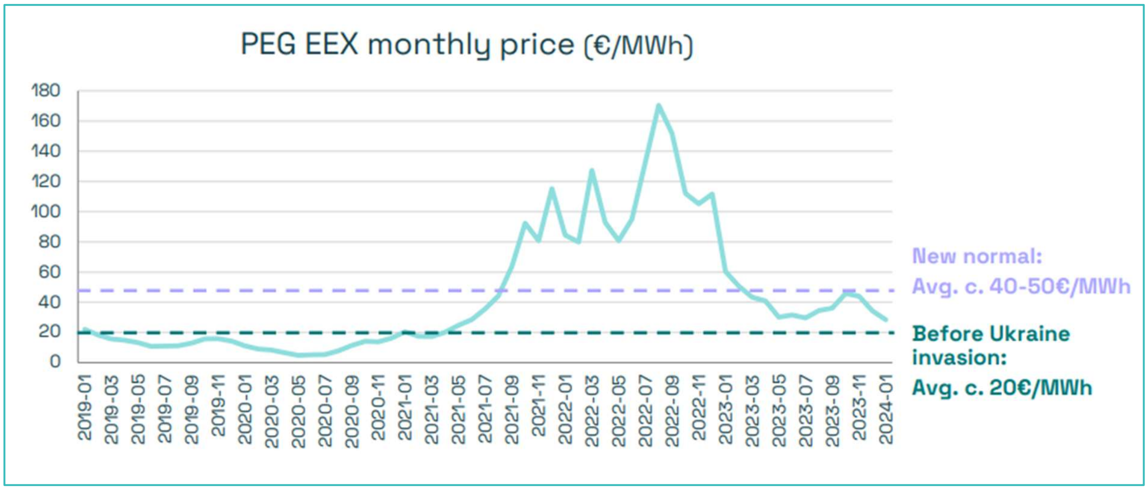
The WAGABOX® solution makes it possible to achieve grid parity with natural gas for a large number of sites around the world, beyond a certain critical size, which obviously depends on the market price of natural gas.

The selling price of the biomethane produced by the WAGABOX® units, set contractually, is stable throughout the duration of the contracts signed with the purchasers, regardless of fluctuations in the price of fossil fuels and in particular natural gas (it is, however, indexed to various economic indicators). Production volumes are also predictable over several years, and transport and distribution costs are reduced due to the proximity of production and consumption sites.

By guaranteeing stable production costs, independent of fossil fuels, and predictable long-term volumes, the biomethane produced by WAGABOX® units proves to be very competitive for energy companies and consumers, subject to variations in energy prices.

Natural gas (spot) prices in Europe experienced very high volatility in 2022, reaching unprecedented levels, due notably to the slowdown in the imports of Russian gas caused by the war in Ukraine. The price remained above the "price with obligation to purchase" in France for most of the year, and exceeded €430/MWh during the month of August 2022. For the first time, biomethane has become less expensive than natural gas. Although the price of natural gas has since decreased, it remains at a higher level than before 2022, which contributes to the attractiveness of biomethane.

Fig. 43: Change in natural gas prices



Future regulatory changes and the growing awareness of the population regarding greenhouse gas emissions and their consequences on climate change are likely to further increase the competitiveness of the biomethane produced by WAGABOX® units.

5.3.3 Competition

The Group believes that its unique value proposition combining dedicated and proprietary technology with a developer-investor-operator model gives it a competitive advantage to continue to develop new opportunities.

❖ Competition in the sale of biomethane

In certain countries, such as France and Canada, the Group benefits from incentive mechanisms that guarantee it can sell its production on favourable terms (mandatory purchase price). There is no competition in this case.

In other countries, there is no real competition in this activity. Demand is emerging from energy companies, public authorities and consumers, and is linked to the recent possibility of accessing renewable gas at a competitive price, notably thanks to the WAGABOX® solution.

Very few players in the world are able to offer biomethane at competitive natural gas prices in the long term without public support. Thanks to its proprietary technology, the Group is able to achieve this objective at certain sites offering large volumes of gas to be recovered and located near a gas grid.

❖ Competition for access to the gas from waste storage sites

The launch of a WAGABOX® project is dependent on the signing of a contract with a waste storage site operator for the supply of raw gas (Gas Right). In this respect, the Group faces competition from a number of companies specialising in the development of renewable energy projects, offering landfill operators various recovery solutions (cogeneration, purification). Most are based in the United States: Montauk Renewables Inc, Morrow Renewables, Archaea Energy, OPAL Fuels, Cambria Energy, WM, Mas Energy, Energy Development Limited, etc. These companies do not have their own technology and subcontract the design and construction to specialised engineers who must develop a specific design for each landfill without being able to guarantee the yield in terms of the transformation into biomethane regardless of the composition and variation of the gas produced by landfills.

Recovery solutions based on cogeneration

Cogeneration is a recovery solution consisting of burning the gas emitted by waste storage sites in an engine, or a turbine, coupled with an alternator to produce electricity and heat (cogeneration). In several countries, cogeneration projects have been favoured by public policies encouraging the production of renewable electricity. This market is currently held by a few companies such as EDL, LMS, LFGTech, Clarke Energy, Infinis, Dalkia, etc.

However, the electricity efficiency of the cogeneration units is low (around 30%) and the heat is rarely usable due to the distance to urban areas. In addition, the gas must be partially purified (elimination of hydrogen sulphide) to preserve the equipment, which generates an additional cost.

Although the WAGABOX® solution offers a higher energy efficiency, cogeneration is, at the date of the Universal Registration Document, the most widespread recovery solution on waste storage sites, and as such constitutes a form of competition because historically in place at landfill operators. It benefited from renewed interest in Europe in 2022 due to an unprecedented increase in electricity prices, caused by the war in Ukraine and the unavailability of part of the French nuclear fleet. However, this recovery solution seems to be losing ground due to the scarcity of public aid, linked to the reduction in the production costs of renewable electricity by wind and solar power, which makes support for this energy less relevant.

Storage sites equipped with cogeneration systems generally cannot accommodate a WAGABOX® project before the end of their current contract.

Recovering landfill gas as biomethane

The first projects to produce biomethane by recovering gas from a waste storage site were developed in the United States in the early 2000s. Approximately 70[25] sites are reportedly equipped to date out of 2,700 existing sites. There are very few projects outside the United States. These projects are developed by a limited number of companies located mostly in the United States: Montauk, Morrow Renewables, Cambria Energy, Mas Energy, Aria Energy, Archaea Energy, etc.

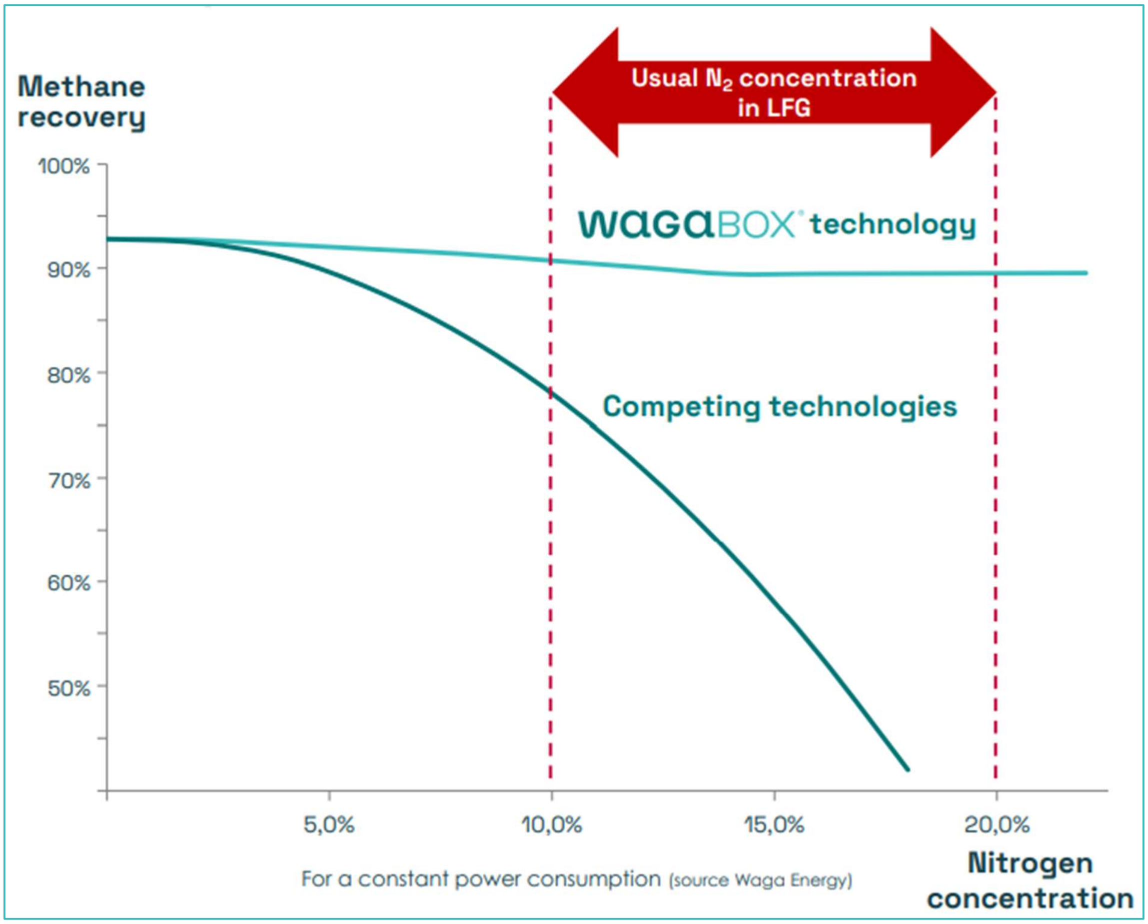
To the Company's knowledge, these companies do not have proprietary technology to purify gas from waste storage sites. They develop projects and subcontract the design and construction phases to engineering companies. To purify this complex gas, the latter assemble multiple technological bricks proposed by different technology suppliers (reduction of impurities, separation of CO_2, nitrogen and oxygen, network compression, etc.). They most often use membrane technology combined with pressure swing adsorption (PSA).

The cost of these highly complex engineering projects, specific to each site, is high and economies of scale are necessary to make the investments profitable. The majority of biomethane production projects using landfill gas purification involve volumes greater than 4,000 m3/h.

The solutions developed by competitors can give satisfactory results when the gas emitted by the waste does not contain more than about 10% air. However, this limits their use to a small number of sites (less than approximately 5%). The operational risks and the risks related to an increase in the air content, which would lead to a significant decrease in performance, are significant.

[25] *Waga Energy*

Fig. 44: Comparison of the efficiency of the WAGABOX® technology with competing technologies according to the nitrogen concentration in the raw gas.



Technological landscape

Few companies worldwide provide total or partial technological solutions dedicated to gas from waste storage sites (Guild Associates, Air Liquide, Xebec, SysAdvance, ARI, BCCK, etc.). A combination of several technological building blocks is required to transform raw biogas into biomethane that meets the specifications required by grid operators.

- Carbon dioxide separation (CO_2) by membrane permeation (Air Liquide, DMT Environmental Technology, Evonik, Prodeval, etc.), by washing (Greenlane, Morrow) or by adsorption (SysAdvance, Carbotech, Xebec);
- Nitrogen separation (N2) by adsorption (Guild Associates or ARI) or by distillation (BCCK);
- Oxygen (O_2) reduction by catalytic deoxidiser (PSB).

–

❖ Description of main competitors

Montauk Renewables

Based in Pittsburgh, Pennsylvania, Montauk Renewables is a company specialising in the production of renewable energy from gas from waste storage sites. It has built around 30 production units. Although the majority of its revenue comes from the production of biomethane, the company also operates cogeneration plants. Founded in 1996, the company is listed on the Nasdaq market and generated revenue of $175 million in 2023.

Morrow Renewables

Founded in 1986 and based in Midland, Texas, Morrow Renewables is a company specialising in the sale and operation of gas processing plants. It has built around 15 high-capacity production units in the United States. In November 2023, Morrow Renewables sold seven units in operation on waste storage sites to the Canadian company Enbridge for US$1.2 billion.

Aria Energy

Based in Novi, Michigan, Aria Energy is a company specialising in the development and operation of renewable energy production projects. Founded in 1986, Aria Energy is now majority owned by the Ares Management private equity fund. In the third quarter of 2021, the company merged with Archaea Energy through the SPAC Rice Acquisition Corp., owned by Rice Investment Group. The combined entity has been renamed Archaea Energy.

Archaea Energy

Based in Cansburg, Pennsylvania, Archaea Energy develops landfill gas projects in the United States to power buses and trucks. Founded in 2018, the company is majority owned by Rice Investment Group. During the third quarter of 2021, it merged with Aria Energy (see above). In December 2022, Archaea Energy was acquired by the BP group for $3.3 billion.

Mas Energy

Founded in 2007 in Atlanta, Georgia, Mas Energy is a company specialising in the investment, development and management of renewable energy production projects. In September 2022, Mas Energy sold its subsidiary MAS CanAm, specialising in the recovery of landfill gas in the form of biomethane, to CIM Group for $700 million.

Guild Associates, Inc.

Founded in 1981 in Dublin, Ohio, Guild Associates is a company specialising in the provision of development goods and services around chemical and gas issues for civil and military industries. It offers a denitrogenation building block by pressure swing adsorption (PSA).

BCCK

Based in Midland, Texas, BCCK Holding specialises in the processing of oil and natural gas in industrial environments. The company specialises in the removal of nitrogen and carbon dioxide from gases. The company was founded in 1980 and is unlisted. The company has announced that it will supply a technological building block to separate nitrogen from methane by distillation on a landfill gas biomethane project.

Xebec

Founded in 1967 and based in Blainville, Canada, Xebec Adsorption designs, develops and manufactures products for the purification, separation, dehydration and filtration of gases and compressed air. The company operates in three segments: Systems, Service and Support and Infrastructure. The Systems or Clean Energy segment designs and builds natural gas and hydrogen production systems. The Service and Support segment markets a wide range of air dryers in addition to the provision of services. Xebec was placed under creditor protection in September 2022 and was acquired in March 2023 by the American company Ivys Energy Solutions.

SysAdvance

Based in Povoa de Varzim, Portugal, SysAdvance is a company specialising in the supply of gas treatment technology. The company was founded in 2002 and is a deployment from a university research laboratory. The company offers its services to various industries, such as the pharmaceutical and chemical industry, oil and gas, marine, aviation, etc. The company is currently present in more than 40 countries, including France, and is still privately held.

❖ The Group's competitive advantage

The Group's positioning, combining a proprietary, dedicated, high-performance and exclusive technology with a developer-investor-operator model, places it in a unique position in the highly fragmented biogas market and waste storage site gas recovery in particular. The Group believes that this positioning is likely to open up many opportunities on a global scale. The strong growth in its asset base since the commissioning of the first WAGABOX® unit in 2017 demonstrates the relevance of this approach.

5.4 Rollout of the WAGABOX® solution on a large scale

5.4.1 Vision, ambition

In a context of climate emergency, the Group considers that the substitution of fossil fuels by renewable energies is the major economic, ecological and social revolution of the 21st century. The challenge is to start this energy transition as quickly as possible in order to limit the rise in temperatures to an acceptable level.

To this end, the Group has developed a technology that already reduces greenhouse gas emissions, by producing large volumes of biomethane at competitive prices to replace fossil fuels, and by reducing methane emissions generated by waste treatment.

This technology is implemented as part of a developer-investor-operator model favouring its rapid, controlled and large-scale rollout.

The Group believes that it is currently the leader in the recovery of gas from waste storage sites in the form of biomethane in Europe, and has the ambition to become a world leader in biomethane production.

5.4.2 International rollout strategy

In 2019, the Group began rolling out the WAGABOX® solution through the creation of subsidiaries in the United States and Canada, thanks to the sums raised during its second financing round. In 2021, it created a subsidiary in Spain, then, in 2022, subsidiaries in the United Kingdom and Italy. The Group estimates that 98% of its potential market is international.

❖ Targeted expansion in strategic countries

The Group has identified a number of countries considered strategic given the number of landfill sites and local market conditions, in line with the eligibility criteria mentioned above (see Section 5.3.2.2 "*Prospecting and identifying opportunities (phase 1)*" of the Universal Registration Document).

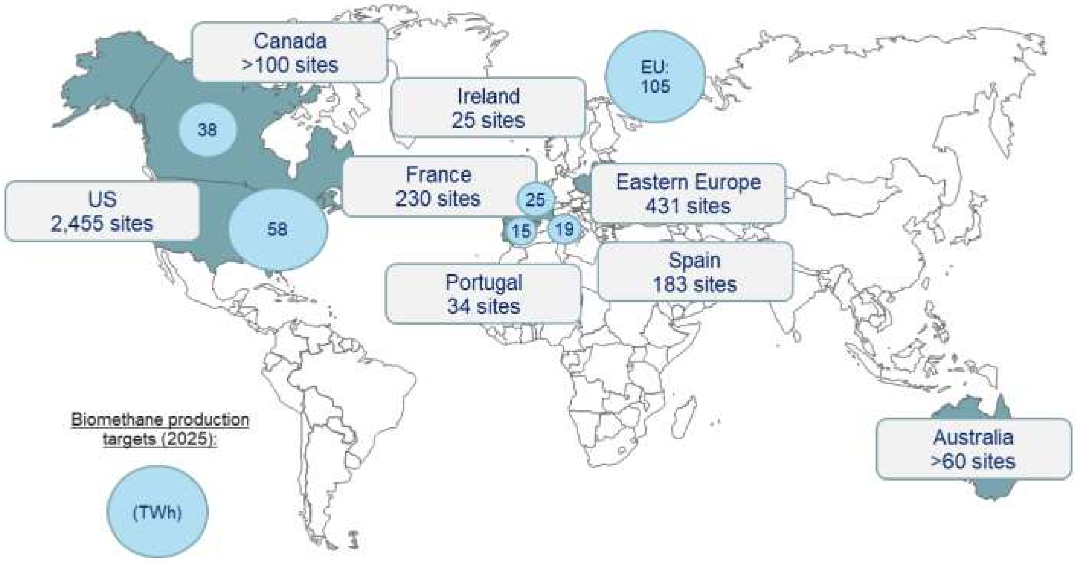
The Group identifies three broad groups of regions in order of priority:

- Category 1: France, Spain, Canada, the United States, the United Kingdom, Italy;
- Category 2: Ireland, Portugal, Australia, Latin America (Brazil, Colombia, Mexico);
- Category 3: Baltic States (Latvia, Lithuania), certain Central European countries (Czech Republic, Slovakia, Hungary, Slovenia, Croatia, Romania, Bulgaria, Poland), Greece.

The Group intends to consolidate its leading position in France, where the environment is favourable. There are about 200 waste storage sites in the country that are required to capture their gas. The gas transmission and distribution grid is highly developed (+220,000 km) and biomethane injection projects benefit from a government support scheme in the form of a tariff with a purchase obligation applicable for 15 years.

The Group is also present in the United States, Canada, Spain, Italy and the United Kingdom. The first international units were launched in 2023 in Canada and Spain and in 2024 in the United States.

Fig. 45: Estimated number of landfills per country and biomethane production targets per country (in countries targeted by the Group)



Source: Waga Energy

For more details, see Note 5.1.7, Figure 40 - Mapping of the biomethane production units in operation and under construction of this Universal Registration Document.

Fig. 46: Summary table of the 35 WAGABOX® in operation and under construction

#	Municipality	Country	Actual or estimated commissioning	Capacity GWh	Landfill operator	% holding Direct / Indirect
1	Saint-Florentin(Yonne)	FRA	2017	25	Coved	100%
2	Saint-Maximin (Oise)	FRA	2017	25	Suez	100%
3	Pavie (Gers)	FRA	2018	15	Trigone	100%
4	Saint-Palais (Cher)	FRA	2018	20	Veolia	49%
5	Gueltas (Morbihan)	FRA	2018	25	Suez	49%
6	Chevilly (Loiret)	FRA	2018	15	Suez	49%
7	Inzinzach-Lochrist (Morbihan)	FRA	2019	15	Lorient Agglo	N/A
8	Ventes-de-Bourse (Orne)	FRA	2020	25	Suez	49%
9	Saint-Gaudens (Haute-Garonne)	FRA	2020	35	Sivom SGMAM	49%
10	Le Ham (Manche)	FRA	2022	20	Veolia	100%
11	Blaringhem (Nord)	FRA	2020	25	Baudelet Evt.	100%
12	Gournay (Indre)	FRA	2022	15	SEG	100%
13	Claye-Souilly (Seine-et-Marne)	FRA	2022	120	Veolia	100%
14	Chatuzange-le-Goubet (Drôme)	FRA	2024	25	Veolia	100%
15	[To be announced soon](1)	FRA	[2024]	25	[To be announced soon]	100%
16	[To be announced soon](1)	FRA	[2024]	35	[To be announced soon]	100%
17	Montois-la-Montagne (Moselle)	FRA	2023	25	Suez	100%
18	Milhac-d'Auberoche (Dordogne)	FRA	2022	25	Suez	49%
19	Eteignières (Ardennes)	FRA	[2024]	25	Arcavi	100%
20	Cusset (Allier)	FRA	2023	25	Vichy Agglomération	100%
21	Sainte-Marie-Kerque (Pas-de-Calais)	FRA	2024	25	Séché Environnement	100%
22	Granges (Saône-et-Loire)	FRA	[2024]	25	Veolia	100%
23	Clermont-Ferrand (Puy-de-Dôme)	FRA	[2024]	15	[Project to be announced soon]	51%

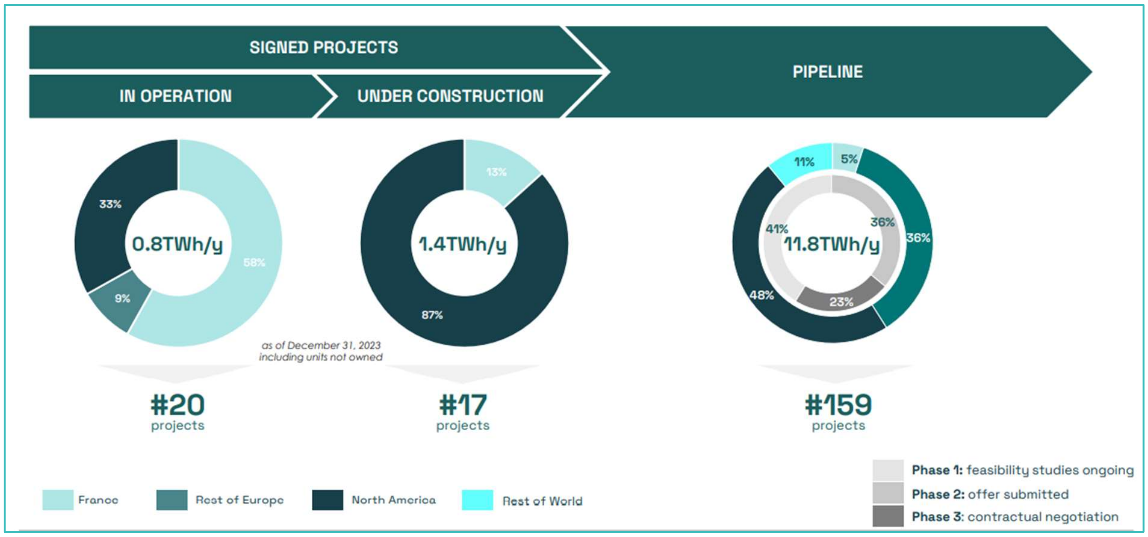
Note 1: Confidential projects

#	Municipality	Country	Actual or estimated commissioning	Capacity GWh	Landfill operator	% holding Direct / Indirect
1	Els Hostalets de Pierola (Catalonia)	SPA	2023	70	PreZero	100%
2	Saint-Etienne-des-Grès (Quebec)	CAN	2023	130	Enercycle	100%
3	Cowansville (Quebec)	CAN	[2024]	30	RIGMRBM	100%
4	Bath (State of New York)	USA	2024	60	Steuben County	100%
5	Chicoutimi (Quebec)(1)	CAN	2023	25	Matrec-GLF	100%
6	Hartland (British Columbia)	CAN	[2024]	100	CRD	N/A
7	[To be announced soon]	USA	[2025]	165	Casella Waste Systems	100%
8	[To be announced soon]	USA	[2025]	165	Casella Waste Systems	100%
9	[To be announced soon]	USA	[2025]	110	Casella Waste Systems	100%
10	Davenport (Iowa)	USA	[2025]	55	Waste Commission of Scott County	100%
11	Lancaster (Pennsylvania)	USA	[2026]	155	Chester County Solid Waste Authority	100%
12	Greensburg (Indiana)	USA	[2025]	55	Decatur Hills Landfill	100%

Note 1: Confidential project

The Group believes that it can quickly expand its installed base given the number of projects and opportunities identified. At the date of the Universal Registration Document, the Group has 159 projects in the commercial prospecting phase (95% of which are international) and has identified several hundreds of sites that could be equipped throughout the world. There are some 20,000 waste storage sites, of which approximately 1,500 are in Europe and 2,700 in North America. In countries that do not offer public support mechanisms, the WAGABOX® units will have to have a higher capacity than the units built in France in order to produce biomethane at a competitive market price.

Fig. 47: Pipeline and committed projects



Source: Waga Energy

❖ Strengthening of international business development teams

To deploy the WAGABOX® solution on a large scale, the Group needs to strengthen its international business development teams.

Attracting talent is one of the Group's priorities, in particular the business development functions ("business development"). To this end, the Group is seeking highly qualified people who are already familiar with the ecosystem in which the Group operates (waste managers, gas infrastructure operators, energy specialists, etc.).

The business developers are supported in each of the strategic countries by an operational team acting in concert with the teams at the registered office in France. Each strategic country thus has a dedicated sales team. The majority of hires are therefore international. The financing of new sales teams dedicated to development will be borne by the Group.

The local teams have a high degree of independence in the execution of their mission and are in charge of structuring the entire project: identification of the storage site and the counterparty signing the purchase contract, feasibility study, obtaining administrative authorisations, industrialisation, pre-assembly, delivery of the unit to the site, injection into the gas grids, operation and maintenance, and structuring of the project company if necessary.

❖ Development of partnerships

<u>Commercial partnerships</u>

The Group is building on its existing business relationships with world leaders in waste management to roll out its solution in new countries. The Group also plans to sign framework agreements for the supply of biomethane with international buyers with a multiplier effect for the deployment of the WAGABOX® solution throughout the world. At the time of its IPO, the Group received the support of three strategic investors: the energy trading companies Vitol and Viva Energy, and the shipping company CMA CGM, which wishes to supply some of its ships with renewable gas.

The Group has forged commercial ties with major industrial waste treatment players, such as Veolia, Suez, Paprec and Séché-Environnement in France, PreZero in Spain, Matrec-GFL in Canada and

Casella Waste Systems in the United States, as well as with public entities, such as Lorient-Agglomération (Morbihan) and Valtom (Puy-de-Dôme) in France and Enercycle in Canada.

At the same time, the Group has already signed energy sales contracts with energy companies and private players. The Group aims to increase the number of private energy purchase agreements signed, and may have an interest in signing framework contracts with energy companies or, more broadly, any other gas consumer or reseller, thus facilitating the Group's development in countries that do not benefit from regulated feed-in tariffs.

5.4.3 Identification and conversion of opportunities

There are approximately 20,000 waste storage sites around the world and an abundance of public information is available about them. It is essential for the Group to identify the most suitable sites for the development of a WAGABOX® project. The methods used are comparable from one geographical area to another but may vary marginally depending on the availability of data.

United States

In the United States, the identification of sites is mainly conducted using data from the Landfill Methane Outreach Program (LMOP). The LMOP is a programme of the US government's Environmental Protection Agency (EPA), which works in cooperation with all stakeholders in the waste industry to ultimately reduce landfill gas emissions into the atmosphere. The agency encourages the recovery of gas from waste storage sites.

The objectives of the LMOP are as follows:

- provide technical assistance and advice to assess the feasibility of projects;
- carry out information campaigns to promote biogas and encourage reduction of landfill gas emissions;
- promote partnerships, particularly with regard to project financing; and
- position itself as a reference point for all landfill gas players in the United States.

It is with this in mind that the LMOP has set up a database bringing together all the information available on landfill sites in the United States, including their location, physical characteristics, gas composition, collection system in place, etc. Currently, the database covers just over 2,700 storage sites in the country.

Europe

There is no database of all available information on landfill sites in Europe. On the other hand, there are databases at national or regional level. In addition, certain administrative documents, such as the prefectoral operating permits issued in France, provide a great deal of information on landfill sites, which makes it possible to identify sites suitable for the development of a WAGABOX® project.

In addition to these public databases, the Group takes advantage of its privileged relationships with the major waste treatment players to identify new opportunities in a "Key Accounts" logic.

Selection

Once a site has been identified, the Group assesses the possibility of developing a biomethane injection project on the basis of the following criteria:

- distance to the existing gas grid, feasibility of connection;
- quantity of air and impurities present in the captured stream, as well as the methanogenic potential of the landfill; and
- quality of the landfill operator and verification of compliance by the latter with a set of regulatory and ESG criteria.

Following an initial analysis carried out on the basis of public or internal information, the Group will conduct a site visit with the aim of confirming the accuracy of the information declared and the compliance of the sites with the various regulations in force. This stage generally makes it possible to define a technical-commercial offer which takes the form of:

- a proposal to purchase raw gas expressed as a percentage of the revenue generated by the sale of biomethane;
- an investment proposal by the Group for the unit and, if requested by the customer, other necessary works (civil engineering, connection, etc.); and
- collaboration to obtain construction and operating permits for the unit.

5.4.4 A controlled supply chain and key internal skills throughout the value chain

The Group designs the WAGABOX® units and carries out their commissioning on site. Equipment manufacturing is outsourced. The units are designed in a modular form to facilitate integration in the workshop, transport and to limit on-site work.

The components of the WAGABOX® units come from a diverse base of suppliers, whether for:

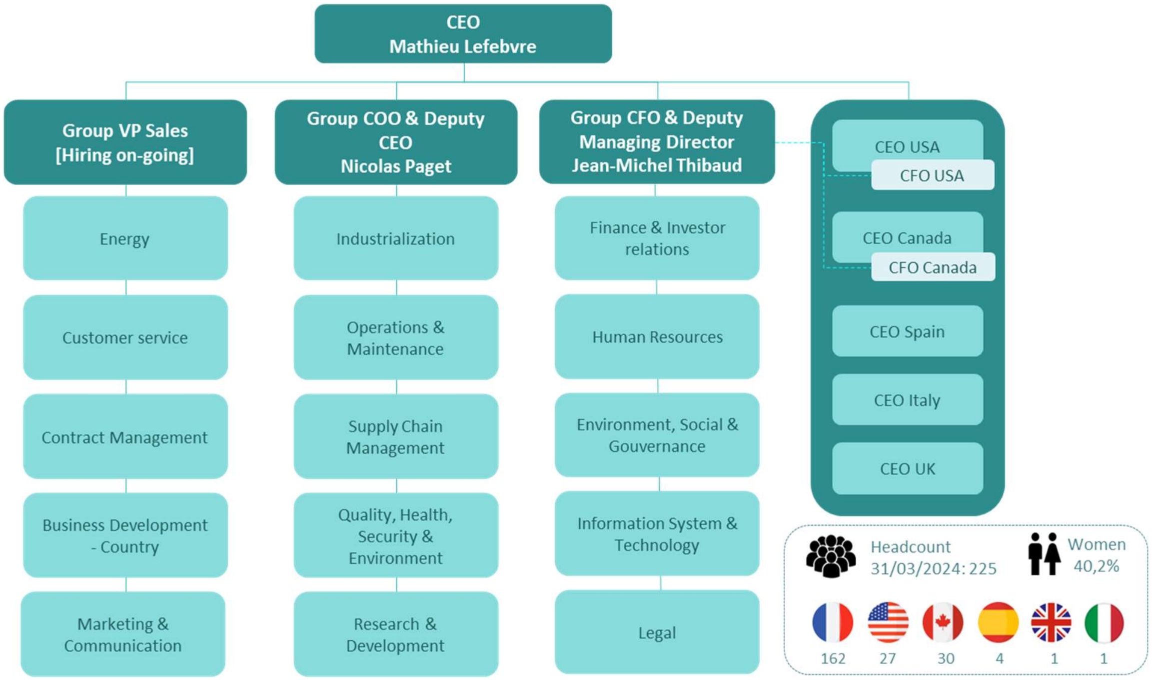
- membrane filtration (separation of carbon dioxide and impurities);
- compressors (gas flow management); or
- instrumentation (remote control and supervision).

The pre-assembly of the WAGABOX® units is subcontracted to qualified partners, based in France for the European market and in Canada for the North American market (with the exception of the cryogenic distillation modules, which account for a significant portion of the Group's know-how and are exclusively manufactured by a partner located near Grenoble, France).

Once pre-assembled, the various components of the WAGABOX® unit are sent to the site for final assembly before commissioning. Pre-assembly in the workshop has the advantage of limiting the impact on the landfill operator's operations to the strict minimum while guaranteeing the highest quality standards during the industrialisation phase.

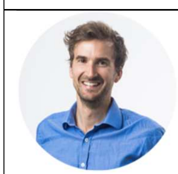
5.5 Organisational Structure

5.5.1 Management organisation chart



5.5.2 Presentation of the management team

❖ Management Committee

 Mathieu Lefebvre Co-founder & CEO	Mathieu is an engineering graduate of the École Centrale Marseille. He has unique expertise in the biomethane sector and the development of gas projects. He began his career at Air Liquide and developed the first biomethane injection projects using methanisation in France. Mathieu has been a permanent member of the national biomethane working group since 2009.
 Nicolas Paget Co-founder and Deputy Chief Executive Officer	Nicolas is a mechanical engineer who graduated from UTC Compiègne. He is an expert in the management of industrial gas facilities. Following time spent working at Technip, he joined Air Liquide's biogas team to lead the industrialisation and standardisation of biogas projects. Previously in charge of the development of membrane scrubbers, he worked on the first anaerobic methanisation plant for injection into the grid in France.
 Guénaël Prince Co-founder and Chief Executive Officer of Waga Energy USA	Guénaël has an engineering degree from Arts et Métiers Paritech and graduated from IFP School. A specialist in cryogenics and membrane filtration technologies, he developed the WAGABOX® purification process. He has worked for Air Liquide, Sofregaz and Foster Wheeler.
 Jean-Michel Thibaud Group Chief Financial Officer & Deputy Chief Executive Officer	A graduate of the CentraleSupélec engineering school and Institut d'Etudes Politiques de Paris, Jean-Michel Thibaud began his career in structured finance at Société Générale and then at Ixis (now Natixis). In 2001, he joined the Orange Group as Manager and then Director of Project Financing, before being Group Treasurer from 2008 to 2012. In 2013, he joined the Orange Business Services subsidiary as Chief Financial Officer and Executive Vice-President, Strategy, Transformation and General Services. From 2019 to 2023, he was Deputy Chief Financial Officer of the Orange Group in charge of management control, and served as Interim Group Chief Financial Officer between March and September 2023.

Management of foreign subsidiaries

 Guénaël Prince Co-founder and Chief Executive Officer of Waga Energy USA	Guénaël has an engineering degree from Arts et Métiers Paritech. and is a graduate of IFP School. A specialist in cryogenics and membrane filtration technologies, he developed the WAGABOX® purification process. He has worked for Air Liquide, Sofregaz and Foster Wheeler.
 Julie Flynn Director Waga Energy Canada	Julie is an engineer specialising in chemistry from Université de Laval and McGill University. She manages the Canadian subsidiary of Waga Energy. She contributed to the development of the Hydrogen business within the Air Liquide Group.
 Baptiste Usquin Director Waga Energy Espana	Baptiste graduated from NEOMA Business School and Universitat Politècnica de Catalunya. He manages the Spanish subsidiary of Waga Energy. He has spent most of his career in the energy and environment sector, notably with the Suez and Engie groups.
 Andrea Baldini Director Waga Energy Italia	Andréa holds a master's degree in business marketing and business strategy from the University of Parma. He began his career in international biogas trading and the sequestration of polluting emissions, before joining the sales team of a company specialising in the construction of anaerobic digestion plants. He has managed the Italian subsidiary of Waga Energy since 2023.

 Will Llewelyn Director Waga Energy United Kingdom	Will holds a Bachelor's degree in Biology and French from the University of Manchester. He began his career as a shipping broker in London, specialising in the transportation of petroleum products and biofuels throughout North-Western Europe. He has been working in the biogas and biomethane production sector since 2009, and has held various technical and commercial positions. He is responsible for developing Waga Energy's business in the United Kingdom and Ireland.

5.6 Investments

5.6.1 Investments made in 2023

Since its creation, the Waga Energy Group's capital expenditure has mainly been related to the development and construction of WAGABOX® units owned and therefore corresponds to property, plant and equipment. The investment criteria take into account technical feasibility, economic analysis and risk analysis. These factors help to improve project performance and optimise financing conditions.

The table below shows the investments made by the Group during the 2023 and 2022 financial years.

In EUR thousands	31 December 2023	31 December 2022
Acquisition of intangible assets	1,570	530
Of which intangible assets in progress	*787*	*506*
Acquisition of property, plant and equipment	47,595	40,408
Of which property, plant and equipment in progress	*32,117*	*25,940*
TOTAL	49,165	40,938

The investments made by the Group in 2023 amounted to €49.2 million, an increase of €8.3 million compared to the investments made in 2022 (€40.9 million).

This acceleration is mainly due to the Group's international expansion with WAGABOX® projects of a significantly larger dimension than the French units.

During the 2023 financial year, five new units were commissioned, representing a total installed production capacity of 275 GWh per year, including the first international units:

- 2 units in Canada: Saint-Étienne-des-Grés site (province of Quebec), Chicoutimi site (province of Quebec);
- 1 unit in Spain: Els Hostalets de Pierola site (Catalonia);
- 2 units in France: Montois-la-Montagne site (Moselle) and Cusset site (Allier).

In addition, the Group continued or started the construction of 15 WAGABOX® units, representing a total installed production capacity of 950 GWh per year:

- 7 units in the United States, including 6 contracts signed in 2023 and 1 unit commissioned in March 2024 (Steuben site);
- 1 unit in Canada, scheduled to be commissioned in 2024;

- 7 units in France, of which 2 have been commissioned as of the date of the Universal Registration Document and 5 will be commissioned in the course of 2024.

These investments in WAGABOX® units are mainly financed by borrowing once the main construction risks are removed, with a gearing of up to 80%. A part is financed by equity, particularly in the upstream phase preceding bank refinancing. In some countries, the Group also receives subsidies to finance part of its investments. During the 2023 financial year, the drawdowns on WAGABOX® project financing amounted to €10 million and the grants received amounted to €3.4 million.

In addition, the Group invested €3.2 million in 2023 for the fitting out of its new premises located in Eybens, acquired in November 2022. The acquisition and related works were mainly financed by a bank loan taken out with four banks for a maximum amount of €8 million, of which €6.8 million were drawn down at 31 December 2023.

The financing methods for these investments are detailed in Chapter 8 "*Cash and equity*" of the Universal Registration Document.

5.6.2 Ongoing investment

At the date of the Universal Registration Document, the Group's firm commitments related to the construction of 12 WAGABOX® units under construction (including 5 in France, 1 in Canada and 6 in the United States). For more details on these investments and their financing terms, see Section 5.6.1 above and Chapter 8 "*Cash and capital*" of the Universal Registration Document.

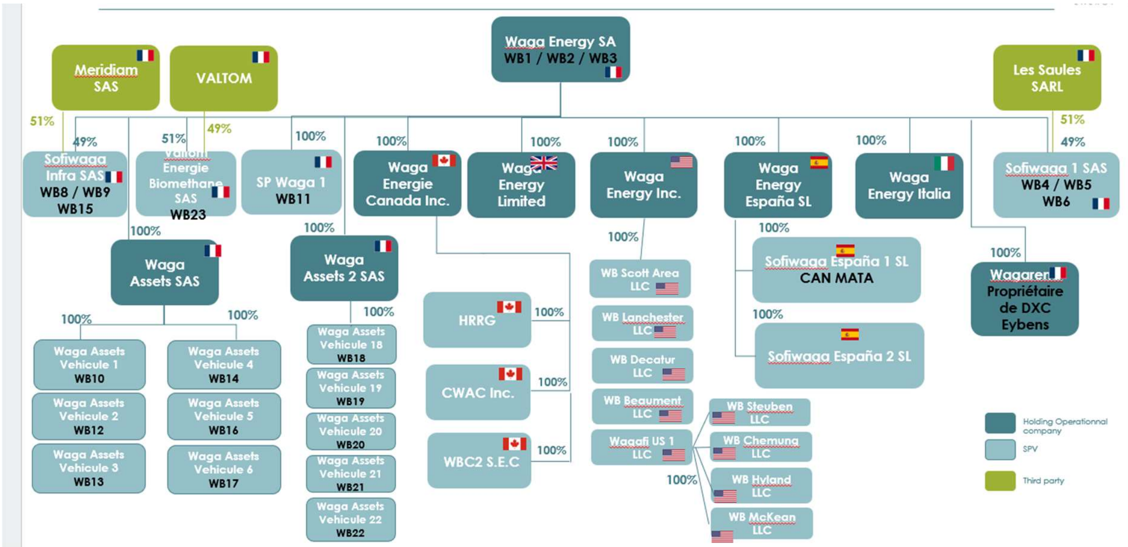
5.6.3 Future investments

The Group intends to continue to invest in its projects in France and abroad. As mentioned in Chapter 10 "*Trends*" of the Universal Registration Document, these investments will be adapted to the Group's ambition, namely to reach a total installed capacity of 4 TWh by 2026 (corresponding to the units owned and sold). All WAGABOX® units (owned and not directly owned) in operation and under construction at 31 December 2023 represented a total capacity of 2.2 TWh per year.

6. ORGANISATION CHART

6.1 Group organisation

The simplified organisation chart below shows the legal organisation of the Group and its main subsidiaries as of 31 March 2024.



Note 1: Mathieu Lefebvre, Guénaël Prince and Nicolas Paget respectively hold 37.18%, 21.26% and 12.76% of Holweb SAS.
Note 2: The percentages of ownership are expressed in share capital

6.2 Significant subsidiaries of the Company

The main direct and indirect subsidiaries of the Company are described below:

Legal entity	Legal form	Country	Date of creation	% of ownership	Co-shareholder
Business development subsidiaries					
Waga Energy Inc Registered office: 150 Monument Road #207, Bala Cynwyd, PA 19004, United States	Company under American law	United States	04/03/2019	100%	
Waga Energy Canada Inc. Registered office: 1265 rue Trudel #4, G9N 8T3 Shawinigan, Quebec, Canada	Company under Canadian law	Canada	10/10/2019	100%	
Waga Energy España Identification number: NIF B16746091 Registered office: Calle Valencia 48, Bajo - 08015 Barcelona, Spain	Company under Spanish law (*sociedad limitada*)	Spain	26/07/2021	100%	
Waga Energy Limited Identification number: 14 198 974 Registered office:30 Old Bailey, London, United Kingdom, EC4M 7AU	Company under English law	England	27/06/2022	100%	
Waga Energy Italia Identification number: MI-2701823 Registered office: Via Fara Gustavo 35 CAP 20124, Milano, Italy	Company under Italian law	Italy	21/07/2022	100%	
Project companies (SPV)					
Sofiwaga 1 Identification number: 832 083 026 Registered office: Zone Industrielle A - 10 rue Lorival 59113 Seclin	*Société par actions simplifiée* (SAS - simplified joint stock company)	France	19/09/2017	49%	Les Saules
Sofiwaga Infra Identification number: 840 259 303 Registered office: 34 boulevard des Italiens 75009 Paris	SAS	France	11/06/2018	49%	Meridiam
Waga Assets Vehicule 1 Identification number: 890 231 301 Registered office: 5 Av Raymond Chanas 38320 Eybens	SAS	France	21/10/2020	100%	
Waga Assets Vehicule 2 Identification number: 890 231 335 Registered office: 5 Av Raymond Chanas 38320 Eybens	SAS	France	21/10/2020	100%	
Waga Assets Vehicule 3 Identification number: 890 231 350 Registered office: 5 Av Raymond Chanas 38320 Eybens	SAS	France	21/10/2020	100%	
SP Waga 1 Identification number: 891 536 302 Registered office: 5 Av Raymond Chanas 38320 Eybens	SAS	France	30/11/2020	100%	
Waga Assets Vehicule 4 Identification number: 895 041 382 Registered office: 5 Av Raymond Chanas 38320 Eybens	SAS	France	10/03/2021	100%	
Sofiwaga España 1 Identification number: NIF B05438478	Company under Spanish law (*sociedad limitada*)	Spain	30/04/2021	100%	

Legal entity	Legal form	Country	Date of creation	% of ownership	Co-shareholder
Registered office: Calle Valencia 48, Bajo - 08015 Barcelona, Spain					
Waga Assets Vehicule 5 Identification number: 902 873 967 Registered office: 5 Av Raymond Chanas 38320 Eybens	SAS	France	06/09/2021	100%	
WB Steuben LLC Registered office: 150 Monument Road #207, Bala Cynwyd, PA 19004, United States	Company under American law	United States	27/09/2021	100%	
Waga Assets Vehicule 6 Identification number: 912 891 751 Registered office: 5 Av Raymond Chanas 38320 Eybens	SAS	France	26/04/2022	100%	
Waga Assets Vehicule 19 Identification number: 914 179 742 Registered office: 5 Av Raymond Chanas 38320 Eybens	SAS	France	02/06/2022	100%	
Sofiwaga España 2 Identification number: NIF B16746091 Registered office: Calle Valencia 48, Bajo - 08015 Barcelona, Spain	Company under Spanish law (*sociedad limitada*)	Spain	07/07/2022	100%	
Hartland Renewable Resources Group Identification number: 1419829-8 Registered office: 200-896 Cambie Street Vancouver BC V6B 2P6 Canada	Company under Canadian law	Canada	11/07/2022	100%	
Waga Assets Vehicule 20 Identification number: 918 858 242 Registered office: 5 Av Raymond Chanas 38320 Eybens	SAS	France	01/09/2022	100%	
Waga Assets Vehicule 18 Identification number: 919 391 417 Registered office: 5 Av Raymond Chanas 38320 Eybens	SAS	France	16/09/2022	100%	
Waga Assets Vehicule 21 Identification number: 920 859 394 Registered office: 5 Av Raymond Chanas 38320 Eybens	SAS	France	26/10/2022	100%	
Waga Assets Vehicule 22 Identification number: 921 700 936 Registered office: 5 Av Raymond Chanas 38320 Eybens	SAS	France	24/11/2022	100%	
WB Scott Area LLC Registered office: 150 Monument Road #207, Bala Cynwyd, PA 19004, United States	Company under American law	United States	24/04/2023	100%	
WB Lanchester LLC Registered office: 150 Monument Road #207, Bala Cynwyd, PA 19004, United States	Company under American law	United States	24/04/2023	100%	
WB Chemung LLC Registered office: 150 Monument Road #207, Bala Cynwyd, PA 19004, United States	Company under American law	United States	15/06/2023	100%	
WB Hyland LLC Registered office: 150 Monument Road #207, Bala Cynwyd, PA 19004, United States	Company under American law	United States	15/06/2023	100%	

Legal entity	Legal form	Country	Date of creation	% of ownership	Co-shareholder
WB McKean LLC Registered office: 150 Monument Road #207, Bala Cynwyd, PA 19004, United States	Company under American law	United States	15/06/2023	100%	
Valtom Energie Biomethane Identification number: 980 856 470 Registered office: 5 Av Raymond Chanas 38320 Eybens	SAS	France	30/10/2023	51%	Valtom
Intermediate holding companies / other subsidiaries					
Waga Assets Identification number: 884 522 954 Registered office: 5 Av Raymond Chanas 38320 Eybens	SAS	France	24/06/2020	100%	
Waga Assets 2 Identification number: 910 396 050 Registered office: 5 Av Raymond Chanas 38320 Eybens	SAS	France	15/02/2022	100%	
Wagarena Identification number: 920 350 485 Registered office: 5 Av Raymond Chanas 38320 Eybens	SAS	France	13/10/2022	100%	

7. REVIEW OF FINANCIAL POSITION AND RESULTS

Readers should read the information relating to the Group's results in conjunction with the Group's consolidated financial statements for the financial year ended 31 December 2023 as set out in Section 19.1 "Historical financial information" of the Universal Registration Document.

The Group's consolidated financial statements for the financial year ended 31 December 2023 have been prepared in accordance with IFRS as adopted by the European Union.

The Statutory Auditors' report on the Group's consolidated financial statements for the financial year ended 31 December 2023 is set out in Section 19.3 "Auditing of historical annual financial information" of the Universal Registration Document.

7.1 Financial position of the Group

7.1.1 Introduction

The Group believes that it is the only player exclusively dedicated to the recovery of landfill gas (pure player), taking care of all aspects of the projects, from development to the sale of biomethane, including financing, design, construction, installation and operation of the WAGABOX® purification unit. This integrated model allows the Group to position itself in the segment of small and medium-sized purification plants (from 400 m3/h), while companies specialising in project development are focusing exclusively on the large plant segment for reasons of profitability. The Group's main objective is to fight global warming through its activity and accelerate the energy transition by recovering gas from landfill sites.

Historically, the Group developed the first WAGABOX® units directly through fundraising of €1.8 million, investment aid and bank loans, then through co-investment structures (Sofiwaga 1 with Les Saules and Sofiwaga Infra with Meridiam). Even when the Group does not have a majority stake in these project companies or SPVs, it has effective control over them, which explains their consolidation within the Group.

For the following projects, the financing was mainly centralised at the level of the Company and the intermediary financing subsidiaries, which then finance the project companies *via* interest-bearing current accounts. Thus, since 2020, the investments dedicated to the construction of WAGABOX® units in France are isolated within dedicated project companies, the Special Purpose Vehicles (SPVs). The Company ensures the construction of the units hosted by the project companies *via* an EPC contract as well as their operation *via* a long-term O&M contract with the project company. The latter carries the contract for the sale of biomethane or treatment service. The financing is carried by the intermediary financing subsidiary and covers the needs of a portfolio of project companies, with the aim of optimising structuring costs.

The financing of WAGABOX® units is a major challenge for the Group's growth, whose needs are increasing every year. The optimisation of financing has a direct impact on the cost price of the biomethane produced by the unit.

In order to have sufficient resources to finance its growth, notably internationally, the Company completed its IPO in October 2021, raising €124 million.

This important step enabled the Group to accelerate its international development, initiated in 2019 with the creation of the first subsidiaries in Canada and the United States and the signature of the first international contracts.

The Group continued its international development by creating a commercial development subsidiary in Spain (Waga Energy Espana) in 2021 and then in 2022 in Italy (Waga Energy Italia) and in the United

Kingdom (Waga Energy Ltd). At the same time, several project companies were created in North America and Spain.

In France, the Group also created a real estate holding company (Wagarena) to manage the Company's new registered office building and handle its financing.

During the 2023 financial year, ten new project companies were created, including seven in the United States, two in Canada and one in France, to support new WAGABOX® projects. These companies are all wholly owned by the Group with the exception of the French subsidiary Valtom Energie Biométhane, which is 51% owned by Waga Energy.

The year 2023 was marked by the launch of the first international units, including one large-capacity unit in Spain and two units in Canada, in the province of Quebec.

At 31 December 2023, Waga Energy and its subsidiaries operated 18 WAGABOX® units, wholly owned, including 15 in France, 2 in Canada and 1 in Spain, representing a total installed production capacity of 675 GWh per year.

During the year 2023, Waga Energy began the construction of six new units in the United States, thus confirming its breakthrough in this strategic market. These new contracts represent an additional production capacity of 660 GWh per year, comparable to the total installed capacity of the 17 units commissioned in France since 2017.

Over 2022 and 2023, there was also strong growth in the Group's workforce, which reached 200 employees at 31 December 2023 (including 54 outside France), compared to 153 at 31 December 2022 (including 33 outside France) and 79 at 31 December 2021.

7.1.2 Segmentation

In accordance with IFRS 8, the Group has identified only one operating segment corresponding to the production of biomethane from waste storage site gas purification. In the medium-term, the technology developed could be applied to other air-polluted methane sources currently under study.

In addition, most of its business was conducted in France for the financial years ended 31 December 2023 and 2022, with the remainder being conducted in North America and Europe. Three geographical areas have been selected: France, North America and Europe (excluding France). This geographical segmentation may change in the future as part of its international growth strategy.

7.1.3 Basis of preparation of the consolidated financial statements

The consolidated financial statements for the financial year ended 31 December 2023, as set out in Section 19.1 “Historical financial information” of the Universal Registration Document, have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union at 31 December 2023.

The consolidated financial statements covering the financial year ended 31 December 2023 were approved by the Company's Board of Directors on 26 April 2024.

7.1.4 Main factors affecting the results

Certain key factors as well as past events and transactions have had, and may continue to have, an impact on the Group's activities and results presented in this Chapter 7 "Review of financial position and results" of the Universal Registration Document.

The risk factors likely to have an impact on the Group's business are described in Chapter 3 "Risk factors" of the Universal Registration Document.

The main factors affecting the Group's results include:

- the sale price of the biomethane molecule (variable depending on geography and state subsidies);
- the cost of the raw materials needed to manufacture WAGABOX®;
- the volume of incoming biogas to be treated;
- the production capacity and performance of WAGABOX® units;
- the installation time for WAGABOX® units;
- changes in the workforce, particularly in terms of recruitment (business developers, technicians, etc.); and
- obtaining new financing (bonds, bank loans, subsidies) and the cost of financing.

7.1.5 Main income statement items

The main income statement items which the Group's management uses to analyse its consolidated results are described below:

Revenue (income from ordinary activities)

The Group operates in the field of the engineering of biogas from waste storage facilities (commonly known as landfills), which it purifies, thanks to its unique technology combining membrane separation and cryogenic distillation, and transforms into biomethane (methane of bio-based origin). The Group's revenue is mainly generated by the sale of biomethane from biogas purification and purification services. This item is covered by the heading "income from ordinary activities" in the income statement. As an exception to the model, and in very specific cases, the Group may sell equipment.

Personnel expenses

This category mainly includes employee compensation, social security contributions, other miscellaneous personnel expenses, share-based compensation (BSPCEs, stock options, etc.) and the net provision for retirement benefit obligations.

Recurring operating income

Current operating income represents income from current activities less current operating expenses, including purchase of goods, external expenses, personnel expenses and net allocations to fixed assets and provisions.

Operating income (loss)

Operating income is the current operating income as defined above adjusted for other non-current operating income and expenses and impairment of non-current assets.

Net financial income (expense)

Net financial income (expense) corresponds to all items of a financial nature:

- the cost of net financial debt, which corresponds to the costs relating to the items of financial debt, net of any income generated by cash. The cost of debt mainly includes interest and premiums related to bond financing, current accounts and bank loans. The cost of debt also covers the IFRS 16 cost of debt (see also Chapter 8 "*Cash and equity*" of the Universal Registration Document);

- other financial income and other financial expenses, which are not operational in nature and are not part of the cost of net debt excluding IFRS 16, mainly foreign exchange losses and accretion.

Income tax

Income tax includes current tax and deferred taxes on consolidated companies when the bases are recognised in profit or loss. The amount of deferred taxes is the impact of the temporary differences between the carrying amount of the assets and liabilities of the consolidated companies and their respective tax bases to be used to determine the future taxable profit, using the applicable tax rates in force at the date of the Universal Registration Document. In application of the principles described above and the mechanism for capping tax loss carryforwards, no deferred tax assets have been recognised beyond the deferred tax liabilities in the Group's consolidated financial statements as at 31 December 2022 and 31 December 2023 (see Note 7.5 to the consolidated financial statements presented in Chapter 19 "*Financial information*" of the Universal Registration Document).

7.1.6 Main performance indicators

The Group uses revenue and profit (loss) from recurring operations as its main performance indicators. These performance indicators are regularly monitored by the Group to analyse and evaluate its activities and trends, measure its performance, prepare profit forecasts and make strategic decisions.

In addition to IFRS indicators, the Group presents several additional indicators: EBITDA and the ratio of the age of the fleet of purification units to the residual term of the contracts. Consequently, the definitions used by the Group may not correspond to the definitions given to these same terms by other companies, and are thus not comparable. These measures should not be used to the exclusion or replacement of IFRS indicators. The tables below present these indicators for the periods indicated and their calculations. The Group is still accelerating its development and the profitability of projects already in operation cannot cover the development costs of ongoing projects.

- *Revenue*

The table below shows the income from ordinary activities for the financial years ended 31 December 2023 and 31 December 2022.

REVENUE (in EUR thousands)	31 December 2023		31 December 2022	
Biomethane sales and purification services	23,671	71%	15,091	79%
Equipment sales	8,973	27%	3,606	19%
O&M and other	618	2%	462	2%
Total revenue	**33,262**	**100%**	**19,159**	**100%**

Revenue amounted to €33.3 million for the financial year ended 31 December 2023 compared to €19.2 million for the financial year ended 31 December 2022, an increase of €14.1 million, representing an increase of 74%.

In 2023, 71% of revenue was generated by the sale of biomethane and purification services invoiced to waste storage site operators, and 27% by the sale of equipment in the United States and Canada.

The key points of the changes in 2023 revenue are as follows:

In 2023, the fleet of WAGABOX® units injected 336 GWh of biomethane (+55% compared to 2022), including 63 GWh abroad. This strong growth is due to the launch of five new units, including three outside France (two in Canada and one in Spain), representing a major step in the international deployment of the solution. The Spanish unit and one of the two Canadian units are high-capacity machines that can produce three to five times more than standard French units. The production of the international units represents 14% of the Group's revenue from the sale of biomethane and purification services.

Waga Energy's operating teams maintained a high level of performance throughout the year: in 2023, the fleet reached an average availability of 95.7% for the units operated for more than 12 months and 94.2% including the start-ups during the year, in particular the first international units.

The revenue generated in France represented 63% of the Group's revenue, and mainly stemmed from long-term contracts, guaranteed by a mandatory purchase price.

The table below shows the number of units in operation and under construction at the end of the financial year and their production capacity.

	31/12/2023		31/12/2022	
	Nombre d'unités	Capacité (TWh/an)	Nombre d'unités	Capacité (TWh/an)
Unités détenues en propre	**33**	**1,6**	**27**	**0,9**
dont en exploitation	18	0,7	13	0,4
dont en construction	15	1,0	14	0,5
Unités non détenues en propre	**4**	**0,6**	**4**	**0,6**
dont en exploitation	2	0,1	2	0,1
dont en construction	2	0,4	2	0,4
Parc total	**37**	**2,2**	**31**	**1,5**

- *EBITDA*

Earnings Before Interest, Taxes, Depreciation & Amortisation (EBITDA) is an indicator of operating performance, defined as operating income before non-recurring items restated for net depreciation and amortisation of property, plant and equipment, intangible assets, and provisions, as well as expenses related to share-based payments.

The table below reconciles current operating income with EBITDA for the financial years ended 31 December 2023 and 31 December 2022.

Reconciliation EBITDA/Profit (loss) from continuing operations (in EUR thousands)	31 December 2023	31 December 2022
Profit (loss) from continuing operations	**-14 488**	**-8 171**
Cancellation of the impact of depreciation and amortisation and provisions	5 895	2 725
Cancellation of the impact of IFRS 2 expenses	3 789	2 241
EBITDA	**-4 805**	**-3 206**

EBITDA amounted to €(4.8) million for the financial year ended 31 December 2023 compared to €(3.2) million for the financial year ended 31 December 2022, *i.e.* a decrease of €1.6 million.

This change was mainly due to revenue growth, offset by the increase in the cost of electricity and one-off operating expenses related to the increase in units commissioned during the year.

- *Average age of WAGABOX® fleet and residual term of biomethane sales agreements*

In years (*)	31 December 2023	31 December 2022
Average age of the fleet	2,6	2,7
Residual maturity of biomethane sales agreements	12,0	11,4

** Data weighted according to production and calculated only for directly owned units.*

The average age of the fleet corresponds to the functional operating period of the units since the date of commissioning, weighted by actual production of each WAGABOX®, and shows, at the close of the financial years ended 31 December 2023 and 31 December 2022, that the installations are recent in relation to the term of the contracts.

The residual maturity of biomethane sales agreements is calculated between the closing date of the financial statements and the end of the agreement, weighted by actual production of the WAGABOX® units. As these are long-term agreements, this indicator makes it possible to assess the average number of remaining years of secured revenue for the Group.

7.1.7 Key figures

The table below presents the key figures for the 2023 and 2022 financial years.

In € million	31 December 2023	31 December 2022	% Variation
Revenue	33,3	19,2	+74 %
Total operating expenses (excluding depreciation, amortization and provisions and IFRS 2 expenses)	-38,1	-22,4	+70 %
EBITDA [(1)]	**-4,8**	**-3,2**	
IFRS 2 expenses	-3,8	-2,2	+69 %
Depreciation, amortisation and provisions	-5,9	-2,7	+116 %
Profit (loss) from recurring operations	**-14,5**	**-8,2**	
Other non-recurring operating income and expenses	0,4	0,0	+935 %
Operating profit (loss)	**-14,1**	**-8,1**	
Cost of net financial debt	-1,8	-1,2	+49 %
Consolidated profit (loss) for the period	**-15,4**	**-9,7**	
Owners of the Company	-16,0	-10,1	
Capex	-49,2	-40,9	+20 %
Cash and cash equivalent	38,7	91,7	-58 %
Average number of employees	200	153	+31 %

[(1)] L'EBITDA (« Earning Before Interests, Taxes, Depreciation & Amortization ») is an indicator of operating performance, defined as operating income before non-recurring items restated for net depreciation and amortization on property, plant and equipment, intangible assets, and provisions, as well as expenses related to share-based payments (IFRS 2).

The Group's 2023 results confirm the targets set for 2026 at the Capital Markets Day on 8 February 2024, fuelled by revenue growth (+74% yoy) driven by a production of 336 GWh (+49% yoy) thanks to the commissioning of five new WAGABOX® units, in particular the first international ones, and by the sustained high uptime (average of 96% on the units in operation for at least 12 months).

Thanks to revenue growth, EBITDA for the 2023 financial year came to €(4.8) million, compared to €(3.2) million for the 2022 financial year, despite the increase in the cost of electricity and one-off operating expenses related to the increase in commissioning during the year.

This performance demonstrates Waga Energy's robust business model in an inflationary environment and the strength of its offering from a technical standpoint.

At the end of 2023, the Group had solid cash and cash equivalents of €38.7 million, which has since been strengthened by the $60 million Eiffel financing round in February 2024 and the success of the capital increase of €52 million completed in March 2024.

7.1.8 Probable future development and activities in terms of research and development

Probable future development of the issuer's activities.

Please refer to Chapter 10. "Trends"

Activities in the field of research and development

The Company recognised research and development costs on the assets side of its balance sheet for an amount of €283 thousand during the financial year ended 31 December 2023. These costs correspond to the development costs related to the design and standardisation of WAGABOX® units.

In addition, the Company recorded research expenses in the income statement for a total gross amount of €1,153 thousand for the financial year ended 31 December 2023, expenses included in the research tax credit.

R&D activity focused on three main areas in 2023:

- R&D: continuous improvement of WAGABOX® unit components;
- project support: development of standard units and extension of the range, in particular to support the development of international projects; and
- support for operations: improved equipment reliability, implementation of new control logics and resolution of issues specific to certain WAGABOX® units, the improvement of which could benefit the entire fleet.

7.2 Analysis of results for the financial years ended 31 December 2023 and 2022

The table below shows the Group's income statement (in thousands of euros) for the financial years ended 31 December 2023 and 31 December 2022.

INCOME STATEMENT (in EUR thousands)	31 December 2023	31 December 2022
Revenue	33 262	19 159
Other income	777	397
Revenue	**34 038**	**19 556**
Cost of sales and change in inventory	(18 349)	(7 948)
External expenses	(9 348)	(6 845)
Taxes, duties and similar payments	(354)	(190)
Personnel expenses	(14 610)	(9 961)
Other recurring operating income and expenses	658	(59)
Depreciation, amortisation and provisions	(6 524)	(2 725)
Profit (loss) from recurring operations	**(14 488)**	**(8 171)**
Other non-recurring operating income and expenses	352	34
Impairment of non-current assets	0	0
Operating profit (loss)	**(14 136)**	**(8 137)**
Cost of net financial debt	(1 844)	(1 238)
Other financial income and expenses	803	21
Financial income (expense)	**(1 041)**	**(1 217)**
Profit (loss) before income tax	**(15 177)**	**(9 354)**
Income tax expense	(266)	(325)
Deferred taxes P&L	0	0
Total comprehensive income (loss)	**(15 442)**	**(9 679)**
Profit (loss) attributable to:		
Owners of the Company	(15 990)	(10 076)
Non-controlling interests	548	396
Basic earnings per share (in EUR)	(0,78)	(0,50)
Diluted earnings per share (in EUR)	(0,78)	(0,50)

7.2.1 Revenue

The analysis of the revenue for the financial year is presented in Section 7.1.6 "*Main performance indicators*" of the Universal Registration Document.

7.2.2 Cost of sales and change in inventories

Purchases of goods and changes in inventories increased by 99.6%, from an expense of €7.9 million for the financial year ended 31 December 2022 to €18.4 million for the financial year ended 31 December 2023.

Purchases of equipment and material increased sharply due to Group growth and the construction of Wagabox© units sold.

Details of purchases of goods and changes in inventories can be found in Note 8.3 to the consolidated financial statements presented in Chapter 19 "*Financial information*" of the Universal Registration Document.

7.2.3 External expenses

External expenses amounted to €9.4 million for the financial year ended 31 December 2023 compared to €6.8 million for the financial year ended 31 December 2022, an increase of €4.9 million.

Leases and lease expenses correspond to expenses recognised in the income statement under the IFRS 16 exemption, and property taxes.

Professional and other fees rose, reflecting greater use of external service providers to implement the Group's growth strategy, in particular abroad, and the overheads involved in meeting the regulatory requirements applicable to listed companies.

The increase in other external expenses was mainly due to the growth of business activities abroad.

Details of external expenses can be found in Note 8.4 to the consolidated financial statements presented in Chapter 19 "*Financial information*" of the Universal Registration Document.

7.2.4 Personnel expenses

Personnel expenses amounted to €14.6 million for the financial year ended 31 December 2023 compared to €10 million for the financial year ended 31 December 2022, an increase of €4.6 million.

This increase is explained, on the one hand, by the strong growth of the workforce (in 2023, the Group hired 47 employees taking the total workforce to 200 at the end of 2023) and, on the other, by the expense corresponding to the allocation of BSPCEs and stock options, which amounted to €3.8 million for the financial year ended 31 December 2023 (compared to €2.2 million for the financial year ended 31 December 2022).

7.2.5 Depreciation and provisions

The amount for depreciation, amortisation and provisions increased for the financial year ended 31 December 2023 compared to the financial year ended 31 December 2022, from an expense of €2.7 million (in 2022) to €6.5 million (in 2023).

Depreciation and amortisation are directly related to the number of WAGABOX® units in operation, given that no unit is currently fully depreciated. The units are amortised over a period of 15 years for the first ten versions and then 25 years for the following ones, with the exception of the Saint-Etienne-des-Grès unit in Canada, which is amortised over 20 years. Depreciation is reduced by the subsidies obtained to finance the units, which are recognised at the same rate as the depreciation of the subsidised asset.

At 31 December 2023, the Group identified an indication of a loss of value on one of its units in Canada due to an investment cost that proved to be higher than the initial estimate (mainly related to the costs of connection and civil engineering) and a delay in the commissioning of the unit for causes not attributable to the Group, the impact of which is difficult to recover in view of the contractual operating period. A provision for impairment of €1.5 million was recognised on this asset at 31 December 2023 (see Note 7.3 to the consolidated financial statements presented in Chapter 19 "*Financial information*" of the Universal Registration Document).

A provision for loss on completion was also recognised for an amount of €0.6 million by the subsidiary HRRG in Canada concerning a contract for the sale of equipment, due to operational difficulties in the completion of the project (see Note 7.13 to the consolidated financial statements presented in Chapter 19 "Financial information" of the Universal Registration Document).

7.2.6 Recurring operating income

As a result of the factors described above, current operating income decreased from €(8.2) million for the financial year ended 31 December 2022 to €(14.5) million for the financial year ended 31 December 2023. Most of this decrease was due to the increase in personnel expenses and the increase in general expenses caused by the Group's growth investments.

7.2.7 Operating income (loss)

As a result of the factors described above, current operating income went from €(8.1) million for the financial year ended 31 December 2022 to €(14.1) million for the financial year ended 31 December 2023.

7.2.8 Cost of financial debt

The cost of net financial debt increased from an expense of €1.2 million for the financial year ended 31 December 2022 to an expense of €1.8 million for the financial year ended 31 December 2023, an increase of €0.6 million. This increase was mainly due to the increase in debt in 2023 in line with the Group's growth. The financial result includes other income and expenses for an amount of €0.8 million (compared to 0 in 2022), mainly corresponding to interest income on cash investments.

7.3 Presentation of the annual company financial statements and valuation methods - Income from WAGA ENERGY SA's activities

The following section presents the results of the parent company Waga Energy SA.

In millions euros	FY 2023	FY 2022
Revenue	29,5	30,0
Other income	3,1	1,8
Operating expenses	(39,2)	(34,5)
Operating profit (loss)	**(6,6)**	**(2,7)**
Financial income (expense)	3,2	(0,4)
Non recurring items	0,1	-
Income tax expenses	0,6	0,5
Total comprehensive income (loss)	(2,9)	(2,6)

During the financial year ended 31 December 2023, the Company's revenue amounted to €29.5 million compared to €30 million for the previous financial year, an annual decrease of 1.9%. Revenue comes mainly from the sale of equipment to its subsidiaries and related O&M services (approximately 82% of revenue in 2023) and on the other hand from the sale of biomethane and purification services of three WAGABOX® units.

Total operating income, including subsidies, amounted to €32.6 million compared to €31.8 million for the previous financial year.

The operating expenses amounted to €39.2 million compared to €34.5 million for the previous financial year. The increase in expenses was mainly due to the increase in activity and the growth in the workforce to support the Group's development.

As a result, the operating income was negative and amounted to €(6.6) million, compared to €(2.7) million for the previous financial year.

The financial income amounted to €3.2 million compared to €(0.4) million for the previous financial year, thanks to interest received on the current accounts of its subsidiaries and on cash investments.

In 2022, the profit from ordinary activities before tax was €(3.4) million for the financial year ended 31 December 2023, compared with €(3.1) million for the previous financial year.

The financial year ended 31 December 2023 resulted in a net accounting loss of €(2.9) million, compared with a net accounting loss of €(2.6) million for the previous financial year, after taking into account the exceptional result of €(0.1) million and a tax income of €0.6 million, of which €0.3 million for the Research Tax Credit.

7.4 Activities and results of subsidiaries and controlled companies

The financial information, at 31 December 2023 (equity, revenue, income and share value) of the subsidiaries and equity investments are presented in the note "Subsidiaries and equity investments" of the audited historical financial information for 2023, presented in Section 19.1.1 "Audited historical financial information" of this Universal Registration Document.

8. CASH AND EQUITY

This chapter is devoted to the presentation of information concerning the Group's equity, liquidity and sources of financing. The comments on equity, liquidity, sources of financing and cash flows presented in this chapter of the Universal Registration Document are made on the basis of the Group's consolidated financial information and prepared in accordance with IFRS accounting standards and should be read in conjunction with the consolidated financial information and, in particular, the notes to the consolidated financial statements presented in Chapter 19 "*Financial information*" of the Universal Registration Document.

8.1 Consolidated equity and Group debt

The Group's main financing requirements are primarily composed by its capital expenditures and its operating expenses in connection with the development of its business, namely the manufacture and operation of biogas purification units for the purpose of biomethane production.

Since its creation, the Group has been financed by:

- the Company's IPO on the regulated market of Euronext Paris on 26 October 2021, which allowed the Company to carry out a capital increase of €124.1 million;
- the issuance of several bonds (see Section 8.3.3 below) with a total outstanding amount of €7.3 million;
- several bank loans, the total outstandings of which as at 31 December 2023 amounted to €45.7 million (see Section 8.3.4 below).

The Company has not paid any dividends since its creation.

On 20 March 2024, the Company carried out a capital increase for a total gross amount of €52 million by issuing 3,939,394 new shares at a price of €13.20 per new share. This transaction, which takes place in the context of a significant acceleration of its growth, particularly in North America, should enable the Group to finance the equity portion of investments in new projects as well as the pre-manufacturing and manufacturing of WAGABOX® units to support its international growth.

Readers are invited to read the information in order to assess the change in equity over the 2022 and 2023 financial years, as they appear in Chapter 19" Financial information" of the Universal Registration Document, having been the subject of an audit report by the co-statutory auditors included in this Chapter 19.

8.2 Consolidated cash flows

Readers should read the following information on the Group's cash flows in conjunction with the Group's consolidated financial statements for the financial year ended 31 December 2023 as set out in Chapter 19 "Financial information" of the Universal Registration Document, which has been the subject of an audit report by the joint Statutory Auditors contained within that Chapter 19.

Changes in the Group's cash and cash equivalents amounted to €(53.0) million and €(31.3) million, respectively, for the financial years ended 31 December 2023 and 31 December 2022.

The Group uses its cash to finance its capital expenditure and current operating needs. The Group's cash is mainly denominated in euros.

The table below shows the various cash flows for the financial years ended 31 December 2023 and 31 December 2022:

CASH FLOW STATEMENT (in EUR thousands)	31 December 2023	31 December 2022
Profit (loss) for the period	(15 442)	(9 679)
Adjustments for:		
Depreciation, amortisation and provisions	6 668	2 832
Gains or losses from the disposal of assets	(7)	0
Share-based payments	3 789	2 241
Other income and expense	(5)	(231)
Cost of financial debt	1 844	1 238
Tax expense (incl. deferred tax)	266	325
Operating cash flow before income tax and change in working capital	**(2 888)**	**(3 275)**
Income taxes paid	(127)	(76)
Effect of change in inventories	(6 656)	(3 471)
Effect of change in trade and other receivables	(5 638)	(4 952)
Effect of change in trade and other payables	2 392	4 384
Net cash from (used in) operating activities	**(12 917)**	**(7 391)**
Acquisition of property, plant and equipment and intangible assets	(49 164)	(40 938)
Acquisition of financial assets	(207)	(917)
Effect of changes in payables to suppliers of fixed assets	4 568	(917)
Effect of changes in advances for fixed asset acquisitions	(3 624)	3 312
Disposals and transfers of fixed assets	8	(1 460)
Investment grants received	3 416	0
Net cash from (used in) investing activities	**(45 005)**	**(36 982)**
Cost of net financial debt	(1 634)	
Share capital increase (net of capital increase costs)	151	239
Proceeds from borrowings & repayable advances	14 169	35 884
Repayment of borrowings & repayable advances (incl. Cost of debt)	(7 159)	(23 098)
Dividends paid	(561)	
Net cash from financing activities	**4 966**	**13 024**
Effect of change in exchange rates on cash held	(48)	85
Net increase in cash and cash equivalents	**(53 004)**	**(31 264)**
Cash and cash equivalents at 1 January	91 659	122 913
Cash and cash equivalents at 31 December	38 655	91 659

8.2.1 Net cash from (used in) operating activities

For the financial years ended 31 December 2023 and 31 December 2022, the cash flow from operating activities amounted to €(12.9) million and €(7.4) million respectively. The change was mainly due to the change in EBITDA (see Section 7.1.6 "Main performance indicators"), and the increase in the inventories of parts and equipment needed to manufacture WAGABOX® units. This increase in inventories was mainly due to the strong growth in business and the anticipation of orders to secure supplies.

8.2.2 Cash flows from investing activities

Cash flow from investing activities, which led to respective cash consumption of €45 million and €37.0 million over 2023 and 2022, is mainly linked to the Group's investment policy in the development of WAGABOX® units in France and internationally. The increase in investments in 2023 is explained by the increase in the number of WAGABOX® units under construction and by the size of the international projects, which are significantly larger than that of French units. The investments also include the acquisition of the Group's registered office for €3.2 million. For further details, please refer to Section 5.6 "*Investments*" of the Registration Document.

8.2.3 Net cash from financing activities

The cash flows from financing activities amounted respectively to €5.0 million and €13.0 million for 2023 and 2022. In 2023, the cash flow mainly stemmed from:

- bond issues for €14.2 million, including:
  - refinancing of €1.6 million;
  - drawdowns of €9.1 million from the financing;
  - drawdowns on the real estate loan for €2.4 million;
  - repayable advances and partners ’current accounts for the balance.
- loan repayments for €7.2 million;
- the cost of financial debt for €1.6 million (excluding accrued interest).

The Group’s ability to generate cash in the future through its operating activities will depend on its future operating performance, which in turn will depend to some extent on economic, financial, competitive, market, regulatory and other factors.

8.3 Information on the Company’s financing needs and financing structure

The Group’s main financing requirements primarily comprise its capital expenditures and its operating expenses in connection with the development of its business, namely the manufacture and operation of biogas purification units for the purpose of biomethane production.

8.3.1 Net financial debt

The Group’s net financial debt amounted to €60.8 million and €52.6 million respectively at 31 December 2023 and 31 December 2022.

The table below shows the change in financial debt between 2022 and 2023:

BORROWINGS AND FINANCIAL LIABILITIES (in EUR thousands)	31 December 2022	Issuance	Repayment	New contracts IFRS 16	Accrued interest and reclassifications	31 December 2023
Bank loans	38 029	13 089	(5 432)		8	45 696
BPI loans	2 695				44	2 739
Shareholder loans	380	381	(380)			381
Repayable advances	604	665			(32)	1 237
Sofiwaga 1 bonds	2 578				6	2 584
Waga Asset 2 convertible bonds	5 265		(750)		188	4 703
IFRS 16 financial liabilities	3 049		(597)	929	(5)	3 376
Other financial liabilities	6	34	(1)			39
Total	**52 605**	**14 169**	**(7 160)**	**929**	**210**	**60 755**

The maturity of all financial debt is as follows:

BORROWINGS AND FINANCIAL LIABILITIES (in EUR thousands)	31 December 2023	Less than 1 year	1-5 years	More than 5 years
Bank loans	45 696	5 479	20 429	19 787
BPI loans	2 739		2 739	
Shareholder loans	381	381		
Repayable advances	1 237	67	1 170	
Sofiwaga 1 bonds	2 584	996	1 589	
Waga Asset 2 convertible bonds	4 703	953	3 750	
IFRS 16 financial liabilities	3 376	544	2 063	769
Other financial liabilities	39	5		34
Total	**60 755**	**8 424**	**31 740**	**20 591**

The associated debts are the current accounts of shareholders with companies holding 51% of the Group's subsidiaries, which are classified as current liabilities.

Bank loans are contracted at fixed or variable rates (in the case of a variable rate, the Group hedges its interest rate risk with fixed-rate hedges).

The Group receives advances that are repayable, with or without a premium, beyond a certain profitability level. These repayable advances amounted to a total of €1.2 million at 31 December 2023.

In previous financial years, the Group issued several fixed-rate bonds, recognised as financial debt in the amount of €7.3 million at 31 December 2023, of which €2.6 million in the subsidiary Sofiwaga 1 and €4.7 million in the subsidiary Waga Assets 2.

In February 2024, Waga Energy Inc., the Group's US subsidiary, entered into a $60 million construction financing with the asset manager Eiffel Investment Group, for a period of three years, to finance the construction of its first four biomethane production units in the United States.

8.3.2 Financing through capital increases

The main capital transactions carried out by the Group during the 2022 and 2023 financial years were as follows:

- During the 2022 financial year, the Company issued 655,995 shares in consideration for the contribution of 19% of the shares in Waga Energy USA previously held by Holweb SAS (one of the minority shareholders), representing a capital increase of €6,560 and a share premium of €22,972,944. This contribution did not generate any cash flows. The Company also issued 74,938 shares following the exercise of BSPCEs, representing a capital increase of €749 and a share premium of €237,838.

- No funds were raised in 2023 with the exception of BSPCE exercises.

On 20 March 2024, the Company carried out a capital increase for a total gross amount of €52 million by issuing 3,939,394 new shares at a price of €13.20 per new share. This transaction, which took place in the context of a significant acceleration of its growth, particularly in North America, will enable the Group to finance the equity portion of investments in new projects as well as the pre-manufacturing and manufacturing of WAGABOX® units to support its international growth. At the end of the Offering, the Company's share capital amounted to €245,301.44, corresponding to 24,503,144 shares with a par value of €0.01 each.

8.3.3 Bond financing

At 31 December 2023, the amount of the bond issues amounted to €7.3 million. During the 2023 financial year, the Group did not contract any new bonds. Over the same period, the repayments amounted to €0.8 million.

The bonds outstanding at year-end are as follows:

Sofiwaga 1 non-convertible bonds

On 13 November 2017, a bond was issued to the Group's long-standing shareholder, Les Saules, for an amount of €1 million. This bond corresponds to the issue of 1,000,000 ordinary bonds with a par value of €1 each, a term of 7 years and bearing interest at a rate of 5% for the period from 13 November 2017 to 31 December 2018, then 10% from 1 January 2019 until maturity.

This bond was supplemented by a second bond issued on 13 November 2017 to Les Saules for an amount of €1.6 million. This bond corresponds to the issue of 1,600,000 ordinary bonds with a par value of €1 each, a term of 12 years and bearing interest at a rate of 5% for the period from 13 November 2017 to 31 December 2018, then 10% from 1 January 2019 until maturity.

At 31 December 2023, the outstanding amount of these two loans amounted to €2.6 million.

OCA2021 Tranche 2 (Waga Assets 2)

The Company issued a bond issue (OCA 2021 Tranche 2) of €6.0 million fully subscribed by Swift Gaz Vert on 13 July 2021, bearing interest at a maximum annual interest rate of 9.2%. This loan was repaid in full by Waga Energy SA and reissued by its subsidiary Waga Assets 2 in December 2022 in the amount of €5.3 million.

The deadline for the redemption or conversion of the OCA2021 Tranche 2 bonds is set at 30 June 2029.

At 31 December 2023, the outstanding amount of this loan amounted to €4.7 million.

In addition, in February 2024, Waga Energy Inc., the Group's US subsidiary, entered into a $60 million financing agreement with the asset manager Eiffel Investment Group to finance the construction of four biomethane production units in the United States.

8.3.4 Bank loan and repayable advance financing

The financing by bank loans or repayable advances changed as follows:

Bank loans

As part of the financing of its investments and operations, the Group took out several bank loans with partner banks or financial institutions, such as BNP Paribas, Bpifrance, Banque Populaire, Caisse d'Epargne, CIC, Arkéa and Caisse Desjardins. These bank loans amounted to a total of €48.4 million at 31 December 2023.

These various loans are described below:

Funding of Wagabox® projects

In October 2021, through its 49%-owned subsidiary Sofiwaga Infra, the Group took out bank financing worth €8.3 million with a maturity date of 2033 with a pool of banks. The Group provided further bank financing of the same type for its subsidiary SP WAGA 1 in 2022. This made it possible to repay a portion of the corresponding current account with Meridiam (Sofiwaga Infra shareholder with a 51%

stake) and to cover the financing of three projects in operation and one project under construction. At 31 December 2023, the amount outstanding on this loan amounted to €6.9 million.

At the end of 2021, through its subsidiary Waga Energy Canada, the Group secured bank financing for a WAGABOX® project in Canada for a total of C$7.1 million, including a C$1 million bridging loan to pre-finance part of the C$3.2 million subsidy obtained from Transition Energie Québec. At the end of the 2023 financial year, the amount drawn down in respect of this financing amounted to C$6.9 million (€4.7 million).

In July 2022, the Group concluded a new long-term bank loan (maturing on 31 December 2036) for a maximum amount of €23 million for its subsidiary Waga Assets, subscribed by CIC and Arkéa. This transaction, which concerns a portfolio of six WAGABOX® unit projects in France, made it possible to refinance a portion of the shareholder current accounts contributions made by the Group, with the balance being intended to finance projects under construction. In June 2023, the Group signed an amendment to this contract to extend the drawdown period by 12 months for the projects still under construction. The loan was contracted at a variable rate and was hedged. The average rate after hedging is around 3.95%. During the 2023 financial year, the Group drew down €3.3 million on this loan. At 31 December 2023, the amount due under this loan was €15.6 million and the amount available for drawdown was €6.5 million.

In March 2023, the Group entered into a long-term bank loan (maturity 30 September 2031) for a total amount of €6.7 million with Bpifrance for its subsidiary Sofiwaga España 1, bearing interest at a fixed rate of 3.07%. The loan will enable the Group to refinance a portion of the contributions made during the construction phase of the Can Mata project, which became operational in June 2023. At 31 December 2023, the net amount of the loan amounted to €5.6 million.

In January 2024, the Group entered into a long-term project financing (maturity 31 March 2034) of €2.7 million with Crédit Agricole Centre France for its subsidiary Valtom Energie Biométhane, bearing interest at a fixed rate of 4.13%. This financing was followed by the launch of a crowdfunding of €0.2 million.

Bpifrance loan

In 2022, the Group was granted a €3 million Innovation - Research & Development loan by Bpifrance for the development of the high-capacity WAGABOX® unit in Claye-Souilly. This loan, repayable over 31 quarters from 31 March 2025 to 31 December 2029, bears interest at a fixed rate of 1.46% per year.

Real estate loan

In order to finance the acquisition and development of its new premises in Eybens (Greater Grenoble), the Group, through its subsidiary Wagarena, entered into four (4) bank loans of a maximum of €2 million each in November 2022, *i.e.* a total amount of €8 million, from the banks BNP Paribas, Crédit Agricole Sud Rhône-Alpes, Caisse d'Epargne Rhône-Alpes and Banque Populaire Auvergne Rhône-Alpes. These loans bear interest at a fixed rate of between 3.80% and 4.10%, and have a maturity of 15 years. At 31 December 2023, the amount drawn on this loan was €6.8 million.

State-Guaranteed Loans ("SGL")

During 2020, the Group contracted five SGLs with its partner banks to strengthen its cash flow in the context of the COVID-19 pandemic, representing a total amount of €2.5 million.

The Group requested the amortisation of these loans over four (4) years after a delay of one (1) additional year, in accordance with the applicable legislation. Finally, these loans benefit from a guarantee of 90.00% from the French State under the guarantee fund, in accordance with the terms and conditions provided for by the SGL regulations.

The Group also benefited from a loan from the AURA region, implemented and signed with Bpifrance of the said region, of €100,000 in the context of the COVID-19 pandemic, bearing no interest and repayable over 20 quarters between 2022 and 2027.

Repayable advances

In connection with the development of international projects in the United States and Canada, in 2019 the Group was granted two repayable advances known as “Prospecting advances” from Bpifrance Financement, both in the amount of €460,000 and payable in two instalments. The balance of these advances (€460,000) was received during the 2023 financial year. The repayment of these two advances is expected to be spread between 2025 and 2028 depending on the revenue generated in these regions.

In 2023, the Company also obtained a “Prospecting” advance from Bpifrance in the amount of €0.4 million to finance the prospecting of the activity in Brazil, half of which was received during the 2023 financial year.

At 31 December 2023, the total amount of repayable advances was €1.2 million.

8.3.5 Financing by shareholder current accounts

As part of the financing of its activities, the Group has used interest-bearing current account financing from long-standing shareholders such as Les Saules, Holweb and Meridiam. At 31 December 2023, all of these current accounts had been repaid.

During the 2023 financial year, the Group created a subsidiary, Valtom Energie Biométhane, owned at 51% by the Group and 49% by Valtom, each of the co-partners financing its share through a current account. At 31 December 2023, the amount of the current account corresponding to the portion financed by Valtom was €0.3 million.

8.3.6 Financing from subsidies and research tax credit

Grants

Waga Energy Canada received a total of C$3.6 million in grants in 2023. The grants will be recognised in the income statement to reflect depreciation of the associated Wagabox® units once they are commissioned.

The conclusion of the financing for the Can Mata unit in Spain (see below) made it possible to obtain the release of the first tranche of €1 million of the European Union grant under the EIC Innovation Fund obtained in 2022, for a total amount of €2.5 million. This amount of €1 million was collected by Waga Energy SA in the second half of 2023.

Research tax credit

The Group benefits from the French research tax credit scheme. The research tax credit amounted to €0.3 million in 2023 (€0.3 million in 2022).

8.4 Restriction on use of capital

Bpifrance Financement loan

The debt contracted by the Group with Bpifrance Financement on 3 October 2019 must be subject to mandatory early repayment in the event of certain events, such as a change of control of the Company.

OCA 2021 Tranche 2

The OCA 2021 Tranche 2 convertible bonds (as issued in December 2022) contain a specific restriction on distributions to shareholders: the Company may only make current account repayments, current account interest payments, dividend and interim dividend payments or distributions of reserves to the Company's shareholders (see Sections 6.1 "*Group organisation*" and 17.1 "*Shareholders holding more than 4% of the share capital at the date of the Universal Registration Document*" of the Universal Registration Document) if it has paid in priority the debts owed to the bondholders under these convertible bonds and due on the date of the proposed distribution.

Under the Issue Programme, the subscriber would be able to request early repayment of the amounts due under the bond in the event of a change of control in the issuer, a subsidiary of the Company. Concerning this bond, subscribers would benefit from collateral such as the pledging of the subsidiary's securities and the Company's current account balance in the subsidiary.

Project financing

In the context of the bank financing intended to fund WAGABOX® projects (mentioned in Section 8.3.4 "*Bank loans and repayable advances*", under the heading "*Funding of WAGABOX®* projects"), the contracts signed contain certain covenants, including financial covenants such as the gearing ratio and the debt coverage ratio. They are also backed by collateral such as: pledges, guarantees without dispossession, or "Dailly assignments", and are without recourse or with limited recourse on the parent company Waga Energy SA.

Real estate financing

The real estate loan granted to Wagarena for the acquisition of the building in Eybens is backed by a mortgage on the property.

8.5 Future funding sources

The Group has carried out a specific review of its liquidity risk and believes, at the date of the Universal Registration Document, it will be able to cover its needs over the next 12 months, *i.e.* the end of April 2025.

The going concern assumption was adopted by the Board of Directors considering the following factors:

- Available cash of €39 million at 31 December 2023;
- The capital increase transaction carried out on 20 March 2024 for a gross amount of €52 million;
- Drawdowns available on various debt tranches, including the Eiffel financing of $60 million;
- The Group's cash flow forecast, including the planned investments for signed projects and financing secured at the closing date.

Management and the Board of Directors expect that these factors will enable the Group to meet its requirement over the next 12 months, until the end of April 2025.

In addition, management is confident in the Group's ability to raise the financing required for the new WAGABOX® projects provided for in its business plan. Nevertheless, in the event of difficulties in finding this financing, the Group has room for manoeuvre, such as the postponement of certain investments. (see Note 3.2 to the consolidated financial statements presented in Chapter 19 "Financial information" of the Universal Registration Document).

In order to finance its development and future investments, the Group may subsequently use other financing (such as bank loans, bond issues, private debt placements, or other financing solutions).

9. REGULATORY ENVIRONMENT

In general, the regulations applicable to the production of biomethane from landfill gas are dependent on public policies relating to waste management and changes in these policies. On the one hand, some jurisdictions favour the incineration of waste rather than landfill at a storage site where the waste decomposes and generates biomethane. On the other hand, the obligations imposed on waste storage facilities also vary depending on the jurisdictions with regard to requirements to collect or even recover the gas generated by the decomposition of the waste stored.

9.1 Regulatory framework applicable in France

9.1.1 Waste storage facilities

In France, non-hazardous waste storage facilities, which are subject to the regulations on facilities classified for the protection of the environment ("ICPE") must be equipped with a waste gas collection system in order to limit diffuse emissions from waste decomposition, particularly insofar as the gas generated is a greenhouse gas whose release into the atmosphere needs to be limited. The gas collected can be either eliminated by combustion (flaring) or recovered, at the discretion of the operator of the storage facility. The regulations favour this second solution, in line with the hierarchy of waste treatment methods imposed by the French Environment Code.

One of the recovery solutions provided for by the regulations applicable to waste storage IPCEs consists of purifying the gas in order to inject it into the gas distribution grid, or to use it as an alternative fuel for vehicles, heavy goods vehicles (trucks, dumper trucks, buses) in particular. This is the solution that the WAGABOX® unit implements.

The requirements relating to biogas collection operations and biomethane recovery, which are imposed on the operators of non-hazardous waste disposal sites, are mainly issued by the prefectoral ordinance authorising the site, or the ministerial ordinances applicable to sites subject to registration or declaration for the ICPE segment concerned, in application of the regulations on ICPEs.

In addition to the ICPE authorisation (in the broad sense, *i.e.* also including possible registration ordinances or declarations of non-objection to declaration), the construction of a collection and recovery facility for biomethane is subject to a building permit or a declaration of works, depending in particular on its location and characteristics. It is necessary to obtain the required planning permission before the start of construction work.

Additional authorisations, such as land clearing permits, environmental authorisations based on water legislation, or exemptions from the ban on the destruction of protected species and their habitats, may also be necessary depending on the configurations of the various facilities.

However, biogas production is not subject to authorisation under the French Energy Code.

Lastly, as of 1 July 2021, facilities injecting biogas into the grid with a maximum production capacity of more than 200 Nm3 per hour or producing more than 19.5 GWh per year must comply with sustainability and greenhouse gas reduction criteria (Article L. 446-27 of the French Energy Code). As a result, these facilities must *"have a potential to reduce greenhouse gas emissions by at least 70% compared to the greenhouse gas emissions resulting from the use of fossil fuels when this production takes place in facilities commissioned from 1 January 2021 to 31 December 2025"* (Article L. 281-6 of the French Energy Code). This percentage is increased to 80% for facilities commissioned after 1 January 2026. At the date of the Universal Registration Document, the Group believes it meets these criteria. (see also Section 3.4.4 "*Risk related to obtaining the necessary permits, licences and authorisations to carry out its activities or establish its facilities*" of the Universal Registration Document)

9.1.2 Connection and injection into the gas grid

The purified biomethane can be injected into the natural gas transmission or distribution grid, under the terms of a connection contract and an injection contract, as provided for in Article D. 446-13 of the French Energy Code.

The connection contract is an agreement between the biomethane producer and the operator of the public grid concerned. Connection is the subject of several studies, at the expense of the applicant, and generally takes several months before validation of the technical option. The cost of connecting the biomethane production facility to the public grid is borne by the biomethane producer. However, the latter may benefit from part of the connection cost being paid by the grid operator, currently up to a limit of 40% of the costs and €400,000. The commissioning of the installation is subject to its connection to the public grid in question.

The injection contract, also signed between the biomethane producer and the public grid operator, defines the conditions for injection and includes obligations relating to the quality of the biomethane injected.

9.1.3 Biomethane purchase agreement, guarantees of origin and biogas production certificates

The producer of biomethane injected into the natural gas transmission or distribution grid is eligible for a commitment to purchase the injected gas, under the terms of the French Energy Code, subject to obtaining a certificate giving entitlement to the purchase commitment from the Prefect of the department in which the facility is located and identification of the facility by the French Environment and Energy Management Agency (ADEME), which then issues a receipt to the producer.

The purchase agreement must be signed within three months of being granted the aforementioned receipt. Failing that, the latter becomes null and void and a new application must be made to the Prefect.

The purchase agreement is entered into with a natural gas supplier, on the understanding that companies supplying more than 10% of the French domestic market are required to enter into a biomethane purchase agreement with any producer who so requests.

The tariff for the purchase of biomethane, which must be included in the purchase agreement, is determined by a ministerial ordinance setting the applicable tariffs, in particular according to the size of the production facility.

To date, there are two tariff ordinances in France governing the sale of biogas:

(i) the first, dated 23 November 2011, applicable to contracts signed before 25 November 2020; and

(ii) the second, dated 23 November 2020, for contracts signed after this date, which was revised on 13 December 2021 and then on 20 September 2022.

The purchase agreement is based on a template agreement submitted to the Ministers in charge of energy and finance.

The purchase agreement is for a period of 15 years. This may be reduced if the facility is not commissioned within three years from the signing of said contract.

For contracts entered into from 25 November 2020, the purchase commitment is only possible for biomethane production facilities with a maximum capacity of 300 Nm3/h. Larger facilities must respond to calls for tenders organised by the public authorities. The conditions for the sale of biogas imposed by the obligation to purchase following a call for tenders for biogas injected into a natural gas network as well as by the additional compensation system for biogas not injected are detailed in Articles R. 446-1 *et seq.* of the French Energy Code.

In addition, in collaboration with all partners in the sector, the Company has obtained from the Directorate General for Energy and Climate ("DGEC") relaxation of the rules for applying the maximum production capacity (Cmax) that determines the feed-in tariff applied to facilities injecting biomethane. This easing allows the possibility of lowering the Cmax in order to benefit from a higher feed-in tariff. This provision reduces the economic risk if biogas production decreases over time.

Law No. 2021-1104 of 22 August 2021 on combating climate change and strengthening resilience to its impacts created a system of certificates for the production of biogas ("CPB") injected into natural gas networks, codified in Articles L. 446-31 *et seq.* of the French Energy Code. These certificates are issued by producers who so request and can be resold to suppliers, who are required to provide evidence of the certificates to the State. However, this scheme cannot be combined, for the same quantity of biogas, with that of guarantees of origin. Decree 2022-640 of 25 April 2022 relating to the biogas production certificate system defined the terms of application of the system, the details of which are being finalised.

Two texts concerning the use of guarantees of origin were promulgated during 2022:

- the Decree of 7 April 2022 on the use of guarantees of origin for injected non-subsidised biomethane to decarbonise the consumption of gas that is not transported by the network (LNG);
- the Decree of 8 December 2022, concerning the use of guarantees of origin in the ETS system (Emissions Trading Schemes), whether subsidised or non-subsidised.

These provisions will enable a better valuation of guarantees of origin for end consumers.

Concerning marketing to end customers, Law No. 2023-175 of 10 March 2023 on the acceleration of renewable energy production amends several provisions of the French Energy Code relating to the marketing of gas to include the long-term direct sales contract of biogas, renewable gas and low-carbon gas by a producer to an end consumer, without the need for the producer to have an authorisation to supply natural gas.

Lastly, the Order of 10 June 2023 on the conditions for purchasing injected biomethane introduced an energy cost component to the indexation of prices, which allows producers to pass on the increase in energy costs of 2021 and 2022. Producers will now be better hedged as regards their selling price.

9.2 Regulatory framework applicable in the United States

The municipal or county governments are the main authorities responsible for managing non-hazardous solid waste. Federal involvement in the management of non-hazardous solid waste is limited to: establishing guidelines for state and regional solid waste management plans; a ban on the disposal of solid waste in landfills that do not meet certain federal standards; the granting of permits for solid waste landfills; and regulation of the transportation of solid waste in coastal waters. The Environmental Protection Agency ("EPA") has issued specific standards for the operation and design of all solid waste landfills.

In this regard, in 2016 the Obama administration updated the initial New Source Performance Standards ("NSPS") programme of 1996 for the treatment of gas emissions from landfill sites. Thus, the NSPS law requires the installation of a Gas Collection and Control System ("GCCS"), in order to collect gas from landfill cells and bring it to a control system (such as a flaring system) or to a treatment system where it is then recovered and used as energy.

Inflation Reduction Act ("IRA") voted by the Biden administration in August 2022 also includes a section on biogas. The IRA proposes to subsidise the investment (ITC for Investment Tax Credit) or the production (PTC for Production Tax Credit) of biogas, with the possibility of combining the two schemes. The IRA application texts concerning the ITC for biogas production have been published by the Internal

Revenue Service (IRS), and are being discussed with the associations representing the biogas industry in order to challenge the exclusion of biogas purification equipment.

9.2.1 General framework

The Renewable Fuel Standard (RFS) programme — created under the Energy Policy Act (EPAct) in 2005 (signed by George W. Bush), which amended the Clean Air Act (CAA) — is a national policy with the aim of replacing a certain volume of fuels extracted from oil by renewable fuel. The Energy Independence and Security Act ("EISA") amended the programme to extend it in 2007, with an ambitious target of 36 billion US gallons of renewable fuels produced in 2022. A technical amendment to the RFS was made in 2014 by the EPA; biogas generated by landfills, purification plants and digesters is considered a cellulosic type of renewable fuel (D-code 3), and therefore generates Renewable Identification Numbers ("*RINs*") — these are used by the parties concerned to demonstrate compliance with the RFS. The parties concerned by the RFS are refiners and importers of diesel or petrol. However, a voluntary market is currently developing with institutional players (such as universities) or private players (large companies such as Google or Amazon) keen to reduce their carbon footprint, and who commit to buying renewable gas on long-term over-the-counter agreements (or Power Purchase Agreement).

The EPA recently excluded the production of RINs from electricity generated from biogas (eRIN) from the RFS.

9.2.2 State-specific framework

Some states have developed specific programmes to promote the production of low-carbon fuels (CI, for "Carbon Intensity"). In California, the Low Carbon Fuel Standard (LCFS) makes it possible to sell biomethane on the Californian transport market, and to recover an additional credit calculated on the basis of the carbon emissions associated with the production and transport of the biomethane from the place of production, instead of the consumption. Oregon and Washington State also have such programmes in place, and other states are working to implement similar mechanisms. The state of California, which could be followed by others, has set up a programme to separate organic waste before waste collection. This programme encourages the anaerobic digestion of organic waste whose digester can be placed on landfill sites. This activity can be supplemented and enhanced using the WAGABOX® technology in addition to the purification of landfill gas.

9.2.3 Connection and injection into the grid, purchase price

There is no subsidised sales tariff specifically for biomethane in the United States, and the price of the connection in the United States is not subsidised either.

9.3 Regulatory framework applicable in Canada

9.3.1 Federal regulatory framework

Commitment to regulations aimed at reducing methane emissions from landfill sites:

In order to compensate for the lack of specific regulations for certain Canadian provinces, a federal regulatory framework was proposed in April 2023 to reduce methane emissions in landfill sites. This framework was developed under the Canadian Environmental Protection Act of 1999 and aims to impose requirements on landfills to reduce their methane emissions. The official regulations will be adopted in 2024.

Landfill sites will be required to install landfill gas recovery systems and will have to comply with surface methane emission limits measured at regular intervals to ensure that the emissions remain below an acceptable threshold. The recovered landfill gas must be routed to methane destruction devices, such as flares, internal combustion engines, biogas recovery systems or other combustion or oxidation devices.

Carbon pollution pricing:

The pricing of carbon pollution comes from the Strengthened Climate Plan for Canada, a healthy environment and a healthy economy, and from the 2016 Pan-Canadian Framework on Clean Growth and Climate Change.

Since 2019, each jurisdiction in Canada has implemented a price on carbon pollution. Each province or territory may have its own pricing system if it is compatible with the federal system. These standards were published in 2021 and are valid for the 2023-2030 period.

The federal pricing system has two parts: a regulatory tax on fossil fuels, called the fuel tax, and a performance-based system for industries, called the production-based pricing system. One or both parts may apply in a jurisdiction. Canada's minimum national carbon pollution price for explicitly priced systems in 2024 is $80 per tonne of CO2e and increases by $15 per year until 2030.

Canada has also implemented a greenhouse gas emissions offset system to reduce carbon pollution. Provinces and territories may choose to recognise federal offsetting credits as a compliance option in their carbon pricing systems.

Clean Fuel Regulations:

On 6 July 2022, the Government of Canada published the final version of the Clean Fuel Regulations (the "CFR"). Under the terms of the latter, producers and importers of liquid fossil fuels, such as gasoline and diesel, will be required to gradually reduce the carbon intensity (CI) of these fuels from December 2023. The federal government expects these reductions to result in a 15% decrease (below 2016 levels) in liquid fuel CI by 2030. The annual CI reduction requirements can be met in a variety of ways, including through a newly implemented Compliance Unit Market. The federal government announced that it will gradually increase to $170 per tonne by 2030 and will help reduce GHG emissions in Canada from 729 million tonnes in 2018 to 503 million tonnes in 2030. In the proposed regulation, the price of a compliance unit under this mechanism would be set at $350 in 2022 (adjusted for the IPC).

9.3.2 Regulatory framework in Quebec

❖ General framework

In Quebec, landfill sites, known locally as "Engineered Landfill Sites (ELS) for residual materials", have an obligation enshrined in their environmental permits ("Certificate of Authorisation"), granted by the Ministry of the Environment, of the Fight against Climate Change, and of Fauna and Parks, to collect biogas at each site. The stringent biogas collection and flaring obligations nevertheless leave ELS operators the option to seek out recovery solutions. In a market where electricity from hydroelectric sources is sold at very low prices, the purification of biogas into injected biomethane is the most profitable solution.

In March 2019, the Regulation concerning the quantity of renewable natural gas ("RNG") to be delivered by a distributor came into force in Quebec. The purpose of this regulation is to promote increased use of RNG by specifying the minimum quantity of gas that natural gas distributors must deliver annually to their grid, *i.e.* 1% from 2020, 2% from 2023 and 5% from 2025. This regulation was amended on 22 June 2022 (entered into force on 1 January 2023). This new requirement is a flagship measure of the Quebec strategy on green hydrogen and bioenergy to inject 10% of gas from a renewable source into the natural gas network by 2030. It is also part of Measure 182 of the Master Plan on energy transition, innovation and efficiency in Quebec - 2026 upgrade, which consists in adapting the regulatory framework to require minimum renewable content (or a maximum carbon intensity index) in fuels and fossil fuels.

The Ministry of the Economy, Innovation and Energy has set up a programme (the Support Programme for the Production of Renewable Natural Gas (*Programme de Soutien à la Production de Gaz Naturel Renouvelable* - PSPGNR), which allows for the allocation of financial assistance (investment grants) to promote the implementation of RNG production projects and its injection into the natural gas distribution grid or projects to connect this grid to RNG production sites. These subsidies can cover up to 50% of the investment.

❖ Connection and injection into the grid, purchase price

As part of its obligation to deliver RNG, the operator of the ÉNERGIR grid has put in place a policy of supporting RNG production project holders in order to promote the emergence and development of the market.

The government, with the help of the PSPGNR, finances up to 50% of the connection work in the context of producer subsidy applications and offers any developer who so requests RNG purchase contracts for a period of up to 20 years.

❖ Régie de l'Énergie

The Régie also approved a cost characteristic in two components as part of Step D, one relating to the average cost indexed as of 1 October of each year based on the Consumer Price Index below $20/GJ until 2023 and $25/GJ for 2024-2026.

The second component is a maximum price for a GSR contract, for a contract with a volume of less than 5Mm3, a price of up to $45/GJ or up to $35/GJ for volumes equal to or greater than 5Mm3.

❖ Clean Fuel Regulations

On 6 July 2022, the Government of Canada published the final version of the Clean Fuel Regulations (the "CFR"). Under the terms of the latter, producers and importers of liquid fossil fuels, such as gasoline and diesel, will be required to gradually reduce carbon intensity ("CI") of these fuels from December 2023. The federal government expects these reductions to result in a 15% decrease (below 2016 levels) in liquid fuel CI by 2030. The annual CI reduction requirements can be met in a variety of ways, including through a newly implemented Compliance Unit Market. The federal government announced that it will gradually increase to $170 per tonne by 2030 and will help reduce GHG emissions in Canada from 729 million tonnes in 2018 to 503 million tonnes in 2030. In the proposed regulation, the price of a compliance unit under this mechanism would be set at $350 in 2022 (adjusted for the IPC).

9.3.3 Regulatory framework in British Columbia

Landfill biogas capture:

The British Columbia Landfill Gas Management Regulations, which came into force on 1 January 2016, establish criteria for capturing biogas from municipal landfills. According to this regulation, any landfill estimated to generate more than 1,000 tonnes of CH_4 per year is required to install a biogas capture system. A capture performance target of 75% is set. This regulation encourages the recovery of biogas. Landfill operators may be required to demonstrate measurable reductions in methane or other greenhouse gas emissions through their biogas upgrading facilities.

Regulation on the reduction of greenhouse gases (Clean Energy):

In 2021, the province amended the Greenhouse Gas Reduction Regulation to increase the production and use of renewable gases as well as green hydrogen and waste. This regulation allows the government to define prescribed commitments that utilities (such as FortisBC) can choose to implement to reduce greenhouse gas emissions while recovering costs in tariffs. This new law increased the price cap to $31 per GJ that utilities can pay to acquire these fuels, a price that will be indexed to inflation. In addition, the law has increased the amount of renewable gas that utilities can acquire and supply from 5% to 15% of their total annual natural gas supply. Lastly, this law also authorises public services to acquire and supply green hydrogen, waste, syngas and lignin.

The changes made to the RRGE will contribute to achieving CleanBC's targets of 15% renewable gas content in the natural gas system by 2030.

Low Carbon Fuel Act:

On 1 January 2024, the new Low Carbon Fuel Act came into force in British Columbia. This is a regulatory policy aimed at reducing the GHG emissions associated with fuels by promoting the use of low-carbon fuels. The regulation has indirect implications with landfill biogas: companies that extract, process and use landfill biogas as fuel can potentially benefit from carbon credits under the Low Carbon Fuel Standard (LCFS).

9.4 Regulatory framework applicable in Spain

In Spain, Royal Decree 646/2020 of 7 July 2020 regulating waste disposal by landfill aims to stimulate the transition to a circular economy, prioritising waste prevention and recycling. Thus, the competent authorities, in their respective fields, ensure that, when recovery is not carried out, waste is subject to safe disposal operations by adopting measures to ensure the protection of human health and the environment.

As such, the main objectives of this decree are as follows:

- reduction in the weight of waste produced by 15% in 2030 (compared with that generated in 2010); and
- preparation for the reuse and recycling of 65% of municipal waste generated by 2035.

In addition, the Institute for Diversification and Energy Protection recently set up an investment assistance line, together with the European Regional Development Fund, for renewable energy projects in which biomethane is recovered. The first call for projects took place in September 2020 (finalisation in September 2023, €76 million in grants distributed) and a new call for projects is currently being prepared and has already passed the public consultation phase.

On 8 April 2022, Law 7/2022 on waste and contaminated soil was enacted in order to develop a circular economy. In this context, a new tax on the volumes of waste sent to non-hazardous waste storage facilities (NHWSF), or for incineration, came into force on 1 January 2023.

On 24 January 2023, the Register of Guarantees of Origin in Spain was commissioned by the Company, mandated by the Spanish Ministry of Energy (Enagas GTS). For the time being, the registration of biomethane production sites is not mandatory. On the recommendation in October 2023 of the “Oficina del Cambio Climatico” (Climate Change Office), ETS-eligible companies are invited to use Guarantees of Origin to document the supply of biogas.

On 7 July 2023, Ministerial Order 789 was promulgated, which aims to define a methodology for calculating the greenhouse gas emissions of NHWSFs. This calculation methodology is based on the incoming waste, the biogas capture solutions put in place and the recovery of biogas if any. On the basis of this calculation methodology, a price associated with the tonnes of CO2 emitted is calculated and requires the payment of a tax. The funds collected will be used to finance projects that improve the capture or recovery of greenhouse gases from NHWSFs.

10. TRENDS

10.1 Recent developments

A detailed description of the Group's results for the financial years ended 31 December 2021 and 31 December 2022 is provided in Chapter 7 "*Review of financial position and results*" of the Universal Registration Document.

10.2 Future outlook and objectives

The objectives and trends presented below are based on data, assumptions and estimates, in particular with regard to the economic outlook, considered reasonable by the Group at the date of the Universal Registration Document.

This future outlook and these objectives, which result from the Group's strategic orientations, do not constitute forecasts or profit estimates for the Group. The figures, data, assumptions, estimates and objectives presented below are liable to change or be modified in an unforeseeable manner, depending, *inter alia*, on changes in the economic, financial, competitive, legal, regulatory, accounting and tax environment or other factors of which the Group is not aware at the date of the Universal Registration Document.

Moreover, the materialisation of certain risks described in Chapter 3 "*Risk Factors*" of the Universal Registration Document could have a negative impact on the Group's business, financial position, market situation, results or outlook and therefore call into question its ability to achieve the objectives presented below.

Furthermore, the achievement of these objectives presupposes the success of the Group's strategy and its implementation.

Consequently, the Group does not make any commitment or give any guarantee as to the achievement of the objectives set out in this section.

10.2.1 Background

The geopolitical and climatic events of these past few years have accelerated awareness of the consequences of dependence on fossil fuels, notably in Europe and North America. This awareness is sparking increased interest from governments and companies in biomethane, a clean, local and renewable energy that can replace fossil fuels (natural gas and oil) in sectors such as transport and industry.

In this context, the Group believes that it can benefit from the measures aimed at accelerating the energy transition adopted by many countries. In Europe, the REPowerEU plan, unveiled by the European Commission in May 2022, aims to invest €37 billion in the biogas sector and increase biomethane production by 35 billion cubic metres by 2030. In the United States, the "Inflation Reduction Act" (IRA) adopted in August 2022 will devote $369 billion to renewable energies.

Several acquisitions made in recent years bear witness to the interest of investors and major energy companies in the biogas sector: acquisition of Vanguard Renewables by BlackRock for $700 million; acquisition of MAS CanAm (a subsidiary of MAS Energy) by CIM Group; acquisition of Nature Energy by Shell for $2 billion; acquisition of Archaea Energy by BP for $3.8 billion; acquisition of the assets of Energy Power Partners Fund (EPP) by NextEra Energy for $1.1 billion; purchase by Endbridge of seven production units from Morrow Renewables for $1.2 billion; purchase of four production units by Engie in the United Kingdom and the Netherlands.

From an environmental standpoint, the Group should also benefit from growing awareness of the impact of methane emissions on global warming. As part of the United Nations Climate Change Conference (COP28) held in Dubai at the end of 2023, world leaders once again placed the fight against methane emissions at the heart of their priorities and renewed the commitment made in 2021 in Glasgow (Scotland) to reduce human emissions by 30% by 2030 (Global Methane Pledge).

In this context, the Group believes that the WAGABOX® solution elicits increased interest from both storage site operators and energy buyers: the former see an opportunity to improve the environmental performance of their sites while generating additional profits, and for the latter it is a means of accessing large volumes of biomethane at a competitive and stable price that is guaranteed over time.

While the price of natural gas remains at a high level, the Group believes that it will be able to negotiate its biomethane production at higher prices than they were before the energy crisis of 2022, in all the markets in which it operates. The increase in the commercial value of biomethane also allows it to make profitable its purification service at smaller sites, which helps to increase the number of sites that can be equipped. This new situation could accelerate the deployment of the WAGABOX® solution in Europe and North America, but also in other parts of the world.

10.2.2 Medium-term objectives

In this context, the Group is maintaining its goal to achieve:

- Revenue of approximately €200 million;
- An installed production capacity of around 4 TWh per year;[26]
- Recurring and contractual revenue of more than €400 million;[27]
- Approximately 600,000 tonnes of CO_2eq avoided annually.

To achieve these objectives, the Group intends to rely on a pipeline of 159 projects under commercial development, and several hundred other targets identified in Europe and the United States. The 159 sites making up the current pipeline represent a total production capacity of almost 12 TWh per year and are divided between France (5%), Europe excluding France (36%), North America (48%) and the rest of the world (11%).

The Group considers that the growth of its production units will not be linear, but will experience a gradual acceleration based on the growing reputation of the WAGABOX® solution in targeted countries. The first units brought into operation internationally will serve as technological and commercial showcases, facilitating the signing of new contracts, as has been observed on the French market.

Other projects not yet identified (not included in the list of projects under development or in the list of opportunities) will be added to the pipeline as and when the Group sends commercial offers to the operators of the waste storage sites eligible for the installation of a WAGABOX® unit, *i.e.* sites respecting the criteria of proximity to the gas network, sufficient flow, and ethical and technical compliance. There are some 20,000 sites worldwide, of which approximately 1,500 are in Europe and 2,700 in North America.

The investments necessary to achieve these roll-out objectives will depend on the size of the WAGABOX® units and the geographical areas where they will be installed. The Group estimates that the proportion of project debt will be in the range of 60% to 80%, which may vary depending on the type of project and the cash flows from the units in operation, and is aiming for a Project EBITDA margin[28] of

---

[26] *Including units not directly owned.*
[27] *The annual contractual and recurring revenue correspond to the revenues anticipated by the Company over a period of 10 to 20 years in the context of long-term contracts, either for the sale of biomethane or for purification services. It does not constitute a forecast and is intended to represent, at the date, the potential of the installed base of WAGABOX® units and those under construction. In the case of a biomethane sales contract, the revenue depends on the price obtained from an energy company and the sales volumes anticipated by the Group on the basis of the biogas audit carried out before each project.*
[28] *Project EBITDA (Earnings Before Interest, Taxes, Depreciation & Amortisation) is an indicator of operating performance, defined as operating income before non-recurring items restated for depreciation and amortisation on property, plant and equipment, intangible assets, and provisions, as well as expenses related to share-based payments, calculated on a per-project basis. Unlike EBITDA, Project EBITDA does not take into account certain*

between 30% and 50% of revenue for a "typical" WAGABOX® project (1,500 m^3/h). The Group also expects to reach breakeven EBITDA in the course of 2025.

fixed costs (rent outside contracts within the scope of IFRS 16, costs related to administrative and financial functions, etc.) and recurring overheads expenses. The Project EBITDA margin is calculated by dividing the revenues of a specific project by the Project EBITDA.

11. PROFIT FORECASTS OR ESTIMATES

The Company does not intend to make any profit forecasts or estimates.

12. CSR REPORT

12.1 General information

12.1.1 Preparation of the CSR and governance report

Waga Energy will be eligible for the Corporate Sustainability Reporting Directive (CSRD) regulations as of the 2025 financial year (report published in 2026). In a desire to gradually comply with the regulations by 2026, Waga Energy has decided to start publishing information relating to the CSRD in its sustainability report from the year 2024.

Waga Energy does not aim to anticipate all of the CSRD regulations, but to prepare for them. The information presented in this report will therefore be supplemented or amended in the next publication.

The preparation of the 2024 sustainability report is based on the CSRD published in the Official Journal of the European Union in 2022,[29] on the ESRS texts adopted by the European Commission on 31 July 2023[30] and on the EFRAG methodological guide on dual materiality[31].

Unless otherwise indicated, the scope of consolidation of the information in the 2024 sustainability report covers all Waga Energy subsidiaries for the year 2023.

The Group's governance is presented in Chapter 13 of the Universal Registration Document.

❖ Information on the strategy and business model

Contextual information

Description of the activities

The Group believes it is the European leader in the recovery of landfill gas in the form of biomethane. According to the map of European biomethane projects published by the European Biogas Association, the Group owns the majority of the projects producing biomethane from landfill gas.

The Group has developed a purification technology that is unique in the world, called WAGABOX®, which makes it possible to recover the methane produced by the decomposition of organic materials at waste storage sites (commonly known as "landfills"), to produce biomethane, a renewable substitute for

[29] Source:https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022L2464
[30] Source:https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L_202302772
[31] Source:
https://www.efrag.org/Assets/Download?assetUrl=%2Fsites%2Fwebpublishing%2FMeeting%20Documents%2F2302241032237237%2F03-02%20Materiality%20Assessment%20Implementation%20guidance%20clean%20SRB%20231025.pdf

fossil natural gas. This biomethane is injected directly into the gas grids to supply individuals and businesses.

By recovering landfill gas in the form of biomethane, the Group transforms a major source of atmospheric pollution into clean, local and renewable energy. Methane (CH_4), the main component of natural gas, is a very efficient fuel, but also a powerful greenhouse gas, which has a warming power that is 84 times greater than that of carbon dioxide (CO_2) over a period of 20 years (Source: IPCC).

The WAGABOX® production units are fully automated and controlled remotely by means of an instrumentation and control system. They are modular, integrated and standardised to simplify construction, installation and operation. Once connected to the grid of a gas transmission or distribution operator, the WAGABOX® units purify the extracted biogas and inject biomethane 24 hours a day seven days a week with a guaranteed uptime of 95%.

A sustainable, unifying model that benefits everyone

The Group is committed to the fight against climate change and offers an innovative technological solution, WAGABOX®, to produce biomethane from the gas emitted by waste storage facilities. Thus, Waga Energy contributes to reducing the methane emissions from these facilities and provides local energy injected directly into existing networks to supply private individuals and businesses with renewable gas.

The Group uses its proprietary technology under a developer-investor-operator model. The Group develops the projects and finances the construction of the WAGABOX® units and operates them with the constant aim of optimising the biomethane production. The Group derives its revenues from the sale of biomethane and biogas purification services paid by storage site operators for the operation of WAGABOX® units, if the operators wish to be seen as renewable energy producers. The Group offers two distinct business models: either it buys raw gas from waste storage site operators and generates revenue by selling the biomethane to an energy company; or it provides a purification service to the landfill operator who is responsible for selling the biomethane. In all cases, the Group remains the exclusive owner and operator of the WAGABOX® units, with the exception of the units sold to Lorient-Agglomération (France) and to Capital Regional District (Hartland) (Canada), of which the Group nevertheless remains the exclusive operator. The biomethane producer in the regulatory sense, which is either the Group (biomethane sale model) or the storage site operator (purification service model), is responsible for negotiating with the energy company.

In both business models, the operation of WAGABOX® units generates long-term recurring revenues over periods of 10 to 20 years, within the framework of biomethane sales contracts or purification services contracts. In the case of a contract for the sale of biomethane, the purchaser has an obligation to purchase at a contractually determined price, which does not depend on the evolution of market prices or the price of the gas. The Group has no commitment on the volumes of biomethane to be delivered. These volumes depend on the quantity of biogas produced by the storage site, and are anticipated on the basis of audits carried out upstream.

In the United States, and in all countries where there is no government aid for injection, all projects undertaken by the Group are carried out under Biomethane Purchase Agreement (BPA) contracts. The signing of a BPA contract involves negotiation on the volume of biomethane delivered and the sale price of the biomethane under a long-term contract. This price is generally established on the basis of the value of fossil natural gas, to which is added a premium corresponding to the “green value” of biomethane, due to its positive externalities (decarbonisation of an industrial activity, compliance with environmental regulations, local sourcing, stable price, etc.). In the United States, the green value of biomethane is determined by the Renewable Identification Number (RIN) mechanism. In other countries, it is negotiated directly by the Group as part of each BPA contract.

When storage site operators wish to be seen as renewable energy producers, the Group receives a monthly fee as part of a long-term purification service contract signed with the storage site operators.

The business model was also designed to overcome the reluctance of storage site operators - whose core business is far removed from gas engineering and cryogenics - to acquire a complex methane and oxygen purification unit.

Landfill gas injection projects based on the WAGABOX® solution create value and positive synergies for all stakeholders: energy companies, waste storage site operators, public authorities and local communities. They also contribute to the common good through the production of renewable energy for the energy transition and the fight against climate change.

- Energy companies

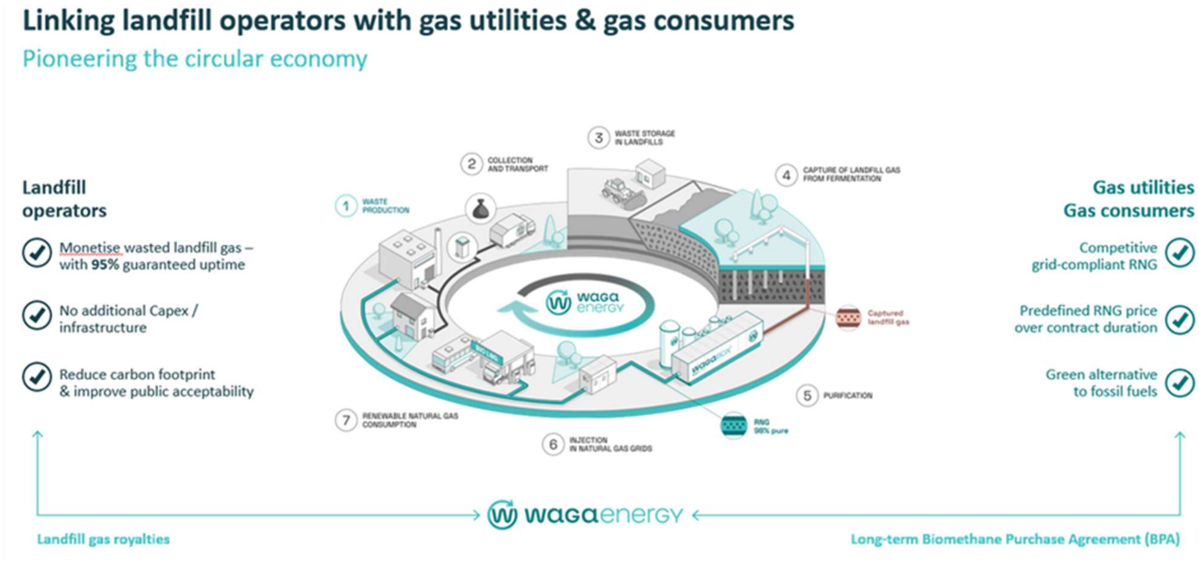
Energy companies have access to significant volumes of renewable gas, immediately available and at competitive prices, to meet the expectations of public authorities and consumers for greener energy. They also benefit from a guaranteed purchase price over a period of 10 to 20 years, which is not the case for natural gas, the price of which is subject to significant fluctuations.

- Waste storage site operators

Waste storage site operators benefit from a “turnkey” solution to recover their gas, requiring no investment on their part and generating additional revenue. This revenue contributes to the profitability of the gas capture mechanism, whose implementation is mandatory in many countries, and which is often used only to supply a flare.

The installation of the WAGABOX® unit does not require any change to the organisation and operation of the storage site. The unit is connected upstream to the existing gas capture grid, in place of the flare or the electricity recovery unit, and is connected downstream to an injection station giving access to the local gas grid. The operation and maintenance is entirely carried out by the Group.

The installation of a WAGABOX® unit contributes to improving the site’s acceptability for local residents, by reducing unpleasant odours (the model encourages maximum gas capture) and by enhancing the site’s image through implementation of a renewable energy project.

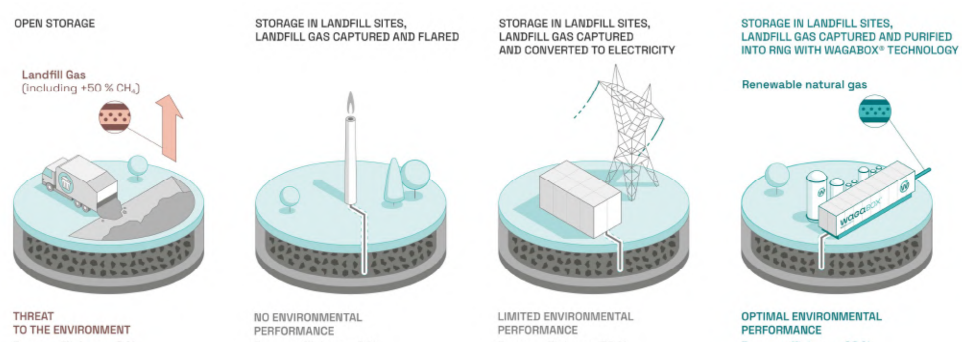


- Governments

Governments that choose to subsidise biomethane from renewable energy waste storage facilities achieve a significant reduction in greenhouse gas emissions for a relatively small investment. The cost per megawatt hour of biomethane produced in a waste storage facility is lower than that of an anaerobic digestion unit, and of most renewable energy sources.

The WAGABOX® solution makes it possible to roll out circular economy projects on a regional scale, with residents consuming renewable gas from the waste they themselves produce. The production of clean, local and renewable energy helps to reduce the dependency of states on countries that import fossil energy.

Lastly, WAGABOX® projects improve the environmental performance of waste storage sites, which are relevant tools to support a waste reduction policy at source. The only alternative available for the treatment of final waste is incineration, but this involves much higher investments, which may penalise the implementation of a policy of waste reduction at source. The consequences of a reduction in tonnages or of a policy of sorting organic materials on the production of gas can be easily anticipated insofar as the spontaneous decomposition process of organic materials in storage containers extends over a period of time of at least 15 to 20 years.



Waga Energy's CSR strategy

Corporate Social Responsibility (CSR) has always been an integral part of Waga Energy's DNA; from its founders to all its employees, all are committed to protecting the environment on a daily basis, while ensuring respect for human rights.

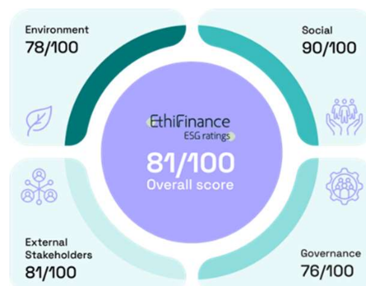
In 2022, the Group undertook a voluntary and active approach to structuring its CSR policy, in order to develop and formalise a CSR strategy based on three central pillars, together with concrete actions.

The Company, driven by its executives and with the support of a specialised external firm, identified its main CSR challenges in 2022, then carried out a diagnosis of the maturity of its practices and, lastly, with the dedicated working group, elaborated the CSR policy presented below.

The Group wishes to formalise the elements of this report on a voluntary basis with the dual objective of:

- providing information to its stakeholders on its virtuous practices in the areas of governance, labour relations and environmental protection;
- better understanding and anticipating reporting expected in the future.

In 2023, Waga Energy obtained a score of 81/100 during the EthiFinance ESG Ratings campaign. This note covers data for 2022.



The Group has developed a CSR policy based on three pillars, each of which has two ambitious goals (summarised in the diagram below), in order to give the Group a trajectory for the continuous improvement of its practices.

Internally, this policy is rolled out so that CSR is well understood by all Group employees and executives.

With regard to external partners, this policy is proof of the Group's efforts to remain exemplary at all levels.

At the end of 2023, Waga Energy conducted a structured consultation with its external stakeholders and the members of the Management Committee. This consultation made it possible to build Waga Energy's dual materiality matrix.

Linking the pillars of the CSR strategy to the material challenges:

Challenges identified	Related ESRS	Pillar of the CSR strategy
Combating climate change through methane capture	E1 - Climate change	Acting for the energy transition *Promoting biomethane as an alternative to fossil fuels*
Reduction of GHG emissions from activities	E1 - Climate change	Acting for the energy transition *Reducing the environmental impact of our activities*
Energy market regulations (in particular the price of electricity and gas)	E1 - Climate change	Acting for the energy transition *N/A*
Promotion and supply of renewable, accessible and useful energy	E1 - Climate change	Acting for the energy transition *Promoting biomethane as an alternative to fossil fuels*
Safety and quality of WAGABOX® and incident prevention	S1 - Own workers	Fostering employee development *N/A*
Attractiveness, skills management and talent retention	S1 - Own workforce	Fostering employee development *Developing skills and encouraging diversity*
Employee health and safety and quality of life at work	S1 - Own workforce	Fostering employee development *Acting for quality of life at work and social dialogue*
Fair business practices and ethics	G1 - Business conduct	Making all stakeholders accountable *Spreading a culture of ethics and risk management*

Following the dual materiality exercise conducted, Waga Energy is currently considering adapting its CSR strategy and incorporating the material sustainability challenges that have been partially included to date. In particular, this will involve strengthening the *"Safety and quality of WAGABOX® and incident prevention"* aspect of the *"Fostering employee development"* pillar, which, although taken into account in the overall HR policies, is not specifically taken into account in the strategy pillar.

Concerning the "Involving external stakeholders" aspect of the "Making all stakeholders accountable" pillar, Waga Energy's external stakeholders are involved in a cross-functional manner on sustainability issues through regular formal and informal exchanges with Waga Energy's teams. However, the dual materiality analysis carried out made it possible to involve external stakeholders *via* a formalised process that can be replicated.

Consideration of stakeholder interests

Waga Energy bases its CSR strategy on an ongoing dialogue with all of its internal and external stakeholders. In addition to opportunities for informal discussions with stakeholders, in 2023 Waga Energy conducted a structured consultation with its external stakeholders and the members of the Management Committee. The purpose of this consultation was to build Waga Energy's dual materiality matrix by comparing the different visions of stakeholders on pre-identified sustainability issues.

In addition to the stakeholder consultation conducted for the dual materiality analysis, Waga Energy plans to formalise a regular consultation process to integrate the interests and points of view of its stakeholders in relation to the strategy and business model of the Company in relation to sustainability issues. The result of this consultation will be presented to the governance bodies.

- Material impacts, risks and opportunities

Waga Energy has identified the following eight material challenges:

- Combating climate change through methane capture

The fight against climate change is the set of actions taken to keep the increase in the global average temperature below 2°C and to continue efforts to limit it to 1.5°C above the pre-industrial levels, as provided for in the Paris Agreement.

➔ Waga Energy helps reduce methane emissions into the atmosphere, as methane is a greenhouse gas whose warming power is 84 times that of CO2 (over a 20-year period). 100% of Waga Energy's activity is dedicated to the substitution of fossil gas by biomethane and the fight against climate change, making this issue a major opportunity for the Group.

- Reduction of the greenhouse gas (GHG) emissions from activities

A GHG is a gas present in the atmosphere that retains part of the heat received from the sun's rays. This phenomenon, the greenhouse effect, is natural and essential to life on Earth. However, human activities emit significant amounts of GHGs, disrupting the natural balance and contributing to global warming. It is important to reduce their emissions to fight against climate change. At the European level, Member States - including France - must reduce their emissions by 55% by 2030 compared to 1990 levels ("Fit for 55"). These reductions are achieved by using various levers, some of which may affect the activities of private players (imposed reductions, quotas, sanctions).

➔ Waga Energy, like any industrial player, emits GHGs as a result of its activity. This issue, which is directly linked to the Group's business, is one of the pillars of its CSR strategy.

- Energy market regulations (in particular the price of electricity and gas)

Energy market regulations vary considerably globally, reflecting various national energy policies and environmental concerns. However, several favourable trends are observed around the world.

In France, the energy market is subject to regulations aimed at promoting competition, supporting renewable energies and achieving ambitious energy transition targets. The French Energy Transition for Green Growth Act, in force since 2015, sets out the main lines of the French energy policy. It is committed to reducing dependence on nuclear energy and increasing the share of renewable energies. Law No. 2023-175 of 10 March 2023 on the acceleration of renewable energy production amends several provisions of the French Energy Code relating to the marketing of gas to include the long-term direct sales contract of biogas, renewable gas and low-carbon gas by a producer to an end consumer, without the need for the producer to have an authorisation to supply natural gas. Lastly, the order of 10 June 2023 on the conditions for purchasing injected biomethane introduced an energy cost component to the indexation of prices, which allows producers to pass on the increase in energy costs of 2021 and 2022. Producers will now be better hedged as regards their selling price.

➔ Waga Energy, as a builder, supplier and operator of facilities for the production of biogas injected into the gas network, must comply with energy market regulations and quality standards. At present, Waga Energy benefits from regulations that encourage the production of renewable energy. The Group can inject the biomethane produced into the gas network, benefit from support for biomethane injection and/or negotiate Biomethane Purchase Agreement (BPA) contracts.

- Promotion and supply of renewable, accessible and useful energy

Diversifying energy sources is crucial to ensure energy security in a country and to ensure energy equity by allowing everyone access to green energy.

In France, the promotion and supply of accessible and useful renewable energies involves a combination of regulatory mechanisms (*e.g.* the Energy Transition for Green Growth Act), financial support (*e.g.* guaranteed feed-in tariffs, subsidies), supplier commitment (*e.g.* green suppliers, green energy certificates) and awareness-raising efforts to create a more sustainable and accessible market for consumers. The current multi-year energy programme provides for a target of 14 to 22 TWh of biomethane injected by 2028. On the basis of the proactive scenario of the forward-looking multi-year gas assessment for 2017-2035, GRDF even estimates that it is possible to reach 30% renewable gas in the grids by 2030.

At the European level, the ambition of the Gas for Climate consortium, gathering the main gas transmission operators, is similar, with the objective of reaching 11% renewable gas in the grid by 2030. Following the invasion of Ukraine by Russia, the European Commission announced, in May 2022, the REPowerEU plan, which provides for an investment of €37 billion in the biogas sector and an increase in biomethane production to 35 billion cubic metres by 2030.

Canada and the United States also have strong ambitions. In Canada, the Quebec grid operator Énergir is targeting 10% biomethane to be injected into the grid by 2030. The United States aims to produce 58 TWh of biomethane by 2030, which is higher than global demand in 2018 (50 TWh). The sector should benefit from the measures adopted as part of the law on the reduction of inflation ("Inflation Reduction Act") adopted in August 2022, which will devote $369 billion to renewable energies.

➔ Waga Energy, as a developer, investor and operator of biomethane production facilities, is concerned by the challenges of promoting and supplying accessible and useful renewable energy. Its activity has a direct impact on this issue and is similarly impacted by regulatory mechanisms, financial support, supplier efforts and the resulting awareness-raising efforts.

- Safety and quality of WAGABOX® and incident prevention

The prevention of incidents involves the implementation of preventive measures including the secure management of raw materials, monitoring of production processes, proper storage and safe transport.

➔ For Waga Energy, WAGABOX® safety and quality and incident prevention means offering high-quality, safe facilities that meet strict safety standards. This encompasses design, manufacturing, testing and quality controls throughout the production process. All this in order to ensure the safety of users and prevent the appearance of environmental and human risks.

- Attractiveness, skills management and talent retention

Attractiveness, skills management and talent retention are crucial for organisations. They must create attractive working environments to attract talented professionals. Skills management, including in particular training, is key to optimising individual and organisational performance. Talent retention, ensured by attractive benefits and advancement opportunities, and a positive corporate culture, prevents the loss of key skills. Developing a strong employer brand, taking into account the needs of new generations and promoting diversity and inclusion are essential strategies to meet these challenges. In summary, organisational success depends on the ability to attract, develop and retain talent in a stimulating professional environment.

➔ The activity of Waga Energy requires the skills of qualified employees. The renewable energy market is very competitive in terms of recruitment. Waga Energy must ensure its attractiveness, skills management and talent retention to ensure that it has the human resources necessary for its development because its success is based on the experience and expertise of its employees.

- Employee health and safety and quality of life at work

This section presents all the measures and practices put in place to protect the health and safety of workers, as well as to prevent accidents and occupational illnesses. The aim of occupational health and safety is to ensure safe and healthy working conditions for all workers and to reduce health and safety risks in working environments. Quality of life at work includes all the elements that contribute to guaranteeing a fair and equitable working environment for each worker, by promoting safety, physical and mental integrity and well-being at work.

➔ Waga Energy makes safety one of its main strategic objectives. This major issue is a priority for the Group and its development. A comprehensive training system focused on safety ensures the competence of employees in all regions. All aspects of health and safety prevention are studied to ensure the best performance of Waga Energy and its subsidiaries in the area of employee health and safety. The Group must also promote quality of life at work to guarantee the Company's performance.

- Fair business practices and ethics

Standards aim to implement and enforce ethical practices at the level of the Company's operational activities and its value chain (in particular by combating corruption, fraud, bribery, counterfeiting and unfair competition, while ensuring data protection).

➔ Waga Energy has multiple business relationships, in particular with suppliers, waste storage sites and various intermediaries. The Group must maintain high-quality, transparent and fair relationships with its partners in order to establish balanced agreements that respect the law and prohibit any unlawful, unfair or misleading commercial practices.

12.1.2 Information on impacts, risks and opportunities (IRO)

❖ Process for identifying and assessing material challenges

In 2023, with the support of a specialised external firm, Waga Energy built its dual materiality matrix on the basis of already existing resources (risk mapping, ESG maturity analysis) and stakeholder consultation. Waga Energy has built an internal collective approach, with a working group bringing together the skills and knowledge from the various departments (Legal, CSR, Strategy, Human Resources, Finance, QHSE) and General Management. Waga Energy has identified 18 sustainability issues based on the EFRAG reporting standards (ESRS, their themes, sub-themes and sub-sub-themes), the risks already identified by the Group (particularly in the *Risk factors* section of its Universal Registration Document) and the challenges identified by other players in the sector.

Each issue was then analysed from a dual perspective:

- an impact perspective: impacts of Waga Energy's activities and organisation on people, society and the environment; Waga Energy considered the positive and negative impacts, actual or potential, associated with the 18 sustainability issues and related to its direct activities as well as its upstream and downstream value chain. In accordance with the CSRD guidelines, materiality thresholds have been set for the magnitude, extent and irremediable nature (and the probability of occurrence of the potential impacts).

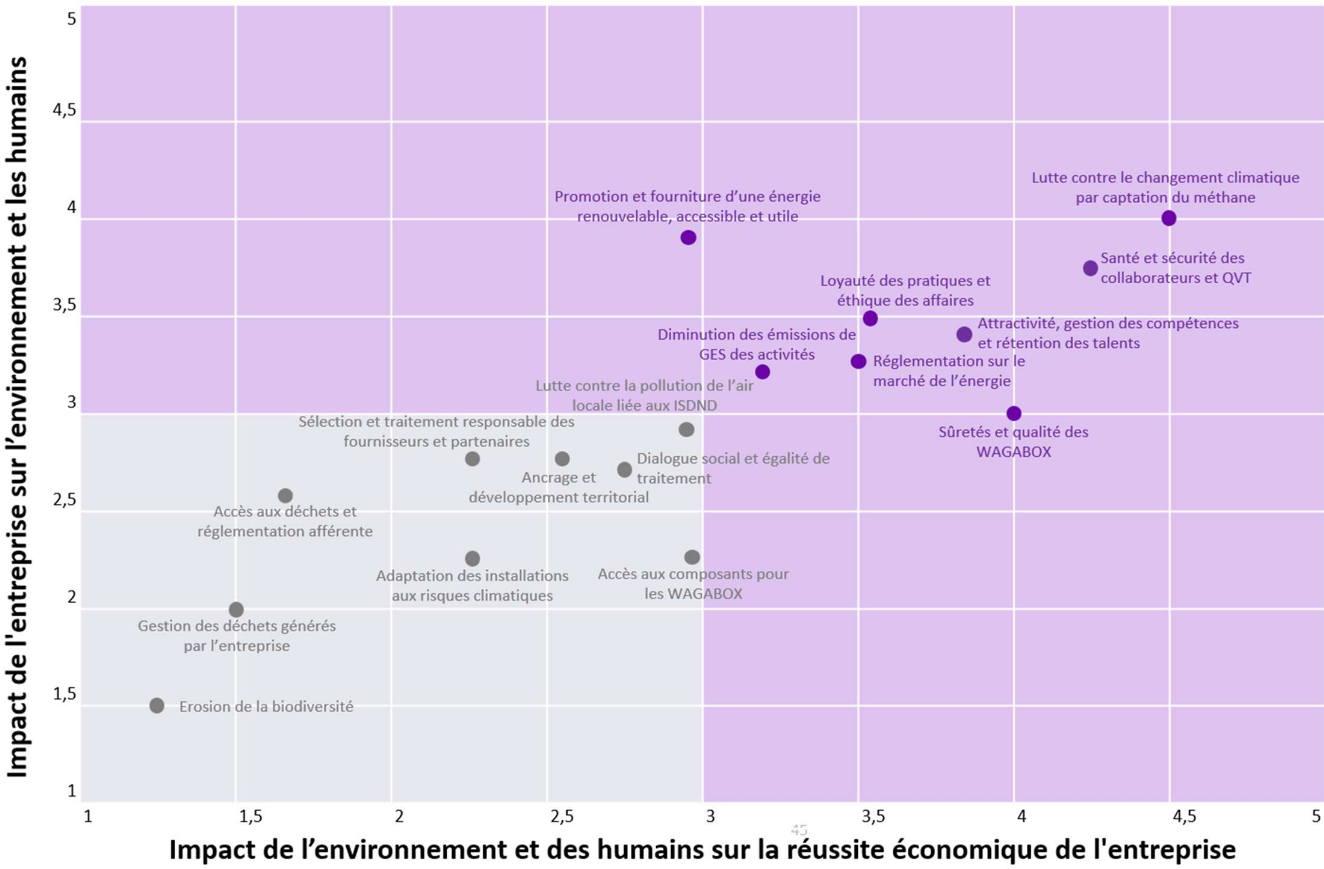
- a financial perspective: risks and opportunities associated with these sustainability issues that may have a positive or negative impact on Waga Energy's business model, development, performance and position, in the short, medium or long term, and therefore create or erode the Group's value. In accordance with the CSRD guidelines, materiality thresholds have been set for the impact (financial or reputational) and occurrence (frequency or probability of occurrence).

After having determined the materiality thresholds (with the Group), the assessment of the impacts, risks and opportunities related to the 18 sustainability issues was carried out both during consultations and workshops with internal stakeholders (including two workshops with the Management Committee and a workshop with the Finance Department), but also with the help of external stakeholder consultations *via* online questionnaires and qualitative interviews. When an issue presented several impacts, risks and opportunities, the highest score was used to assess the materiality of said issue.

- External stakeholders: Waga Energy consulted its external stakeholders both through an online questionnaire and during interviews. The categories of stakeholders that were contacted as part of the consultation are: storage site operators, members of the financial community, technology suppliers, gas transmission system operators, buyers, industrial peers.

- Internal stakeholders: Waga Energy consulted the members of the Management Committee on the impact and financial materialities *via* an online questionnaire, and subsequently during a decision-making workshop aimed at finalising the dual materiality matrix.

This analysis led to the identification of eight material challenges (exceeding the impact materiality and/or financial thresholds) as presented below:



Impact de l'entreprise sur l'environnement et les humains	Impact of the company on the environment and people
Impact de l'environnement et des humains sur la réussite économique de l'entreprise	**Impact of the environment and people on the economic success of the company**
Promotion et fourniture d'une énergie renouvelable, accessible et utile	Promotion and supply of renewable, accessible and useful energy
Lutte contre le changement climatique par captation du méthane	Combating climate change through methane capture
Loyauté des pratiques et éthique des affaires	Fair business practices and ethics
Santé et sécurité des collaborateurs et QVT	Employee health and safety and QLW
Diminution des émissions de GES des activités	Reduction of GHG emissions from activities
Attractivité, gestion des compétences et rétention des talents	Attractiveness, skills management and talent retention
Réglementation sur le marché de l'énergie	Energy market regulations
Sûretés et qualité des WAGABOX	Safety and quality of WAGABOX
Lutte contre la pollution de l'air locale liée aux ISDND	Combating local air pollution related to NHWSF
Sélection et traitement responsable des fournisseurs et partenaires	Selection and responsible treatment of suppliers and partners
Dialogue social et égalité de traitement	Social dialogue and equal treatment
Ancrage et développement territorial	Local presence and development
Accès aux déchets et réglementation afférente	Access to waste and related regulations

Adaptation des installations aux risques climatiques	Adaptation of facilities to climate risks
Accès aux composants pour les WAGABOX	Access to components for WAGABOX
Gestion des déchets générés par l'entreprise	Management of the waste generated by the company
Érosion de la biodiversité	Biodiversity erosion

The following challenges are material:

- Combating climate change through methane capture
- Reduction of GHG emissions from activities
- Energy market regulations (in particular the price of electricity and gas)
- Promotion and supply of renewable, accessible and useful energy
- Safety and quality of WAGABOX® and incident prevention
- Attractiveness, skills management and talent retention
- Employee health and safety and quality of life at work
- Fair business practices and ethics

Challenges identified	Related ESRS	Impact materiality	Financial materiality	Material challenge under the CSRD	Part of the sustainability report where the issue is addressed
Combating climate change through methane capture	E1 - Climate change	Material	Material	Yes	Combating climate change through methane capture
Reduction of GHG emissions from activities	E1 - Climate change	Material	Material	Yes	Reduction of GHG emissions from activities
Energy market regulations (in particular the price of electricity and gas)	E1 - Climate change	Material	Material	Yes	Energy market regulations (in particular the price of electricity and gas)
Promotion and supply of renewable, accessible and useful energy	E1 - Climate change	Material	Non-material	Yes	Promotion and supply of renewable, accessible and useful energy
Security and quality of WAGABOX® and incident prevention	S1 - Own workers	Material	Material	Yes	Security and quality of WAGABOX® and incident prevention
Attractiveness, skills management and talent retention	S1 - Own workforce	Material	Material	Yes	Attractiveness, skills management and talent retention
Employee health and safety and quality of life at work	S1 - Own workforce	Material	Material	Yes	Employee health and safety and quality of life at work
Fair business practices and ethics	G1 - Business conduct	Material	Material	Yes	Fair business practices and ethics
Adaptation of facilities to climate risks	E1 - Climate change	Non-material	Non-material	No	
Fight against local air pollution linked to non-hazardous waste storage facilities	E2 - Pollution	Non-material	Non-material	No	
Biodiversity erosion	E4 - Biodiversity & ecosystems	Non-material	Non-material	No	Biodiversity erosion
Access to the components necessary for the manufacture of WAGABOX®	E5 - Resource use & circular economy	Non-material	Non-material	No	Responsible purchasing
Management of the waste generated by the company	E5 - Resource use & circular economy	Non-material	Non-material	No	Management of the waste generated by the company
Access to waste and related regulations	E5 - Resource use & circular economy	Non-material	Non-material	No	
Social dialogue and equal treatment	S1 - Own workforce	Non-material	Non-material	No	Social dialogue and equal treatment

Challenges identified	Related ESRS	Impact materiality	Financial materiality	Material challenge under the CSRD	Part of the sustainability report where the issue is addressed
Local presence and development	S3 - Affected communities	Non-material	Non-material	No	
Selection and responsible treatment of suppliers and partners	S2 - Workers in the value chain G1 - Business conduct	Non-material	Non-material	No	

List of sustainability issues

It should be noted that Waga Energy has chosen to communicate on some of the challenges defined as non-material by the double materiality analysis.

12.2 Environment

12.2.1 Application of the European Green Taxonomy to Waga Energy's activities for the 2023 financial year (Article 8 of Regulation 2020/852 on the taxonomy)

❖ Regulatory context

As part of the Green Deal for Europe, the European Union has taken important steps to build a sustainable finance ecosystem. European Regulation 2020/852 of 18 June 2020, known as the "European Green Taxonomy", establishes a system for classifying economic activities considered as environmentally sustainable. This framework, common to the European Union, makes it possible to identify economic activities contributing to the European objective of carbon neutrality and thus establishes a comparable basis between companies. Ultimately, the Taxonomy aims to direct the investments of public and private players towards activities contributing to the transition to a more sustainable economy. To this end, this Regulation defines six environmental objectives:

1. climate change mitigation;
2. climate change adaptation;
3. sustainable use and protection of water and marine resources;
4. transition to a circular economy;
5. pollution prevention and reduction;
6. protection and restoration of biodiversity and ecosystems.

The Regulation, through its Delegated Acts, establishes ambitious and transparent scientific criteria to assess the contribution of an activity to one of the six objectives. To this end, two main concepts are defined:

- Eligibility:

An eligible activity is an activity listed in the Delegated Acts for which technical criteria have been defined. To date, these are "priority" activities with the greatest potential to contribute to the environmental objectives. Nevertheless, the Delegated Acts will be updated and enriched in order to integrate more and more activities and strengthen the requirements. An activity eligible under the "climate mitigation" or "climate change adaptation" objectives in force is an activity listed in Appendices I and II of the Delegated Climate Regulation (EU) 2021/2139 of the Taxonomy.[32]

- Alignment:

An aligned activity is an eligible activity that contributes substantially to an environmental objective according to technical criteria set for each environmental objective, which does not cause significant harm to the other environmental objectives, and which meets minimum guarantee criteria.

Application to Waga Energy

Under Delegated Regulation (EU) 2021/2178 of 6 July 2021, companies affected by the compliance thresholds are required to publish the share of their revenue, capital expenditure (Capex) and operating expenses (Opex) associated with their eligible and aligned activities. Even if Waga Energy is not yet subject to the European Green Taxonomy with regard to the regulatory thresholds, the Group is committed to enabling its partners to report on these matters. In 2023, the Group entrusted I Care by BearingPoint with the analysis of its eligibility for the European Taxonomy. It should be noted that, as

[32]Source: https://eur-lex.europa.eu/legal-content/FR/TXT/PDF/?uri=CELEX:32021R2139

the Group is not subject to the taxonomy regulations, the information included in this report is partial and provided on a voluntary basis.

Eligibility results of Waga Energy's activities for the European taxonomy

The analysis of the eligibility of Waga Energy's activities for the 2023 financial year provided the following results:

- Revenue

The first step is to identify the taxonomic classification activity that best corresponds to that of the Group.

All of the Group's revenue comes from the gas captured from non-hazardous waste storage facilities (NHWSF) or the sale, operation and maintenance of WAGABOX® units. The WAGABOX® units are installed on landfills in commercial activity.

Thus, the activity *5.10 - Landfill gas capture and utilisation*[33] described as "*Installation and operation of infrastructure for landfill gas capture and utilisation in permanently closed landfills or landfill cells using new or supplementary dedicated technical facilities and equipment installed during or post landfill or landfill cell closure*" was selected as the most appropriate in view of Waga Energy's activity. In this respect, all of Waga Energy's revenue is eligible for the taxonomy under activity 5.10.

However, it should be noted that the NHWSFs at which the WAGABOX® units are installed are still active and/or have storage containers that are not yet sealed. The environmental contribution of biogas is undifferentiated whether it comes from NHWSFs in commercial activity or closed NHWSFs, as was demonstrated in the study conducted jointly by SUEZ, Veolia and Waga Energy and carried out by ECube Strategy Consultants.[34] In addition, the study argues that limiting the eligibility for the European taxonomy to "permanently closed" landfills or landfill cells would hamper the best practices for capturing biogas during the operating phase of open landfill cells, at a time when the concentration of methane produced is the highest. Waga Energy adopted an extensive approach to activity 5.10 and included in its analysis the activity from sealed or not yet sealed storage containers.

Note on the choice of the taxonomic activity:

In 2021, Waga Energy conducted an analysis based on activity *4.13 - Manufacture of biogas and biofuels for use in transport and of bioliquids* for 100% of its revenue. The additional analysis carried out in 2023 led the Group to review this classification, in favour of activity 5.10, which corresponds better than activity 4.13.

	Eligible gross value (in € m)	Eligible relative portion (in %)
Total from the consolidated financial statements (2023)	€33.25	
Eligible revenue (2023)	€33.25	100%
Non-eligible revenue (2023)	€0.00	0%

- Capex

[33]Source: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32021R2139

[34]A study conducted jointly by SUEZ, Veolia and Waga Energy and carried out by ECube Strategy Consultants offers recommendations for NHWSF operators and political decision-makers. The objective is to pursue the ambition of guaranteeing and strengthening the contribution of NHWSF operators to the European Union's biomethane production objectives, while minimising the impact on the environment. https://waga-energy.com/en/ecube-study/

In 2023, 89.7% of the Capex analysed were eligible. These relate exclusively to capital expenditure related to WAGABOX®. The non-eligible Capex, "individual measures", include all investment expenses not related to the eligible activity and were not analysed on the basis of the 2023 data.

	Eligible gross value (in € m)	Eligible relative portion (in %)
Total from the consolidated financial statements (2023)	€44.16	
Eligible Capex (2023)	€44.10	89.7%
Non-eligible Capex (2023)	€5.06	10.3%

❖ Opex

The eligible Opex represent a non-material portion of Waga Energy's total operating expenses. The Group has therefore decided to apply the exemption relating to the exemption from publication of the Opex ratio.[35]

12.2.2 Information on the environmental strategy

❖ Waga Energy's global environmental strategy (ESRS E1: Climate change)

Challenges related to ESRS E1:

- Combating climate change through methane capture
- Reduction of GHG emissions from activities
- Energy market regulations (in particular the price of electricity and gas)
- Promotion and supply of renewable, accessible and useful energy

A pioneer in the production of biomethane from waste, the Group is committed to the energy transition and the fight against climate change.

The Group attaches particular importance to the environmental challenges of its activities, in particular energy and climate issues, as well as the circular economy and biodiversity.

All these topics are an integral part of the environmental approach initiated at Group level by General Management, the Legal & Compliance Department, and the Quality, Health, Safety and Environment Department. They are then embodied on a daily basis by all employees, both in terms of the design and operation of production units, and across all support functions.

A regulatory watch includes all environmental issues (environmental code, environmental authorisations, ICPE regulations, etc.).

Waga Energy (Europe) has been ISO 14001 certified since June 2023. This certification guarantees Waga Energy's desire to constantly improve on environmental issues.

Waga Energy has not yet developed an internal carbon price.

12.2.3 Information on impacts, risks and opportunities

[35]Source: https://eur-lex.europa.eu/legal-content/FR/TXT/PDF/?uri=CELEX:32021R2178

Material challenge	Impact	Risk (transition / adaptation)	Opportunities
Combating climate change through methane capture	Positive: - The Group contributes to reducing methane emissions at waste storage sites by converting a major source of atmospheric pollution into easily accessible renewable energy. *[proven impact]*	- Future regulations on biomethane, as gas has been qualified by the EU as a transitional energy: the risk that such a regulation would cover all revenue, but the probability seems limited to date given the weight of gas in the energy mix and the constant evolution of the volumes produced and consumed. *[transition risk]*	- Business model based on the fight against climate change: all revenue is based on the fight against climate change.
Reduction of GHG emissions from activities	Negative: - Depending on the Group's location, Waga Energy must consider its electricity consumption in light of the country's energy mix. Some countries have a more carbon-intensive mix than others. *[potential impact]* - The Group uses refrigerants that can damage the ozone layer. Lean gases, not recovered by injection and treated by a thermal oxidiser, can pollute the air. *[potential impact]*	- Regulatory risk (carbon tax, carbon budget): while it is likely that binding regulations will emerge in the medium to long term requiring companies to reduce emissions, Waga's emissions are low compared to the emissions avoided by its facilities. It appears that this could protect the Group from major costs. *[transition risk]*	
Energy market regulations (in particular the price of electricity and gas)	Positive: - Waga Energy may decide to take concerted action to influence regulations on the energy market. *[proven impact]* *[potential impact]*	- A possible unfavourable change in regulations or public policies to support renewable energies (reduction in subsidies, end of the preferential tariff) would have a heavy impact on the viability of Waga Energy's projects. *[transition risk]*	The Group is developing in several markets to avoid excessive dependence on any one market and in particular on subsidised markets. Through Biomethane Purchase Agreements (BPA), the Group secures, over the long term, the majority of volumes outside the regulated French tariff, at prices independent of the certificates linked to the regulatory support mechanisms.
Promotion and supply of renewable, accessible and useful energy	Positive: - The Group contributes to the availability of biomethane on the gas network, with a view to increasing the volume due to the Group's growth. *[proven impact]*		- Reputational opportunity driven by the Group's business model and vision

Material challenges for Waga Energy

❖ Combating climate change through methane capture

Objective(s)	• Contribute to the fight against climate change by capturing methane from landfills Sustainability issues addressed by the policy: climate change mitigation, development of renewable energies
IROs affected	See Section 1.3.4

❖ Promoting biomethane as an alternative to fossil fuels

Methane (CH4) is the second largest contributor to climate change after carbon dioxide (CO2). Over a 20-year period, its warming power is 84 times greater than that of carbon dioxide. Reducing human-made methane emissions is essential to contain the increase in the average global temperature to well below 2°C compared to pre-industrial levels, a target set by the Paris Agreement signed in 2016 by 196 countries.

More recently, at the United Nations Climate Change Conference (COP26) of 2021, more than 110 countries committed, under the “Global Methane Pact”, to reducing their methane emissions by 30% compared to 2020 by 2030.

The Group intends to make a proactive contribution to these international environmental objectives by capturing the methane emitted by waste storage sites and transforming it into biomethane, a renewable substitute for fossil natural gas, injected directly into existing gas networks.

The technologies developed by the Group aim to contribute to the preservation of the environment by:

1. Reducing or avoiding significant emissions of methane into the atmosphere
2. Transforming this gas into biomethane, a renewable and local energy source.

Capturing methane to transform it into biomethane contributes to the energy transition and to the greenhouse gas emission reduction targets set by governments at the international level. The WAGABOX® unit produces renewable energy from a hitherto little-valued resource.

Waga Energy has its WAGABOX® production units certified to guarantee the quality and compliance of the biomethane sold. In Europe, the WAGABOX® units with a production capacity of more than 20 GWh are EU ISCC certified. Developed within the European Union, the International Sustainability & Carbon Certification (ISCC) programme is the first international certification system for biomass and bioenergy. In North America, the biomethane produced by WAGABOX® units is used to generate renewable identification numbers (RIN).

❖ Notes on the monitoring indicators

- Number of WAGABOX® units in operation / Unit capacity

In 2023, five new WAGABOX® units were launched, including three outside France (two in Canada and one in Spain), representing a major step in the international deployment of the solution. The Spanish unit and one of the two Canadian units are high-capacity machines that can produce three to five times more than standard French units.

During 2023, Waga Energy began the construction of six new units in the United States, representing an additional production capacity of 660 GWh per year, comparable to the total installed capacity of the 17 units commissioned in France since 2017.

- Greenhouse gas emissions reduced or avoided by biomethane production

The Group is currently working on the development of a scientific measurement methodology for the greenhouse gas emissions avoided thanks to its WAGABOX® solution.

The measurement of the tonnes of CO_2 equivalent avoided is used by the IPCC to compare the impact on the climate of gases with different warming powers and lifetimes in the atmosphere. In the case of methane, the CO_2 equivalent is 28, which means that one tonne of methane will have the same impact on the rise in temperatures over 100 years as 28 tonnes of CO_2.

The Group assesses the environmental impact of its units by measuring the tonnes of CO^2 equivalent avoided by replacing fossil natural gas with biomethane. As the biomethane produced by the WAGABOX® units is injected directly into gas infrastructures, the Group considers that each cubic metre of biomethane injected avoids the consumption of one cubic metre of fossil natural gas. The impact is calculated by multiplying the volume of biomethane injected by the ratio established between the biomethane and natural gas emission factors included in the ADEME carbon database.

Based on the Base Empreinte database developed by ADEME, updated in September 2023, the Group estimates that its biomethane production for 2023 avoided the emission of around 58,934 tonnes of CO_2 equivalent into the atmosphere.

The installation of a WAGABOX® unit encourages operators to efficiently capture the methane emitted by their storage site, in order to increase the revenue generated by the sale of this raw gas. In addition, the revenues generated help them maintain and improve their collection systems, thus reducing fugitive methane emissions into the atmosphere. As it is unable to quantify these avoided methane emissions, the Group does not take them into account in the assessment of its environmental impact.

Indicators

Promoting biomethane as an alternative to fossil fuels	2022	2023
Capacity of WAGABOX® units owned in TWh/year	0,9	1,6
of which in operation	0,4	0,7
of which under construction	0,5	1,0
Capacity of WAGABOX® units not directly owned in TWh/year	0,6	0,6
of which in operation	0,1	0,1
of which under construction	0,4	0,4
Number of WAGABOX® units in operation	13	18
Greenhouse gas emissions avoided by biomethane production (tCO2eq)	37 500	58 934

❖ Promotion and supply of renewable, accessible and useful energy

Objective(s)	• Promote and provide renewable, accessible and useful energy Sustainability issues addressed by the policy: development of renewable energies, other
IROs affected	See Section 1.3.4

❖ Easily accessible

The degradation of organic matter contained in waste spontaneously produces biogas consisting of methane (CH_4) and carbon dioxide (CO_2). This biogas must be captured to avoid methane emissions into the atmosphere. This operation is carried out through aspiration devices which also recover air. The gas from storage sites consists of a mixture of methane, carbon dioxide, nitrogen and oxygen, to which are added various volatile organic compounds, depending on the type of waste stored. Its composition and flow rate are unpredictable and vary constantly, depending notably on weather conditions.

The recovery of this complex gas represents a technical, economic and ecological challenge. In the absence of an efficient and profitable solution, most operators simply burn it in a flare, or let it escape into the atmosphere, which contributes to climate change. Millions of cubic meters of methane are lost. The Group's goal is to put an end to this energy waste.

To this end, the Group has developed a purification solution that is unique in the world, the WAGABOX®, making it possible to transform gas from storage sites into biomethane, a renewable substitute for fossil natural gas. This innovative technology combines membrane filtration and cryogenic distillation to separate methane from other components. It guarantees the production of biomethane that can be injected directly into existing distribution networks to supply individuals and businesses.

By recovering a by-product from waste treatment, the Group is able to produce large volumes of biomethane at a competitive and guaranteed price over periods ranging from 10 to 20 years. The Group intends to promote an ecological alternative to natural gas, facilitate the adoption of biomethane by as many people as possible, and help reduce dependence on fossil fuels.

Biomethane, an element of the energy transition, makes it possible to decarbonise, as of today, certain sectors such as industry, transport and housing, which are still heavily dependent on fossil fuels and contribute to greenhouse gas emissions.

The Research & Development team works on the continuous improvement of our WAGABOX® technological solution, which it protects by regularly filing patents.

The Group's core business is based on the integrated developer-investor-operator business model for long-term contracts, in which the Group is committed to the performance of the WAGABOX® units with the following players.

- The landfill operator (in France a non-hazardous waste storage facility - NHWSF), which supplies biogas;
- The energy company, buyer of biomethane.

The Group, which manufactures and operates WAGABOX® units, owns the purification process to convert biogas into biomethane.

Two separate economic models have been developed in the business:
- sale of biomethane,
- purification services.

For biomethane sales, the Group enters into a biogas purchase contracts with the NHWSF operator, and a biomethane sales contracts with an energy company.

For purification services, the Group enters into contracts with NHWSF operators, provides biogas purification services and guarantees fixed compensation in return for the service. NHWSF operators, which are biomethane producers in the regulatory sense, enter into biomethane sales contracts with energy companies.

WAGABOX® units intended for European markets are built in France, in the Auvergne-Rhône-Alpes region, using components purchased mainly in Europe and Japan. The units intended for the North American market are built in Canada, with the exception of the cryogenic distillation modules, which are all manufactured in France. The construction, operation and maintenance of WAGABOX® units are carried out in strict compliance with current European and North American regulations and quality standards.

The Group deploys the WAGABOX® solution at waste storage sites operated by industrial groups, local authorities or mixed associations. Biomethane produced by WAGABOX® units is sold to energy companies, who distribute it to end consumers, or to companies wishing to decarbonise their activities.

Indicator

Converting a major source of air pollution into easily accessible renewable energy	2022	2023
Boimethane production (in GWh)	216	336

In 2023, the WAGABOX® units in service injected 336 GWh (including 63 GWh internationally) of biomethane into the networks, compared to 216 GWh in 2022 (+55%). They ensured an average availability of more than 95% (for an operating period of more than 12 months).

- Reduction of GHG emissions from activities

Objective(s)	• Reduce the GHGs from Waga Energy's activities by controlling energy consumption • Reduce the overall carbon footprint of Waga Energy's activities Sustainability issues addressed by the policy: climate change mitigation, energy efficiency
IROs affected	See Section 1.3.4

❖ Energy consumption

The Group attaches the greatest importance to controlling direct and indirect energy consumption throughout the life cycle of its products: from the design of WAGABOX® units through to the supply of raw materials, the construction of units, or their maintenance.

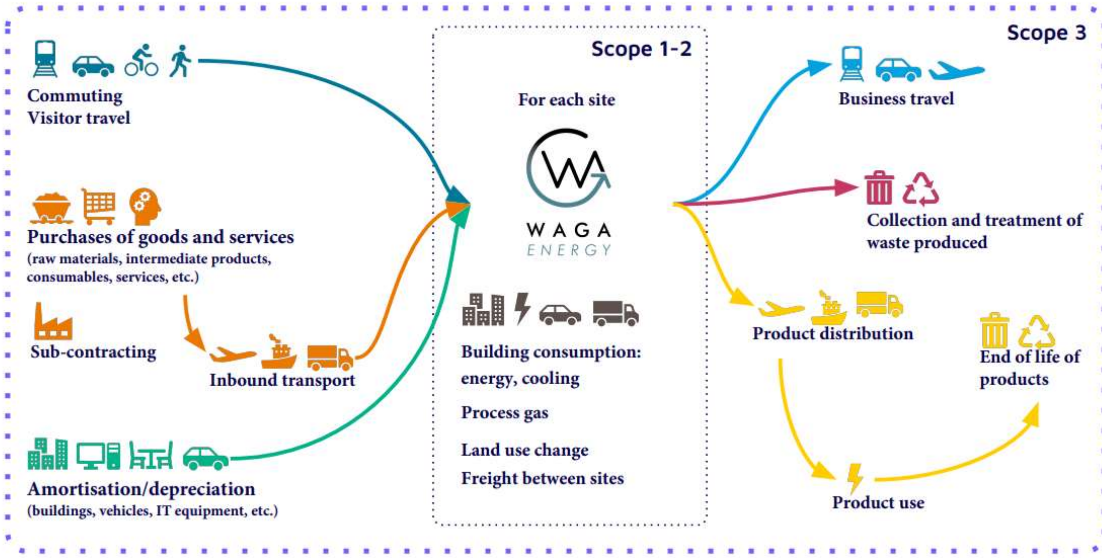
The Group has implemented numerous actions in terms of energy efficiency and sobriety, notably:

- Registered office in Eybens:
  - Optimisation of lighting systems through the use of LED bulbs, presence detectors;
  - As part of the deconstruction and development work: Waga Energy wanted to promote the reuse of materials already present on site in a circular economy approach by involving a social and solidarity-based economy structure. Some materials and equipment, which were dismantled during the operation, were reused in the building. Equipment and materials that could not be reused on site were put back on the market by the structure for reuse or transformation. This approach made it possible to avoid approximately 331 tonnes of CO_2eq.
- Automotive fleet
  - Use of BioNGVs in the car fleet in France
- Use of local partners whenever possible. The Group works with boilermakers, integrators and electricians located in the Auvergne Rhône-Alpes region for its Western European market;
- Short-circuit supply of consumables as soon as possible, use of more environmentally-friendly products (oils, biosourced filtration media).

❖ Climate change and carbon footprint

The Group's biomethane production units are not very sensitive to climate risks. The Group is aware that climate change will have an upward impact on ambient temperatures across all regions. The Research & Development teams anticipate the necessary changes, such as to respond to recurring hot weather phenomena. To cope with this increase, new facilities are designed to operate at temperatures of up to 45°C.

The Group is also committed to limiting its own environmental footprint and carried out its first carbon assessment in 2023 for 2022 on scopes 1, 2 and upstream and downstream within the French scope.



Indicators

Greenhouse Gas Emissions on Scopes 1, 2 and 3[36]	2022	2023[37]
Scope 1 GHG		
Scope 1 emissions (tCO_2eq)	240.23	
Scope 2 GHG		
Scope 2 location-based (tCO2eq)	789.17	
Scope 2 market-based (tCO2eq)	53.19	
Scope 3 GHG		
Scope 3 location-based (tCO2eq)	4,018.52	
Scope 3 market-based (tCO2eq)	3,652.42	
Total GHG emissions		
Total location-based (tCO2eq)	5,047.92	
Total market-based (tCO2eq)	3,945.84	

Energy market regulations (in particular the price of electricity and gas)

Objective(s)	• Anticipate regulatory changes in the energy market Sustainability issues addressed by the policy: development of renewable energies, other
IROs affected	See Section 1.3.4

[36] *Scope France - excluding Sofiwaga 1 and Sofiwaga Infra (Scope 3).*
[37] *Ongoing at the date of publication of this document.*

As a supplier, builder and operator of facilities for the production of biogas injected into the gas network, Waga Energy must comply with energy market regulations and quality standards. At present, Waga Energy benefits from regulations that encourage the entry of new players into the energy sector and the production of renewable energy. The Group can inject the biomethane produced into the gas network.

❖ Non-material challenges covered on a voluntary basis

Management of the waste generated by the company

Objective(s)	• Responsible management of the waste generated by Waga Energy • Reduce the waste generated by Waga Energy
IROs affected	See Section 1.3.4

Waste and the circular economy

The Group attaches the greatest importance to the management of waste generated by the manufacture or operation of its units, and to limiting the consumption of non-renewable raw materials.

During construction phases, waste is sorted and removed. All material that can be reused is retained to limit waste.

All waste from the operation and maintenance of the units is listed, monitored and treated in accordance with the regulations in force in France, in Europe and elsewhere in the world. When a waste is produced, its treatment method is determined by prioritisation: reuse, recycling, recovery, elimination.

Throughout the waste life cycle, the waste monitoring form is kept up to date by all parties involved - producer, transport company, treatment company - and then archived by the Company.

Since 1 January 2022 (Decree 2021-321 of 25 March 2021), hazardous waste is recorded on a national online register “Trackdéchets”, (Waste Track). The Group has chosen to use this national register to monitor and process all of its hazardous or non-hazardous waste:

Indicators

Waste and the circular economy (data for France)	**2022**	**2023**
Non-hazardous waste in tonnes	396	740
Hazardous waste in tonnes	41	15
% of waste recovered	**99%**	**99%**

Water resources

Objective(s)	• Limit water use
IROs affected	See Section 1.3.4

The manufacture and operation of WAGABOX® units do not require water in its natural state and therefore do not generate conflicts of use. The two glycol water networks used to run the purification process (drying and cooling the gas) operate in a closed circuit (around 2,000 litres). During the maintenance or cleaning of civil engineering works, water may be used, but in very small quantities.

Lastly, the condensate discharged by the WAGABOX® units comes from the presence of water in the biogas and is treated by the operator of the waste storage site.

Biodiversity erosion

Objective(s)	• Limit the impact of Waga Energy's activities on biodiversity • Limit the impact of the Waga Energy site on biodiversity
IROs affected	See Section 1.3.4

Biodiversity

The installation and operation of a WAGABOX® unit at a waste storage site generates virtually no harm to biodiversity.

The use of rotating machines such as compressors generates noise pollution for the natural environment. The Group has designed its WAGABOX® units in such a way as to limit this pollution, by designing containers with wall thicknesses that reduce noise. For other equipment, the noise levels comply with the standards in force and the commissioning of new machines is systematically accompanied by noise measurements.

Amendments to the prefectoral orders to which landfill sites are subject for the installation of a WAGABOX® unit systematically include provisions related to biodiversity and the unit's impact on the natural environment.

12.2.4 Information on targets and indicators

Energy consumption indicators

Energy consumption (France)	2022	2023
Fuel consumption from crude oil and petroleum products (in MWh)	352.55	476.64
Fuel consumption from natural gas (in MWh)	4.2	7.24
Electricity consumption (in MWh)	18,987.75	24,227.97
Fuel consumption from renewable sources (in MWh)	9.5	15.6
Consumption of electricity, heat, steam and cooling purchased or acquired from renewable sources (in MWh)	1,746.85	8.88
Total energy consumption (in MWh)	21,100.85	24,736.33

12.3 Social

12.3.1 Information on the social strategy

❖ Waga Energy's global social strategy (ESRS S1: Own workforce)

Challenges related to ESRS S1:
- Safety and quality of WAGABOX® and incident prevention
- Attractiveness, skills management and talent retention
- Employee health and safety and quality of life at work

The Group strives to offer its teams a working environment in line with its human values and corporate culture.

As part of a dynamic of rapid growth and of the reinforcement of teams in France and internationally, each theme that makes up well-being at work (diversity, health and training) is addressed with careful attention. The Group's innovative nature and its model of protecting the environment are key factors in attracting, recruiting and retaining highly qualified profiles with the same goals.

The Group also ensures the development of each of its employees throughout their career through a continuous training programme.

Lastly, in 2022 the Group set up a Quality of Life at Work survey (The Predictive Index) in order to measure the well-being at work of all employees, as well as their level of commitment. The results of this survey, which is repeated each year to measure the progress made, are the subject of specific action plans.

Material challenge	Impact	Risk	Opportunities
Security and quality of WAGABOX® and incident prevention	Negative: - There is an industrial risk that could result in explosion, fire, soil pollution or air pollution. *[potential impact]*	- Reputational risk following an accident related to WAGABOX®: potentially significant reputational impact but, *a priori*, low probability of occurrence.	- Securing of maintenance contracts to ensure the safety and quality of facilities: low share of revenue from maintenance.
Attractiveness, skills management and talent retention	Positive: - Waga Energy enables employees to develop their skills through training. *[proven impact]*	- Attractiveness for the recruitment and retention of talents: the profiles sought by Waga Energy are specific (engineers, energy sector, financing, etc.). These are competitive environments in which the Group must be attractive to attract talent. - Skills management: the Group's economic performance is directly linked to the performance of the WAGABOX® units, for which the Group manages all aspects of operation and maintenance. This approach also makes it possible to provide expert training and skills to those involved and contributes to the protection of the intellectual property of WAGABOX® units. Skills management has a strong impact on the Group's activity.	
Employee health and safety and quality of life at work	Positive: - The psychosocial risks are at the heart of the Group's health and safety policy. *[Potential impact]*	- Legal and reputational risks in the event of an industrial accident	

❖ Mapping of the company's workers

At 31 December 2023, the Group had 200 employees in six countries (73% in France, 13% in Canada, 11% in the United States, 2% in Spain, 1% in Italy and 1% in the United Kingdom). The workforce comprises 41% women and 59% men More than 12 different nationalities are represented at the Group.

❖ Material challenges for Waga Energy

Safety and quality of WAGABOX® and incident prevention

Objective(s)	• Ensure the safety and quality of the WAGABOX® units for on-site employees • Ensure the safety and quality of the WAGABOX® units to reduce incidents
IROs affected	See Section 3.1.1

The Waga Energy purification unit process ensures the highest possible quality and safety. The risk assessment is carried out using the HAZOP method. This method makes it possible to detect all the operational risks of the units as well as all potential technical or incidental incidents. This method makes it possible to objectively define, according to a strict rating, all the operational protections to be put in place on the units in order to ensure their safety.

Each standard unit must be designed according to this method, as well as each modification and each interface carried out with the landfill owners.

Attractiveness, skills management and talent retention

Objective(s)	• Attract talent to develop Waga Energy's activities • Promote an adapted skills management and development system for employees • Work to keep talent within Waga Energy
IROs affected	See Section 3.1.1

Attract talent to develop Waga Energy's activities

At 31 December 2023, the Group had 200 employees worldwide, compared with 153 employees at 31 December 2022, *i.e.* an increase of 31%, reflecting the Group's growth both in France and internationally. Most of the employees (68%) are managers in France. The Group continued its sustained recruitment drive, with the hiring in 2023 of 74 employees on permanent employment contracts or equivalent. In 2023, 38% of the completed recruitments were international.

Developing skills

The Group's success is based on the experience and expertise of its employees. Training is therefore key to ensuring the employability of employees.

In 2019, the Group set up a training course adapted to future growth. Each new employee at the Group benefits from a specific career path.

- Each employee receives an annual interview and a professional interview every two years.
- 100% of employees present for more than 2 years benefited from a professional interview

The integration of new employees is a decisive step for their commitment and loyalty. It includes an in-depth presentation of the Group, meeting the various teams that make up the company, and a mentoring system to share the Group's values and corporate culture.

- Training policy:

The training of employees is essential to support the Group's growth.

Thus, the Group has a training plan that defines, for each business line, the mandatory training that each employee must follow to perform their duties.

Each training course is followed by a validation of prior learning. Monthly questionnaires completed by our employees confirm that they still have the knowledge required for their position.

Requests for additional training are taken into account during individual interviews.

- Digitalisation of learning paths.

An online training platform is used as a support to monitor the level and effectiveness of the training for Waga Energy and its subsidiaries. This platform makes it possible to build a culture of continuous skills acquisition, but also to develop collaborative learning, for all Group employees.

Internal mobility

Internal mobility is an essential pillar of skills management. In 2023, the Group introduced a mobility policy aimed at offering all employees the opportunity to access available positions within its subsidiaries, while ensuring fair treatment and personalised support during their transition. This policy also aims to promote professional development by offering career paths and guaranteeing the employability of employees.

Value sharing

Since 2020, the Group has chosen to involve all employees in the Company's performance by setting up a profit-sharing agreement, based on quantitative and qualitative criteria linked to the achievement of economic and financial objectives.

In addition, each Group employee receives a collective bonus as part of WAGABOX® unit investment projects.

Lastly, some employees are beneficiaries of BSPCE or stock options, in order to retain them and enable them to benefit in the long term from the increase in the Company's value.

Employer brand

The Group is working on its employer brand to attract new talent and retain its employees through various actions:

- Recruitment from Pôle Emploi,
- Activities in high schools, schools and universities to promote its jobs,
- Raising awareness in schools about the place of women in industry,
- Participation in the Tenerrdis and EY study for the promotion of the renewable gas sector.
- Visibility of Waga Energy on social networks (Careers page on our website, LinkedIn and Welcome to the Jungle).
- Interview with employees to present Waga Energy's business lines and their specificities

- Internally, sharing of employee profiles to promote jobs and people

The Group pays particular attention to the recruitment of young talent. In 2023, Waga Energy had 14 work-study students, including three in 2023, nine interns, including five in Canada, and five volunteers for international experience. 29.41% were hired at the end of their internship or work-study programme.

Indicators

Shares	2022	2023
Developing skills		
Number of hours of training	4,006	4,868.5
% of employees trained	95%	88.36%

Employee health and safety and quality of life at work

Objective(s)	• Guarantee safe and healthy working conditions for all Waga Energy employees • Reduce health and safety risks in working environments • Ensure the quality of life at work for Waga Energy employees
IROs affected	See Section 1.3.4

❖ Safeguarding the health and safety of employees

The health and safety of employees is the Group's top priority. The single document for assessing the risks is regularly updated. It incorporates both industrial risks and psychosocial risks, enabling an exhaustive review of all risks associated with the Group's activities. Psychosocial risks are at the heart of the Group's health and safety policy. Various bodies with expertise in this area (such as occupational medicine) are called upon. In 2023, a firm was tasked with carrying out a PsychoSocial Risk assessment within Waga Energy SA. Following this assessment, recommendations and areas of work were proposed for each risk factor identified.

Some measures have already been taken to meet the needs, in particular the training of management, managers and the Social and Economic Committee (SEC) on the prevention of PSR. New sessions are planned for 2024. Work will be carried out in collaboration with an external consultant to identify the risks specific to each department. Subsequently, a prevention plan will be drawn up, including concrete actions to be implemented.

In addition, best practices and good reflexes to adopt to improve safety are shared throughout the Group. Training is also a key element in the prevention of accident risks and training and awareness-raising actions are regularly scheduled for exposed employees.

Lastly, a weekly safety update is provided by the QHSE manager to all employees and included in the internal newsletter.

The management of industrial risks and the associated safety management system is part of the Group's core business. All industrial risks relating to safety, the environment or financial matters are identified using the HAZOP risk analysis method. This method is an inductive analysis that includes several steps, from the identification of failures to the implementation of actions to limit the residual risk. To determine the dangerousness of the risk, an objective and exhaustive rating is applied to all identified potential failures. The risk reduction measures already in place are then included in this rating to determine the actions to be implemented.

Once industrial risks have been identified and secured, the safety management system complements the risk management policy. It makes it possible to integrate and monitor the various needs for security and final risk reduction. Procedures, safety training, displays, safety indicators, reminders, awareness-raising, models, protective equipment and any other safety requirements are integrated into this system.

This comprehensive system complies with the OSHA model. It incorporates elements related to life expectancy, maintenance, change management, feedback and the identification of risky situations in safety management. The analysis of technical risks associated with the safety management system enables comprehensive and effective safety management at the Group.

Work to improve the working conditions of our employees

Quality of life at work is an integral part of the vision and values of Waga Energy. The company agreements in force provide a respectful framework for the Group's work experience, enabling employees to reconcile professional and personal life.

- Parenthood

The Group has set up a parenting policy which extends the duration of parental leave for new parents, grants additional leave during an employee's PACS or marriage, and provides days off for sick children. This policy is applied at the subsidiaries when possible.

- Teleworking

The Company set up a charter organising teleworking.

- Mobility

The Group established a "sustainable mobility" bonus in order to provide a solution in line with its values for commuting: employees are thus encouraged to favour public transport, cycling and carpooling.

- Social security coverage

Social security coverage is an essential dimension for the Group, which, since its creation, has chosen to provide very protective conditions in terms of health and personal protection insurance, with high levels of guarantees, and without distinction of status. In France, the Company pays 90% of the contribution to employee health insurance and provides a family plan that covers the entire family without conditions. It has implemented this policy in its subsidiaries; 100% of the Group's employees benefit from social security coverage.

- Employee satisfaction survey

The Group set up an internal satisfaction survey (registered office and subsidiaries) in October 2022 using The Predictive Index solution. In 2023, with a participation rate of 85%, higher than in 2022, the results are slightly down compared to the previous survey (2022) but remain very positive with a strong commitment from the teams at the group level (84%). Employees received feedback on the results and an associated action plan is put in place. This survey is conducted on a yearly basis over the same period to assess collective satisfaction and its evolution.

- Fight against harassment and discrimination

The Code of Conduct implemented at the Group sets out the rules on harassment and discrimination. The Group does not tolerate any form of harassment. Any situation of harassment or discrimination must be reported. To do so, the Group has set up a whistleblowing portal to report any inappropriate behaviour (discrimination, harassment, etc.).

Indicators

Shares	2022	2023
Safeguarding the health and safety of employees		
Number of accidents with lost time on WAGABOX units	0	1
Work to improve the working conditions of our employees		
Employee commitment rate, measured by an independent survey	94%	84%
Employee participation rate in the Predictive Index survey	80%	85%

Non-material challenges covered on a voluntary basis

Social dialogue and equal treatment

Objective(s)	• Ensure favourable social dialogue • Ensure equal treatment for Waga Energy employees
IROs affected	See Section 1.3.4

Actions to promote the inclusion of people with disabilities

The Group uses recruitment firms specialising in the inclusion of people with disabilities. For equivalent services, the Group favours companies working for protected employment, with which it works on a regular basis. The Group is committed to the employment and integration of people with disabilities, and to combating discrimination against them (see table in Section 16.1 "*Number of employees*" of the Universal Registration Document). Nevertheless, this number of employees remains below the legal threshold of 6% of the workforce. Consequently, the Company pays an annual contribution to Agefiph.

In 2023, a disability officer was appointed within Waga Energy and trained by AGEFIPH.

Diversity and inclusion

The Group makes diversity a strong lever for its development. The recruitment policy is based on the principles of non-discrimination, equality and inclusion. The Group strives to preserve the uniqueness of each individual and provides a working environment in which everyone can express themselves and act freely.

The Group encourages gender diversity as of recruitment and throughout professional careers, including in technical fields.

A harassment and gender equality officer has been appointed within the SEC.

Lastly, a dozen nationalities are represented at the Group, providing great cultural diversity.

Social dialogue and internal communication

The Group attaches great importance to social dialogue within the teams.

A Social and Economic Committee has been in place since March 2023. The members of the SEC meet with the employer at least every two months. The discussions focused on the negotiation of a profit-sharing agreement and the implementation of an agreement on the organisation of working hours.

All teams, including subsidiaries, meet weekly to share news from all the departments, systematically starting with a security update.

Since the autumn of 2023, the deployment of the "WE" intranet has made it possible to strengthen communication with employees, streamline the transmission of information and strengthen team cohesion.

Indicator

Shares	2022	2023
Diversity and inclusion		
% of women in the Group	*42*	*41*

Alert escalation mechanism

The Group has set up a whistleblowing portal to confidentially report any inappropriate behaviour (discrimination, harassment, etc.). This portal is accessible from the Group's website, the intranet and the code of conduct.

Information on targets and indicators

❖ Indicators on the characteristics of salaried workers

Breakdown of workforce by geographical area	2021	2022	2023
France	68	120	146
Spain	1	4	4
United States	4	15	22
Canada	6	14	26
United Kingdom			1
Italy			1
Total	79	153	200

Breakdown of workforce by gender as a %	2021	2022	2023
	%	%	%
Men	62	58	59
Women	38	42	41

Breakdown of workforce by gender and country as a %	2021		2022		2023	
	Men	Women	Men	Women	Men	Women
France	60	40	57	43	57	43
Spain	100	0	50	50	50	50
USA	75	25	67	33	73	27
Canada	67	33	57	42	62	38
Italy	0	0	0	0	100	0
United Kingdom	0	0	0	0	0	100

Breakdown of workforce by age group	2021		2022		2023	
	No.	*%*	*No.*	*%*	*No.*	*%*
20-29 years	28	35	58	38	72	36
30-39 years	26	33	52	34	76	38
40-49 years	20	25	33	22	37	19
Over 50 years	5	6	10	7	15	8

Breakdown of workforce by contract as a %	*2021*	*2022*	*2023*
Permanent	90	90	96
Non-permanent	10	10	4

Number of permanent hires by country	*2021*	*2022*	*2023*
France	21	51	46
Spain	1	4	1
United States	2	11	10
Canada	5	7	15
Italy	-	-	1
United Kingdom	-	-	1
Total	29	73	74

Breakdown of arrivals and departures by country and by type of contract	2021		2022		2023	
	Arrivals	*Departures*	*Arrivals*	*Departures*	*Arrivals*	*Departures*
France	23	9	60	11	59	32
Spain	1	-	4	1	1	1
United States	5	1	8	-	11	4
Canada	2	-	11	-	15	3
Italy					1	
United Kingdom					1	
Total	31	10	83	12	88	40
Permanent	23	5	71	6	74	20
Non-permanent	8	5	12	6	14	20
Total	31	10	83	12	88	40

Percentage of female managers / female workforce	2021	2022	2023
% female managers	27	20	23

Percentage of women on the Management Committee France	2021		2022		2023	
	No.	*%*	*No.*	*%*	No.	%
Number of members of the Management Committee	9	100	11	100	16	100
No. of women	3	33	4	36	7	44

Indicators on the characteristics of non-salaried workers

At 31 December 2023, six work-study students, one temporary employee and five volunteers for international experience employees were part of the Group.

Indicators on the coverage rate by collective agreements and social dialogue

(Group data)	2021	2022	2023
Percentage of employees covered by a collective agreement	87	81	76

Only employees in France, Spain and Italy benefit from a collective agreement.

Living wage indicator

All Group employees receive salaries above the legal minimum.

Social protection indicator

All Group employees benefit from social protection.

Indicator on salaried workers with disabilities

(Group data)	2021	2022	2023
Percentage of employees with disabilities	1%	1%	1%

Skills management and training indicators

(data for France)	2021	2022	2023
Number of hours of training provided	1,664	4,006	4,868.5
Number of employees trained at 31 December of the financial year in question	60	114	129
Percentage of employees trained	88%	95%	88%

Occupational health and safety indicators for salaried workers

(data for France)	2021	2022	2023
Number of workplace accidents with lost time	2	0	1
Frequency rate	10.9	0	4.09
Severity rate	0.63	0	0.033
Number of recorded cases of occupational illnesses	0	0	0
Number of days lost due to a workplace accident	68	0	8
Number of deaths related to workplace accidents or occupational illnesses.	0	0	0
Number of near-accidents	0	0	0

Personal / professional life balance indicator

All Group employees are granted leave for family reasons.

Gender pay gap indicator

(data for France)	2022	2023
Gender pay gap		-6.08
Equity / average compensation ratio		3.04
Equity / median compensation ratio		3.36

12.4 Governance

12.4.1 Information on impacts, risks and opportunities

❖ Waga Energy's global business conduct strategy (ESRS G1: Business conduct)

Issues related to ESRS G1:

- Fair business practices and ethics

The Group aims to be exemplary in the management of its business and commits all its employees to compliance with ethical and responsible standards and procedures at all levels.
The Group promotes responsible and transparent governance in the conduct of its activities. It considers business ethics to be an absolute requirement, at the level of its governance, the organisation as a whole and, by extension, its supply chain.

Material challenge	Impact	Risk	Opportunities
Fair business practices and ethics	- Waga Energy promotes its ethics culture both internally and externally. The Group has strong ambitions in terms of business ethics, reflected in a code of conduct. *[potential impact]*	- Ethics and corruption risk: potentially high impact, the probability of which is limited to date due to the location of the Group's activities (mainly Europe, Canada and the United States). This issue is covered by training and interventions on the subject for populations identified as most at risk.	

Material challenges for Waga Energy:

- Fair business practices and ethics

Objective(s)	• Establish and maintain high-quality, transparent and fair relationships with its stakeholders • Prohibit unfair or misleading commercial practices • Promote business ethics within the company and among its employees
IROs affected	See Section 4.1.1

❖ *Responsible governance*

Since the admission of the Company's shares to trading on the Euronext Paris regulated market in October 2021, the Group has referred to the Middlenext Code as updated in September 2021 in order to coordinate governance according to simple and consistent principles, by placing CSR at the heart of its strategy.

Several governance bodies have been set up, details of which are provided in Chapters 13 and 15 of the Universal Registration Document.

- Board of Directors and Committees

The Company's Board of Directors is composed of eleven (11) members with diverse and complementary skills and expertise:

- Five women, *i.e.* 45.5% of members;
- Four independent directors with regard to the independence criteria defined by the Middlenext Code.

The Board of Directors met ten times in 2023.

On 8 October 2021, the Board of Directors approved the establishment of three committees, in accordance with the recommendations of the Middlenext Corporate Governance Code, as specified in the internal regulations:

- An Audit Committee;
- An Appointments and Compensation Committee;
- A CSR Committee.

A Commitment Committee was set up by the Board of Directors on 28 February 2022, on the proposal of the Chairman of the Board of Directors.

Actions implemented at the Board:

- Signature by each director of the Board's internal regulations, the Code of Conduct and the Stock Market Ethics Charter,
- Annual declaration of interests of each director,
- Implementation of a Board self-assessment procedure.

- General Management and Group Management Committee

The Company's Management Committee is composed of complementary profiles and experts in their field, who manage the various departments of the Company, under the control of the General Management. It meets weekly. Board of Director meetings are also set up at the level of each foreign subsidiary.

Since its initial public offering, the Group has continued to develop its governance and financial communication in line with best practices to ensure that all shareholders are treated equally and with the utmost transparency.

These practices are based on the following mechanisms:
- Adherence to the Middlenext Corporate Governance Code (in its latest version of September 2021) and objective of compliance with the said code's recommendations;
- Creation of a space dedicated to shareholders and investors on the Company's website;
- Dialogue with investors and shareholders according to financial communication rules;
- Reminder of internal stock market ethics rules, notably through a dedicated charter;
- Monitoring of insider lists.

❖ *Non-financial risk management*

Non-financial risks are managed by General Management, the Legal and Compliance Department and the Finance Department to strengthen and monitor the actions relating to CSR. The Group has identified the following CSR risks in its risk mapping:

- Ethics and corruption risk

The Group's growth has led to the development of its business in many countries. Unethical or non-compliant practices by its representatives or employees could expose the Group to criminal and civil sanctions and damage its image.

- Risk related to human resources

In general, the Group's business sector requires executive managers with a high level of expertise and specialists in their field of competence, whether in financing, design, construction or the operation of WAGABOX® units. The limited number of qualified candidates and the strong competition for the recruitment of such executives could prevent the Group from benefiting from skills equivalent to those of these executives. The Group may also fail to attract new talent and retain experienced staff.

- Risk related to climate, weather and environmental fluctuations

Severe weather events such as heavy rains, significant changes in temperature, hail or snow could damage the Group's facilities but also lead to prolonged shutdowns, as well as an increase in operating and maintenance costs. The Group is aware that climate change will have an upward impact on ambient temperatures across all regions. To cope with this increase, new facilities are designed to operate at temperatures of up to 45°C.

The risk related to climate, weather and environmental fluctuations exists but is low and is not considered material for the Group.

These risks and the associated risk management measures are further discussed in Chapter 3 of the Universal Registration Document.

❖ *Business ethics*

As a responsible economic player, the Group is committed to ensuring that all its stakeholders comply with the rules of transparency and ethics across all its business relationships. The Group relies on its values which are shared with its employees and all stakeholders to establish and implement programmes and tools that guarantee transparency and business ethics on a daily basis.

- Dedicated governance

The Legal and Compliance Department is in charge of managing the Group's compliance and business ethics, in close collaboration with the Human Resources Department, the Finance Department and the operational departments. All matters are reported directly to the Management Committee. Regular updates on these subjects are also presented to the Board of Directors. The Group is also supported by a specialised independent firm.

- Code of Conduct

A code of conduct has been in place in the Group since 2022. This code details the principles of action and specifies the rules that everyone must apply on a daily basis. The Code of Conduct and its content also apply to the Group's relations: customers, suppliers, commercial intermediaries and any other person encountered in a professional environment. The Group asks these third parties to comply with the Code of Conduct and to ensure that their own suppliers and subcontractors comply with equivalent principles.

The Group complies with the following regulations:
- the Principles of the Universal Declaration of Human Rights (1948);
- the main conventions of the International Labour Organization (ILO);
- the OECD Guidelines for Multinational Enterprises and the Convention on the
- fight against bribery of foreign public officials in international business transactions (1999) and the 2009 anti-bribery recommendations;
- the principles of the United Nations Global Compact (2000);
- the law on transparency, the fight against corruption and the modernisation of economic life ("Sapin II" 2016);
- the Foreign Corrupt Practices Act (1977); and
- the General Data Protection Regulation (GDPR).

A procedure for auditing commercial partners, notably on aspects related to corruption, has been put in place so that each project developer carries out a precise analysis of potential partners to identify any risks, which are then addressed by Management.

Comprehensive corruption audits of the main commercial partners are also carried out by the external firm that supports the Company.

- Whistleblowing portal

A whistleblowing system has been put in place to enable any employee or partner to report a serious breach of the Group's Code of Conduct. This reporting portal allows any employee but also third parties to report any behaviour or situations that are contrary to the Code of Conduct:
- Conflict of interest,
- Corruption and influence peddling,
- Fraud, embezzlement and theft,
- Discrimination and harassment,
- Non-compliance with the principles set out in the Code of Conduct,
- Infringement of fundamental freedoms.

- Stock Market Ethics Charter

A Stock Market Ethics Charter has been in place since 2022 to draw the attention of the Group's employees and partners to the principles and rules in force in terms of stock market ethics and the need to scrupulously comply with them. Lists of insiders are drawn up, listing who may not trade in Waga Energy shares during the abstention periods preceding the Group's financial publications (or at any time if they hold inside information) and who must ensure the strict confidentiality of inside information.

This document also aims to provide a reminder of the preventive measures implemented at the Group. It is available on the Group's intranet site and, if they have any questions, the reader is invited to consult the Group's Legal Department.

Actions implemented:

- Awareness-raising and signature of the Code of Conduct and the Stock Market Ethics Charter by all Group employees and Waga Energy directors,
- Dissemination of the Code of Conduct and the Stock Market Ethics Charter on the Group's website,
- Implementation of anti-corruption training for all teams exposed to risk, mainly project developers and the Management Committee.

❖ Non-material issues covered on a voluntary basis

Involving external stakeholders

Objective(s)	• Maintain favourable and lasting relationships with suppliers • Establish responsible practices with external stakeholders • Ensure customer satisfaction
IROs affected	*See Section 4.1.1*

Product quality and offering enhancement

The Group has been ISO 9001 and ISO 14001 certified in Europe since June 2023. Quality is incorporated into the operational strategy through a continuous improvement policy based on the ISO 9001 standard. A quality policy and objectives are defined and validated by the leadership process of this standard.

The products (consumables) and equipment (materials) used comply with applicable regulations depending on the country of use.

In order to promote the quality of the services offered and the biomethane recovered, Waga Energy has all its European units with a production capacity exceeding 20 GWh per year certified "ISCC EU". Developed within the European Union, the International Sustainability & Carbon Certification (ISCC) programme is the first international certification system for biomass and bioenergy. This label proves that the facility complies with the criteria of sustainability and greenhouse gas emissions reduction defined by the European RED II Directive. The buyer of the biomethane can thus use its purchase to reduce the environmental impact of its activity, measure the carbon footprint of its products, or justify compliance with any regulatory obligations.

Responsible purchasing

The Group strives to build a responsible and sustainable supply chain, favouring, where possible, the use of products with a lower impact on the environment.

Suppliers are chosen according to selection criteria such as their social responsibility (notably in terms of corruption), their environmental impact and the quality of their service. This monitoring is ensured through compliance with ISO 14001 and ISO 9001 standards, which require the strict monitoring of suppliers but also their own suppliers.

The Group's goal is to formalise a responsible purchasing policy in 2024.

Customer relations and satisfaction

The development, project, operation and sales administration teams are in daily contact with customers and storage site operators, from the development of the project through to its construction and its operation/maintenance.

They assess the quality of the Group's services and monitoring, in the context of long-term relationships, with projects being developed over periods ranging from 10 to 20 years. The main players in the French waste management market have entrusted several projects to the Group and have continued to trust it since 2017.

Information on targets and indicators

Corruption incident indicators

	2022	2023
Number of convictions for violation of anti-corruption laws	0	0
Amount of fines for violation of anti-corruption laws	0	0

Lobbying activity indicators

Strictly speaking, the Group has no lobbying activity.

Payment practices indicators

(data for France)	2022	2023
Average number of days to pay the invoice from the date on which the contractual or legal payment period begins to be calculated	34	23

13. ADMINISTRATIVE AND MANAGEMENT BODIES

13.1 Information concerning the Board of Directors and General Management

13.1.1 Board of Directors

The table below shows the composition of the Board of Directors at the date of the Universal Registration Document, as well as the terms of office of the members of the Board of Directors of the Company over the last five years.

	Personal information				Experience	Position on the Board				Participation in Board committees
	Age	Gender	Nationality	Number of shares	Number of terms of office in listed companies	Independence	Initial appointment date	Expiry of term of office	Seniority on the Board	
Mathieu LEFEBVRE Chairman and Chief Executive Officer	42	M	French	1,730,000	N/A	No	16 January 2015	General Meeting held in 2024 to approve the financial year ending 31 December 2023	8 years	
Guénaël PRINCE Director	42	M	French	829,900	N/A	No	16 January 2015	General Meeting held in 2024 to approve the financial year ending 31 December 2023	8 years	
Dominique GRUSON Independent director	65	M	French	-	N/A	Yes	Board of Directors' meeting of 6 February 2018	General Meeting held in 2024 to approve the financial year ending 31 December 2023	5 years	Audit Committee Appointments and Compensation Committee Commitment Committee
Air Liquide Investissements d'Avenir et de Démonstration (ALIAD) Represented by Séverine ADAMI Director	48	F	French	2,848,729	1	No	General Meeting of 11 June 2015	General Meeting held in 2024 to approve the financial year ending 31 December 2023	8 years	CSR Committee Commitment Committee

	Personal information				Experience	Position on the Board				Participation in Board committees
	Age	Gender	Nationality	Number of shares	Number of terms of office in listed companies	Independence	Initial appointment date	Expiry of term of office	Seniority on the Board	
Les Saules Represented by Marie BIERENT Director	29	F	French	1,785,654	N/A	No	General Meeting of 8 October 2021	General Meeting held in 2024 to approve the financial year ending 31 December 2023	2 years	
Starquest Represented by Arnaud DELATTRE Director	63	M	French	2,030,898	N/A	No	General Meeting of 11 June 2015	General Meeting held in 2024 to approve the financial year ending 31 December 2023	8 years	Appointments and Compensation Committee Commitment Committee
Tertium Management Represented by Stéphane ASSUIED Director	59	M	French	898,129	N/A	No	General Meeting of 15 October 2019	General Meeting held in 2024 to approve the financial year ending 31 December 2023	4 years	Audit Committee
SWIFT (Swen) Represented by Olivier AUBERT Director	51	M	French	304,001	N/A	No	General Meeting of 8 October 2021	General Meeting held in 2024 to approve the financial year ending 31 December 2023	2 years	
Anna CRETI Independent director	54	F	Italian	-	N/A	Yes	General Meeting of 8 October 2021	General Meeting held in 2024 to approve the financial year ending 31 December 2023	2 years	CSR Committee
Anne LAPIERRE Independent director	54	F	French	-	N/A	Yes	General Meeting of 8 October 2021	General Meeting held in 2024 to approve the financial year ending 31 December 2023	2 years	Appointments and Compensation Committee CSR Committee
Christilla de MOUSTIER	54	F	French	-	N/A	Yes	General Meeting of	General Meeting held in 2024 to approve	2 year	Audit Committee

	Personal information				Experience	Position on the Board				Participation in Board committees
	Age	Gender	Nationality	Number of shares	Number of terms of office in listed companies	Independence	Initial appointment date	Expiry of term of office	Seniority on the Board	
Independent director							8 October 2021	the financial year ending 31 December 2023	s	CSR Committee

Profile, experience and expertise of the members of the Board of Directors

The profile, experience and expertise of each of the Directors are presented below.

Name: Mathieu LEFEBVRE Chairman and Chief Executive Officer	
Summary of the main areas of expertise and experience:	Expertise in technological and market development in the field of renewable energies, hydrogen and biogas; engineer
Main activities conducted outside the company:	-
Current terms of office:	Chairman of the Board of Directors of Waga Energy Chief Executive Officer of Waga Energy Director of Waga Energy
— Terms of office and positions in Group companies	Legal representative of Waga Energy, Chief Executive Officer company of SAS SOFIWAGA 1 Legal representative of Waga Energy, Chairman company of Waga Assets SAS Legal representative of Waga Energy, Chairman company of SP Waga 1 SAS Legal representative of Waga Energy, Chairman company of Waga Assets 2 SAS Legal representative of Waga Energy, Chairman company of Wagarena SAS Chairman of Holweb SAS Director of Waga Energy Inc. (Canadian subsidiary of the Company) Director of Waga Energy Espana (Spanish subsidiary of the Company) Employee positions within Waga Energy as Product Director (employment contract)
— Terms of office and positions in non-Group companies (listed French companies, non-listed French companies, listed foreign companies, non-listed foreign companies)	N/A
Terms of office that expired during the last five years	N/A

Mathieu Lefebvre graduated in fluid mechanics and thermal engineering from the École Centrale Marseille. He built up his unique expertise in the biomethane sector and the development of gas projects at Air Liquide, starting in 2004 as head of the fuel cell research programme and then, in 2008, as a development engineer. He held the positions of product manager at Air Liquide, in charge of the development, engineering and sale of membrane biogas scrubbers, from 2010 to 2013, and then head of the biogas market from 2013 to 2015. Building on this successful experience in the field of renewable energies, hydrogen and then biogas, in 2015 Mathieu Lefebvre co-created the Company, of which he is currently Chairman and Chief Executive Officer. Mathieu Lefebvre has been a permanent member of the national biomethane working group since 2009.

Name: Guénaël PRINCE	
Summary of the main areas of expertise and experience:	Specialist in process engineering, particularly in gas separation processes (adsorption, distillation, membrane filtration) and cryogenic processes (cooling production cycles). Project

	management, developer of WAGABOX® unit purification processes. Management of organisations, strategy, deployment and management of subsidiaries, project finance.
Main activities conducted outside the company:	-
Current terms of office:	Director
— Terms of office and positions in Group companies	Full-time employee CTO of Waga Energy Inc. (US subsidiary) CEO of Waga Energy Inc. (US subsidiary).
— Terms of office and positions in non-Group companies (listed French companies, non-listed French companies, listed foreign companies, non-listed foreign companies)	-
Terms of office that expired during the last five years	Term of office as Chief Executive Officer at Holweb SAS

Guénaël Prince is a graduate of Arts et Métiers ParisTech and the French Institute of Oil (IFP School). He worked on the regasification of the Fos LNG terminal for Sofregaz before joining Air Liquide in process engineering, where he was in charge of the development of cryogenic processes and product management in helium liquefaction. He also holds a Master’s degree in Business Administration from IAE Grenoble.

Name: Séverine ADAMI Representative of Air Liquide Investissements d'Avenir et de Démonstration since 22 April 2022	
Summary of the main areas of expertise and experience:	Finance, Strategy, M&A, Venture Capital
Main activities conducted outside the company:	CFO IDD - L'Air Liquide SA Chief Executive Officer - Air Liquide Investissements d'Avenir et de Démonstration
Current terms of office:	Representative of Air Liquide Investissements d'Avenir et de Démonstration (Director)
— Terms of office and positions in Group companies	Not applicable
— Terms of office and positions in non-Group companies (listed French companies, non-listed French companies, listed foreign companies, non-listed foreign companies)	Air Liquide internal terms of office: Air Liquide Advanced Technologies - Director Cryolor - Director Alizent International - Director Air Liquide Electronics Systems Asia - Director Air Liquide Advanced Technologies US - Manager Air Liquide Maritime SAS - Member of the Strategic Committee Air Liquide Biogas International SAS - Member of the Strategic Committee Current positions: L'Air Liquide SA - CFO IDD Air Liquide Investissements d'Avenir et de Démonstration - Chief Executive Officer
Terms of office that expired during the last five years	Air Liquide Investissements d'Avenir et de Démonstration - Director

Séverine Adami is Chief Financial Officer (CFO) of the Innovation and Development division of Air Liquide and Chief Executive Officer of ALIAD. Séverine has 20 years of professional experience in industry and consulting. Before joining Air Liquide in 2016, she spent eight years at Lafarge in strategy and business development, mergers and acquisitions and finance positions, mainly in emerging regions. Previously, Séverine worked for 10 years as a strategy and management consultant (Bossard-Gemini Consulting, Kea & Partners), working more specifically on marketing-sales issues in international contexts. She is a graduate of the Institut National Agronomique Paris-Grignon and INSEAD.

Name: Marie BIERENT Representative of Les Saules	
Summary of the main areas of expertise and experience:	Holds an engineering degree from Mines de Douai and an MSc in Environmental Engineering and Business Management from Imperial College London
Main activities conducted outside the company:	Management and administration of Les Saules group companies and its development, notably the management and development of the companies Ovive and Mobipur (treatment of industrial water and leachate).
Current terms of office:	
— Terms of office and positions in Group companies	Not applicable
— Terms of office and positions in non-Group companies (listed French companies, non-listed French companies, listed foreign companies, non-listed foreign companies)	Les Saules Eurl - Manager Ovive SASU - Chairwoman Mobipur SAS - Chairwoman Carriel SAS - Chairwoman CSR SARL - Manager Ovive Maroc – Manager
Terms of office that expired during the last five years	Optyma SAS – Chief Executive Officer Medipower Newhaven Ltd - Director (UK)

Marie Bierent holds an engineering degree from Mines de Douai and an MSc in Environmental Engineering and Business Management from Imperial College London. With several years of experience in the environment and landfill sectors, as well as in international development, she is co-manager of Les Saules, a holding company investing in the environment sector, and a shareholder of the Company. Marie is involved in the management of the Executive Committee, the strategy and representation of Les Saules and supervises the operations and application of the shareholder policy.

Name: Arnaud DELATTRE Representative of Starquest	
Summary of the main areas of expertise and experience:	Entrepreneurship, assistance and investment in young cybertech and greentech companies and the high-tech industry, from the start-up phase to the scale-up phase
Main activities conducted outside the company:	Chairman Starquest Capital
Current terms of office:	Representative of Starquest Puissance 5, (Director)
— Terms of office and positions in Group companies	N/A
— Terms of office and positions in non-Group companies (listed French companies, non-listed French companies, listed foreign companies, non-listed foreign companies)	Chairman and/or Chief Executive Officer of Objectif Gazelles 1, 2 et 3, Energyquest, Greenquest, Greenquest 2, Starquest ISF, Starquest ISF 2, Starquest ISF Solidaire, Starquest Ventures, Starquest ISF 3, Starquest ISF 4, Starquest ISF 2012-1, Starquest ISF 2012-2¸ Starquest ISF 2012-3, Starquest ISF 2012-4, Starquest ISF 2013-1, Starquest ISF 2013-2, Starquest ISF 2013-3, Starquest ISF 2013-4, Starquest ISF 2014-1, Starquest ISF 2014-2, Starquest ISF 2014-3, Starquest ISF 2014-4, Starquest ISF 2015-1, Starquest ISF 2015-2, Starquest Anti-Fragile 2015, Starquest Anti-Fragile 2017, Palmarès Starquest 2017, Starquest Convictions 2017, Starquest AGS Investissement Chairman of the Management Board of Starquest SA Chairman of SCR Impact et performance SAS Manager SARL TELAHC Manager SCI du Chêne Manager of SBBS World SARL
Terms of office that expired during the last five years	-

Arnaud Delattre is an agricultural engineer with extensive experience in business creation. Arnaud has held multiple management positions in companies such as Boston Consulting Group, Saresco, and Christofle. Before founding Starquest Capital in 2008, Arnaud Delattre was a Business Angel for five years and invested in 12 companies with an IRR of 13.8%. Starquest Capital is an investment fund specialising in supporting start-ups with a strong environmental impact.

Name: Stéphane ASSUIED Representative of Tertium Management	
Summary of the main areas of expertise and experience:	Accounting expertise, responsible for the deployment of external growth operations in the areas of industrial cleaning, safety and temporary work
Main activities conducted outside the company:	CEO and Co-founder of TERTIUM
Current terms of office:	Representative of Tertium Management (Director)
— Terms of office and positions in Group companies	Not applicable
— Terms of office and positions in non-Group companies (listed French companies, non-listed French companies, listed foreign companies, non-listed foreign companies)	Chief Executive Officer of Tertium Management Member of the Strategic Committee of Novrh Member of the Strategic Committee of WEBRIVAGE Member of the Strategic Committee of General Industries
Terms of office that expired during the last five years	

Stéphane Assuied has a degree in Accounting and a Master's degree in Taxation. He began his career in 1989 as an auditor at Price Waterhouse before joining the ONET group, first as part of the overhaul of the group's information systems, then as head of external growth operations in the industrial cleaning, security and temporary work business lines. In 2003, he took over the reins of Interfirm M&A. He then created the investment company Jericho in 2005, before co-founding Tertium in 2012, a capital development fund designed to support the growth of regional companies by strengthening their equity and making them sustainable by organising their transfer.

Name: Olivier AUBERT Swen Capital Partners	
Summary of the main areas of expertise and experience:	Investor and civil engineer with more than 25 years of experience in the gas and electricity industries.
Main activities conducted outside the company:	Managing Director Swen Capital Partners
Current terms of office:	
— Terms of office and positions in Group companies	Not applicable
— Terms of office and positions in non-Group companies (listed French companies, non-listed French companies, listed foreign companies, non-listed foreign companies)	SWING Biomethane (France) OXAN Energy (France) CVE Biogaz (France)
Terms of office that expired during the last five years	Protium Ter'Green Gaz'Up (France) Biomethane Invest (Italy)

Olivier Aubert is a Civil Engineer with more than 28 years' experience in the Gas & Electricity industry. After 15 years of management positions in international business development, in 2012 he joined the general management of GRTgaz, the French natural gas transmission operator. He has been leading the development of biomethane injection in France since 2012 and launched the first power to gas project in France (Jupiter 1000). In 2019, he founded SWEN Impact Fund for Transition (SWIFT), the first private equity fund dedicated to the production and distribution of biomethane in Europe which, since 2019, has financed stakes in more than 250 biomethane production and distribution facilities, in production, construction or development, in 12 European countries, then in 2021 SWIFT2, the successor fund. This range of funds is the leader in renewable gas investments in Europe.

Name: Anna CRETI Independent Director	
Summary of the main areas of expertise and experience:	Expertise in competition and regulation of public services in Europe as well as in environmental regulation.
Main activities conducted outside the company:	Professor in Economics, University of Paris Dauphine, Director of the Natural Gas Economics Chair Director of the Climate Economics Chair Associate researcher at UC3E, Berkley and Santa Barbara, California Member of the CSR Committee of the Holtex Group Monitoring of CSR commitments within the PARC Foundation and the Sustainable Finance Observatory Member of the Scientific Committee that proposed the overhaul of the Socially Responsible Investment (SRI-France) label. Research on the implementation of the taxonomy and the TCFD
Current terms of office:	
— Terms of office and positions in Group companies	Not applicable
— Terms of office and positions in non-Group companies (listed French companies, non-listed French companies, listed foreign companies, non-listed foreign companies)	-
Terms of office that expired during the last five years	Independent Director on the Board of Directors of GRTgaz

Anna Creti is a full professor at the University of Paris Dauphine where she heads the Climate Economics Chair (Université Dauphine) and the Economics of Natural Gas Chair (Université Dauphine, Toulouse School of Economics, IFPEN, Ecole des Mines). She is also a research fellow at the École Polytechnique, Paris, and affiliated with the Siebel Institute, Berkeley. She is a member of the Sustainable Finance Observatory's Scientific and Expertise Committee, the ACPR AMF Sustainable Finance Working Group, the ACPR-Banque de France Scientific Committee, and the Caisse des Dépôts Climate Ambition Project's Scientific Committee, and is Chairwoman of the Association for the Low Carbon Transition. Anna Creti holds a doctorate from the Toulouse School of Economics and a post-doctorate from the London School of Economics. She also conducted in-depth studies on the competition and regulation of public services in Europe, as well as the link between energy, climate and environmental regulation. Co-editor of the journal Energy Economics, Anna Creti is regularly published in the most important economic journals and also appears in several media.

Name: Anne LAPIERRE Independent Director	
Summary of the main areas of expertise and experience:	Expertise in the development of infrastructure projects and both conventional and renewable energies.
Main activities conducted outside the company:	Partner Lawyer in charge of the Global Energy team at Norton Rose Fulbright (Global Head of Energy).
Current terms of office:	Member of the Strategic Committee of the Bertrand Piccard Solar Impulse Foundation since 2018
— Terms of office and positions in Group companies	Not applicable
— Terms of office and positions in non-Group companies (listed French companies, non-listed French companies, listed foreign companies, non-listed foreign companies)	
Terms of office that expired during the last five years	2019 Independent Director of Alpiq AG (listed at the time of office) 2008 to 2020 Director for 12 years of the association France Energie Eolienne in charge of defending the interests of the sector in France Member of the Supervisory Board of Norton Rose Fulbright 2013 to 2018 Member of the Executive Committee of Norton Rose Fulbright from 2018 to 2023

Anne Lapierre is a lawyer and partner in charge of the Energy Department of Norton Rose Fulbright in Paris. Anne is also co-head of the Casablanca office and the firm's global practice (1,000 lawyers dedicated to the energy industry across 56 offices worldwide). Anne Lapierre focuses her practice on the development of infrastructure projects and both conventional and renewable energies. Over the course of her career, Anne has supported her clients on numerous innovative and unprecedented projects in France, the Maghreb and French-speaking Africa. She has developed particularly sought-after expertise in the field of solar and wind energy, advising developers and manufacturers as well as banks and investment funds.

Name: Christilla DE MOUSTIER Independent Director	
Summary of the main areas of expertise and experience:	Expertise in Private Equity, Investor Relations, Fundraising, ESG.
Main activities conducted outside the company:	Partner in charge of ESG, Member of the Investment Committee, Fremman Capital Director of Village de François Director and Deputy Treasurer of Société des Amis du Musée du Quai Branly - Jacques Chirac
Current terms of office:	-
— Terms of office and positions in Group companies	Not applicable
— Terms of office and positions in non-Group companies (listed French companies, non-listed French companies, listed foreign companies, non-listed foreign companies)	-
Terms of office that expired during the last five years	-

Christilla de Moustier is a partner of Fremman Capital, an Article 8 SFDR investment fund. She is a member of the fund's Investment Committee and is also in charge of its ESG issues. Christilla has 30 years of professional experience, including 23 years in the private equity industry. Before joining Fremman in 2021, Christilla worked as an independent consultant for 10 years, supporting and advising private equity firms in their investor relations and financing. She previously spent 12 years at PAI Partners where she was responsible for investor relations. Christilla also spent two years as an auditor at Arthur Andersen and four years as a lawyer in business law at Archibald Andersen. Christilla is a graduate of ESCP Europe, holds a Master's degree in Law and a Certificate of Aptitude for the Legal Profession (CAPA) and is an auditor of the IHEDN Defence Policy session.

Name: Dominique GRUSON Independent Director	
Summary of the main areas of expertise and experience:	Management of several companies, Director
Main activities conducted outside the company:	Managing Partner at Société Nouvelle Janvier-Gruson-Prat
Current terms of office:	Director
— Terms of office and positions in Group companies	Not applicable
— Terms of office and positions in non-Group companies (listed French companies, non-listed French companies, listed foreign companies, non-listed foreign companies)	Manager of Société Nouvelle Janvier-Gruson-Prat SARL Manager of Société Générale d'Investissement SARL Manager of SCI du Marais Manager of SCI du Marais B Chairman of Confédération des Métiers d'Art Chairman of the Selection Loisirs association Vice-Chairman of Chambre Syndicale Bijouterie Vice-Chairman of the Confédération HBJO Director of Association Centrale Supelec Alumni Manager of SRL Ornalys based in Brussels Chairman of Fédération des industries diverses de l'habillement Treasurer of Union des fédérations des industries de la mode et habillement
Terms of office that expired during the last five years	-

Dominique Gruson is a graduate of Ecole Centrale Paris, and has worked for Air Liquide for 31 years in various positions, mainly in management. He is now a consultant for a management consulting firm and co-Director of a company specialising in costume jewellery. Dominique is an Independent Director of the Company.

Nationality of the members of the Board of Directors

All members of the Board of Directors are French, except for Anna Creti, independent director, who is Italian.

Situation of Olivier Aubert

In accordance with the terms and conditions of the commitment to subscribe to the OCA 2021 Tranche 2 (as described in Section 8.3.3 "*Bond financing*") of the company Swift Gaz Vert, the latter, represented by Olivier Aubert, has been appointed as a director of the Company since the IPO in October 2021.

Non-voting member

In accordance with the provisions of Article 18 of the Articles of Association, the Board of Directors appointed Noria, represented by Christophe Guillaume, as non-voting member at the time of the IPO carried out in October 2021. The non-voting member, who may be a natural person or a legal entity, may be appointed by the Ordinary General Meeting or directly by the Board of Directors, subject to ratification of the decision by the next General Meeting. He or she is appointed for a term of three (3) years ending at the end of the Ordinary General Meeting called to approve the financial statements for the previous financial year and may be re-elected. The non-voting member studies the questions that the Board of Directors or its Chairman submits for his opinion. He/she attends meetings of the Board of Directors and takes part in the deliberations in an advisory capacity only, without their absence affecting the validity of the deliberations. The Board of Directors may compensate non-voting members by deducting amounts from the compensation allocated by the General Meeting to the directors. The non-voting member was not compensated in respect of the 2022 financial year.

Christophe Guillaume, aged 55, is an agricultural engineer from LaSalle Beauvais. As Manager of Noria, he is involved on a daily basis in project management and in supporting and monitoring the investments of the Eco-energy division in close collaboration with their manager.

Internal regulations of the Board of Directors

The Board of Directors has internal regulations that define and contain the operating rules of this body with regard to its duties, the attendance of its members, and the rights and obligations of the latter, in particular with regard to ethics and the prevention of conflicts of interest. The internal regulations of the Board of Directors were adopted at the meeting held on 8 October 2021. The directors have all signed these internal regulations and made the annual declaration of any conflicts of interest for the 2021 and 2022 financial years.

To prevent any conflict of interest in this respect, the internal regulations of the Company's Board of Directors provide that, in a situation that gives rise to a conflict of interest or may give rise to a conflict of interest, the director concerned shall inform the Board of Directors as soon as he or she is aware of this, and should (i) abstain from voting on the corresponding resolution, or (ii) not attend the meeting of the Board of Directors during which he or she is in a situation of conflict of interest, or (iii) in an extreme case, resign from office.

Independent members of the Board of Directors.

The Company's analysis of the independence of each director, with regard to the criteria set out in the Middlenext Code, is presented below.

Criteria (1)	Mathieu Lefebvre	Guénaël Prince	Séverine Adami (ALIAD)	Arnaud Delattre (Starquest)	Marie Bierent (Les Saules)	Stéphane Assuied (Tertium Management)	Olivier Aubert (Swen Capital Partners)	Dominique Gruson	Anna Creti	Anne Lapierre	Christilla de Moustier
Criterion 1: Not to have been an employee or corporate officer of the company or of a company in its group during the last five years	✕	✕	✓	✓	✓	✓	✓	✓	✓	✓	✓
Criterion 2: Not to have been, during the last two years, and not to be in a significant business relationship with the company or its group (customer, supplier, competitor, service provider, creditor, banker, etc.)	✓	✓	✕	✕	✕	✕	✕	✓	✓	✓	✓
Criterion 3: Not to be a reference shareholder of the company or hold a significant percentage of voting rights	✕	✕	✕	✕	✓	✓	✓	✓	✓	✓	✓
Criterion 4: Not to have a close relationship or family ties with a corporate officer or a reference shareholder	✓	✓	✓	✓	✕	✓	✓	✓	✓	✓	✓
Criterion 5: Not to have been, during the last six years, the company's auditor	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

(1) In this table, ✓ represents an independence criterion satisfied and ✕ represents an independence criterion not satisfied.

With regard to the independence criteria defined by the Middlenext Code to which the Company refers, the Board of Directors considered that four (4) members, namely Dominique Gruson, Anna Creti, Anne Lapierre, and Christilla de Moustier are independent members of the Board of Directors.

Situation of Dominique Gruson

At its meeting of 28 February 2022, the Board of Directors authorised the conclusion of a service agreement between the Company and Ornalys SPRL, whose manager is Dominique Gruson. Pursuant to this agreement, Ornalys SPRL provides training services to the Company's employees: business development, drafting of contracts, business models, structuring of financing, drafting of business plans for European projects to purify biogas from landfills. This agreement was validated as a regulated agreement and was subject to an *in concreto* analysis by the Appointments and Compensation Committee (without the presence of Mr Gruson) with regard to the independence criteria of the Middlenext code. The Appointments and Compensation Committee and the Board of Directors considered that this business relationship was not likely to interfere with Dominique Gruson's freedom of judgement or to call into question his independence. This agreement expired on 31 December 2023. At its meeting of 1 February 2024, the Board of Directors authorised the renewal of this service agreement between the Company and Ornalys SPRL, while increasing the price of the service to €1,650 excluding tax per day.

Duties of the Board of Directors

The main duties of the Board of Directors are as follows:

- determine the Company's business direction, in particular its strategy, and oversees its implementation. Subject to the powers expressly granted to Shareholders' Meetings and within the limits of the corporate purpose, it deals with all matters relating to the smooth running of the Company and settles matters concerning it through its decisions,
- appoints the Chairman of the Board, the Chief Executive Officer and the Deputy Chief Executive Officers and sets their compensation,
- authorises the agreements and commitments referred to in Article L. 225-38 of the French Commercial Code,
- proposes to the General Meeting of Shareholders the appointment of the Statutory Auditors,
- prepares the Board's report on corporate governance and internal control, and
- draws up the draft resolutions referred to in Article L. 22-10-8 of the French Commercial Code as well as the corresponding report.

It ensures the quality of the information provided to shareholders and the markets.

Rules of professional conduct

Each director is made aware of the responsibilities incumbent upon them at the time of their appointment and is encouraged to observe the rules of ethics relating to their office: pursuing exemplarity, complying with the legal rules on multiple offices, informing the Board of Directors in the event of a conflict of interest occurring after obtaining their office, attending meetings of the Board of Directors and General Meetings, ensuring that they have all the necessary information on the meeting agenda before making any decisions, and respecting professional secrecy.

The internal regulations of the Board of Directors include provisions in the event of the occurrence of situations presenting a risk of conflict of interest, notably in terms of informing the Board of Directors and the AMF, and of abstaining from voting or participating in deliberations.

On 28 February 2022, the Board of Directors adopted a Stock Market Ethics Charter that was communicated to all Group employees.

Balanced representation of women and men

The Board of Directors includes five women, *i.e.* 45.5% of the members of the Board of Directors. The composition of the Board of Directors is therefore in accordance with the provisions of Articles L. 225-18-1 and L. 22-10-3 of the French Commercial Code stipulating balanced representation of women and men on the Boards of Directors of companies whose shares are admitted to trading on a regulated market.

Assessment of the Board of Directors

The internal regulations of the Board of Directors provide that, once a year, the Board shall devote an item on its agenda to a discussion on its operating methods and that, every three years, it shall ensure a formal assessment is carried out with the assistance of an external consultant.

The Chairman of the Board of Directors invited the members to comment on the functioning of the Board of Directors and the preparation of its work during the 2023 financial year.

At the end of this assessment, after reviewing the summary presented to the Board of Directors at its meeting of 1 February 2024, the Board took note of the comments and steps for improvement to be made.

Meetings of the Board of Directors in 2023

	Board of Directors	Audit Committee	Appointments and Compensation Committee	CSR Committee	Commitment Committee
Total number of meetings	10*	3	2	2	4
Attendance rate of directors					
Mathieu Lefebvre	100%	-	-	-	-
Dominique Gruson	80%	100%	100%	-	75%
ALIAD, represented by Séverine Adami	80%	-	-	100%	75%
Les Saules, represented by Marie Bierent	90%	-	-	-	-
Guénaël Prince	60%	-	-	-	-
Tertium Invest	80%	67%	-	-	-
Anna Creti	90%	-	-	-	-
Anne Lapierre	60%	-	100%	100%	-
Christilla De Moustier	100%	100%	-	100%	-
Starquest, represented by Arnaud Delattre	90%	-	100%	-	100%
Swen Capital Partners, represented by Olivier Aubert	80%	-	-	-	-
2023 average	83%	89%	100%	100%	83%

** Total number of Board of Directors meetings (excluding committee meetings).*

13.1.2 General Management

In accordance with the provisions of Article L.225-51-1 paragraph 2 of the French Commercial Code, and pursuant to the decisions of the Company's Board of Directors of 8 October 2021, the positions of Chairman of the Board of Directors and of Chief Executive Officer were merged, as permitted by Article 16.1 of the Company's Articles of Association, and are held by Mathieu Lefebvre, for a period of three (3) years expiring at the end of the Board meeting following the Ordinary General Meeting called in 2024 to approve the financial statements for the financial year ending 31 December 2023.

Mathieu Lefebvre has an employment contract for his duties as Product Director. The Board of Directors of 8 October 2021 maintained the employment contract of Mathieu Lefebvre in view of (i) his role as founder of the Company, his resulting seniority in the Company, (ii) his involvement in the product development and strategy of the Company, (iii) the stage of development of the Company, (iv) the level of compensation, and (v) the independence of the functions that he exercises under his employment contract and in his capacity as Chairman and Chief Executive Officer. In addition, no exceptional compensation was due to Mathieu Lefebvre in respect of his corporate office in connection with the IPO.

Nicolas Paget serves as Deputy Chief Executive Officer.

He was appointed Deputy Chief Executive Officer of the Company by the Board of Directors of 8 October 2021 for a period of three (3) years expiring at the end of the Board meeting following the Ordinary General Meeting called in 2024 to approve the financial statements for the financial year ending 31 December 2023.

Nicolas Paget has an employment contract for his duties as Industrial Director. The Board of Directors of 8 October 2021 maintained the employment contract of Nicolas Paget in view of his role as founder of the Company and his resulting seniority in the Company. In addition, Nicolas Paget does not receive any compensation in respect of his corporate office and no exceptional compensation was due or paid to Nicolas Paget in respect of his corporate office in connection with the IPO. The Company has undertaken a review and analysis of this contract in order, where appropriate, to terminate this employment contract in subsequent years.

Personal information concerning the Chairman and Chief Executive Officer and the Deputy Chief Executive Officer

(see the description in Section 13.1.1 above for the biography of Mathieu Lefebvre)

Nicolas Paget graduated from the Université de Technologie de Compiègne with a specialisation in Materials. He began his career in 2005 at Technip as a pipework installation manager and then as a mechanical engineer from 2008 to 2011. In 2011, he joined Air Liquide and worked as a biogas product engineer until 2014 and then continued his career at Air Liquide as head of the Biogas product efficiency initiative. In 2015, Nicolas Paget was one of the members behind the creation of the Company. He is Chief Technology Officer and holds the office of Deputy Chief Executive Officer within the Company.

Declarations relating to the members of the Board of Directors and Executive Corporate Officers

In addition, to the best of the Company's knowledge, over the last five years: (i) no conviction for fraud has been handed down against a Director or Executive Corporate Officer of the Company, (ii) no Director or Executive Corporate Officer of the Company has been associated with a bankruptcy, receivership, liquidation or placing of a company under court-ordered administration, (iii) no incrimination and/or official public sanction has been announced against a Director or Executive Corporate Officer of the Company by judicial or administrative authorities (including designated professional bodies), and (iv) no Director or Executive Corporate Officer of the Company has been prevented by a court from acting as a member of an administrative or management body of an issuer or from intervening in the management or conduct of the affairs of an issuer.

13.2 Conflicts of interest at the level of the administrative, management and General Management bodies

To the best of the Company's knowledge, subject to the relationships presented in Chapter 18 "*Transactions with related parties*" of the Universal Registration Document, at the date of the Universal Registration Document there are no potential conflicts of interest between the duties towards the Company of the members of the Board of Directors and Executive Corporate Officers of the Company and their private interests and/or other duties.

To the best of the Company's knowledge, at the date of approval of the Universal Registration Document, there are no arrangements or agreements entered into with the main shareholders or with customers, suppliers or others, under which any of the persons referred to in point 13.1 above has been selected as a member of an administrative, management or supervisory body or as a member of the Company's general management.

At the date of the Universal Registration Document, to the best of the Company's knowledge, there are no restrictions accepted by the members of the Board of Directors regarding the disposal of their shareholding in the Company's share capital, with the exception of the usual lock-up commitments entered into with banks as part of the Company's IPO, the rules relating to the prevention of insider trading and the law imposing a lock-up obligation.

14. COMPENSATION AND BENEFITS

14.1 Compensation of Corporate Officers

The information in this chapter has been prepared with reference to the Middlenext Corporate Governance Code as published on 12 September 2021 and approved as a reference code by the AMF. The tables covered by AMF recommendation no. 2009-16 *"Guide to the preparation of Registration Documents*" included in AMF position-recommendation DOC-2021-02 are presented below.

14.1.1 Compensation policy for corporate officers

In accordance with the "say on pay" regime and its internal rules, the Company's Board of Directors (the "Board of Directors") determines the compensation policy for the Company's corporate officers on the basis of the recommendations of the Appointments and Compensation Committee, it being specified that the implementation of this policy remains subject to the prior approval of the Company's shareholders (*ex ante* vote). The compensation policy is prepared taking into account the practices of comparable companies and then submitted to the Appointments and Compensation Committee, of which no executive corporate officer is a member.

In accordance with the provisions of Article L. 22-10-8 of the French Commercial Code, when the Board of Directors decides on an element or a commitment for the benefit of its Chairman and Chief Executive Officer or its Deputy Chief Executive Officer, the interested parties may not take part in the deliberations or vote on the element or commitment concerned. Thus, Mathieu Lefebvre does not take part in the deliberations or in the vote on the deliberation relating to his compensation nor in that which sets the compensation policy. Nicolas Paget, for his part, is not a director.

The compensation policy defines all the components of the fixed and variable compensation of corporate officers and the decision-making process applied to determine, review and implement it. The policy must be consistent with the Company's corporate interest, contribute to its sustainability and be in line with its strategy. In determining the compensation policy, the Board of Directors takes into account the following principles mentioned in the Middlenext Code: comprehensiveness, balance between the components of compensation, comparability (benchmark), consistency, clarity, measurement and transparency.

In accordance with the applicable legal and regulatory provisions, the compensation policy for corporate officers will include (i) information relating to all corporate officers and (ii) specific elements for the Chairman and Chief Executive Officer, the Deputy Chief Executive Officer and the Directors.

The compensation policy applied to all corporate officers will follow the criteria defined in Article R. 22-10-14 of the French Commercial Code.

No component of compensation, benefits or commitments of any kind may be awarded or paid by the Company if it does not comply with the compensation policy approved by the General Meeting of Shareholders.

However, in the event of exceptional circumstances, the Board of Directors may waive the application of the compensation policy. This waiver must then be temporary, in line with the Company's interests and necessary to guarantee the Company's sustainability or viability in accordance with the provisions of Article L. 22-10-8 of the French Commercial Code.

In accordance with the provisions of Article L. 22-10-8, III of the French Commercial Code, any payment, allocation or commitment made in breach of these provisions is void.

The following developments concern the compensation policy for the Company's corporate officers established by the Board of Directors, on the proposal of the Appointments and Compensation Committee, for the current financial year, subject to the approval of the General Meeting called to vote on the financial statements for the year ended 31 December 2023 (*ex ante* vote). The compensation paid or allocated to corporate officers for the financial year ended 31 December 2024 in application of the policy described below will also be submitted for the approval of the Company's shareholders (*ex post* vote) at the time of the General Meeting called to approve the financial statements for the financial year ended 31 December 2024.

Compensation policy for the Chairman and Chief Executive Officer of the Company

General principles

At its meeting of 26 April 2024, the Board of Directors of the Company decided, on the proposal of the Appointments and Compensation Committee, to increase the compensation of Mathieu Lefebvre (on an annual basis) to:

- gross annual fixed compensation (excluding office) of €120,000 in respect of his employment contract (compared to €100,000 previously);
- gross annual fixed compensation (excluding employment contract) of €40,000 in respect of his corporate office (amount unchanged); and
- no individual variable compensation.

The fixed compensation is determined by the Board of Directors on the proposal of the Appointments and Compensation Committee in a fair and competitive manner while taking into account the Company's interests. It will be up to the next Annual General Meeting to decide on the principles and criteria for determining, allocating and granting compensation and benefits of any kind to Mathieu Lefebvre for the 2024 financial year.

It should be noted that a review has been initiated at the instigation of the Appointments and Remuneration Committee in order to introduce a variable portion to the remuneration of executives. The Committee also recommended the allocation of BSPCEs to the founding executives, which would be based on financial and non-financial performance (CSR) criteria in line with the Company's strategy. This system would strengthen the link between the compensation of the Executive Corporate Officers and their direct contributions to the Company's long-term performance, while ensuring that their interests are aligned with those of the shareholders.

Under his employment contract, Mathieu Lefebvre benefits from a supplementary pension plan, a provident and managerial health insurance scheme, to which the Company is affiliated, a potential lump-sum bonus in the event of patent applications and additional compensation if the Company were to obtain a commercial advantage from the patent. He is bound by a non-compete clause and does not receive any compensation for assumption or termination of office. He also benefits from unemployment insurance (taken into account as a benefit in kind) and civil liability insurance taken out by the Company for its executives.

Compensation policy for the Deputy Chief Executive Officer of the Company

General principles

At its meeting of 26 April 2024, the Board of Directors of the Company decided, on the proposal of the Appointments and Compensation Committee, to increase the compensation of Nicolas Paget (on an annual basis) to:

- gross annual fixed compensation (excluding office) of €120,000 in respect of his employment contract (compared to €100,000 previously);
- gross annual fixed compensation (excluding employment contract) of €40,000 in respect of his corporate office (amount unchanged); and
- no individual variable compensation.

It should be noted that a review has been initiated at the instigation of the Appointments and Remuneration Committee in order to introduce a variable portion to the remuneration of executives. The Committee also recommended the allocation of BSPCEs to the founding executives, which would be based on financial and non-financial performance (CSR) criteria in line with the Company's strategy. This system would strengthen the link between the compensation of the Executive Corporate Officers and their direct contributions to the Company's long-term performance, while ensuring that their interests are aligned with those of the shareholders.

It will be up to the next Annual General Meeting to decide on the principles and criteria for determining, allocating and granting compensation and benefits of any kind to Nicolas Paget for the 2024 financial year.

Under his employment contract, Nicolas Paget benefits from a supplementary pension plan, a provident and managerial health insurance scheme, to which the Company is affiliated, a potential lump-sum bonus in the event of patent applications and additional compensation if the Company were to obtain a commercial advantage from the patent. He is bound by a non-compete clause and does not receive any compensation for assumption or termination of office. He also benefits from unemployment insurance (taken into account as a benefit in kind) and civil liability insurance taken out by the Company for its executives.

Compensation policy for the Directors of the Company

The total annual compensation allocated to the Board of Directors is €93,000 for the current and subsequent financial years. The total annual compensation allocated to the Company's Board of Directors is distributed as follows among the members of the Board of Directors:

- only independent directors within the meaning of the Middlenext Code receive compensation for their duties as independent directors; and

- the compensation is equal to €1,500 per meeting (of the Board or of a Committee of which the director concerned is a member) in which the director concerned participates physically or *via* telephone or videoconference.

If the total amount due exceeds the total annual amount of compensation allocated to the Board of Directors, then all sums due in respect of directors' attendance may be adjusted downward in due proportion in order to remain within the limits of the budget allocated by the Company's General Meeting of Shareholders.

Lastly, the members of the Board of Directors may receive exceptional compensation for specific missions entrusted to them by the Board of Directors in accordance with the provisions of Articles L. 225-46 and L. 22-10-15 of the French Commercial Code. The amount of this exceptional compensation will be set by the Board of Directors according to the nature of the specific mission entrusted to the Director concerned. This compensation will, where applicable, be charged to the Company's operating expenses and be subject to the application of the rules governing regulated agreements (Articles L. 225-38 *et seq.* of the French Commercial Code).

Each Independent Director is entitled to reimbursement, upon presentation of supporting documents, of travel expenses incurred to enable him or her to attend face-to-face meetings of the Board of Directors or of the Committee of which he or she is a member and more generally in the exercise of his or her duties.

14.1.2 Compensation paid and benefits in kind granted during the financial year ended 31 December 2023

- ❖ Compensation of Executive Corporate Officers

The following tables detail the compensation paid to Mathieu Lefebvre, Chairman of the Board of Directors and Chief Executive Officer, and Nicolas Paget, Deputy Chief Executive Officer, by the Company and by any Group company, during the financial years ended 31 December 2022 and 2023:

Table 1: Summary table of compensation, options and shares granted to each Executive Corporate Officer

	FY 2022	FY 2023
Mathieu Lefebvre, *Chairman and Chief Executive Officer*		
Compensation due in respect of the financial year	€144,159	€157,277
Valuation of multi-year variable compensation allocated during the financial year	0	0
Valuation of BSPCE granted during the year(1)	0	0
Valuation of free shares allocated	0	0
Total	€144,159	€157,277

(1) *The Company made a change in methodology for its 2022 Universal Registration Document compared to the 2021 Universal Registration Document, by posting the IFRS 2 value for the year of the grant of the BSPCEs allocated to the Chairman and Chief Executive Officer in 2021.*

The compensation of Mathieu Lefebvre comes from his employment contract with the Company as Product Director and his office as Chairman and Chief Executive Officer. For the financial year ended 31 December 2023, Mathieu Lefebvre received annual gross fixed compensation of €100,000 in respect of his employment contract under French law, adjusted for the social impacts of his temporary secondment to the United States, and annual gross fixed compensation of €40,000 in respect of his office. Under his employment contract, Mathieu Lefebvre benefits from a supplementary pension plan, a provident and managerial health insurance scheme, to which the Company is affiliated, a potential lump-sum bonus in the event of patent applications and additional compensation if the Company were to obtain a commercial advantage from the patent.

	FY 2022	FY 2023
Nicolas Paget, *Deputy Chief Executive Officer*		
Compensation due in respect of the financial year	€140,227	€154,838
Valuation of multi-year variable compensation allocated during the financial year	€0	€0
Valuation of BSPCE granted during the year[(1)]	€0	€0
Valuation of free shares allocated	€0	€0
Total	€140,227	€154,838

(1) *The Company made a change in methodology for its 2022 Universal Registration Document compared to the 2021 Universal Registration Document, by posting the IFRS 2 value for the year of the grant of the BSPCEs allocated to the Chairman and Chief Executive Officer in 2021.*

The compensation of Nicolas Paget comes from his employment contract with the Company as Industrial Director. For the financial year ended 31 December 2023 Nicolas Paget received annual gross compensation of €100,000 under his employment contract under French law and annual gross fixed compensation of €40,000 in respect of his office. Under his employment contract, Nicolas Paget benefits from a supplementary pension plan, a provident and managerial health insurance scheme, to which the Company is affiliated, a potential lump-sum bonus in the event of patent applications and additional compensation if the Company were to obtain a commercial advantage from the patent.

Table 2: Summary table of the compensation of each Executive Corporate Officer

The following tables present the compensation due to the Executive Corporate Officers for the financial years ended 31 December 2022 and 2023 and the compensation received by these same people during the same financial years.

	FY 2022		FY 2023	
	Amount due(1)	Amounts paid(2)	Amount due(1)	Amount paid(2)
Mathieu Lefebvre, *Chairman and Chief Executive Officer*				
Fixed compensation	€132,833	€132,833	€140,000	€140,000
Annual variable compensation(3)	€0	€8,609	€0	€11,895
Multi-year variable compensation	€0	€0	€0	€0
Exceptional compensation(4)	€0	€0	€0	€0
Compensation in respect of the position	€0	€0	€0	€0
Benefits in kind(5)	€2,716	€2,716	€5,382	€5,382
Total	€135,549	€144,159	€145,382	€157,277

(1) Compensation due to the Corporate Officer during the financial year, the amount of which is not liable to change whatever the payment date.

(2) Compensation paid to the Corporate Officer during the financial year.

(3) The annual variable compensation item consists of the holiday bonuses, on-call bonuses, collective bonuses, redemption of RTT days, profit-sharing bonuses and paid holiday allowances received by the Executive Corporate Officers.

(4) The exceptional compensation item consists of the patent operating bonuses received by the Executive Corporate Officers.

(5) The benefits in kind item includes unemployment insurance for executives.

	FY 2022		FY 2023	
	Amount due(1)	Amounts paid(2)	Amount due(1)	Amount paid(2)
Nicolas Paget, *Deputy Chief Executive Officer*				
Fixed compensation	€131,667	€131,667	€140,000	€140,000
Annual variable compensation(3)	€0	€7,853	€0	€9,692
Multi-year variable compensation	€0	€0	€0	€0
Exceptional compensation(4)	€0	€0	€0	€0
Compensation in respect of the position	€0	€0	€0	€0
Benefits in kind(5)	€707	€707	€5,146	€5,146
Total	€132,374	€140,227	€145,146	€154,838

(1) Compensation due to the Corporate Officer during the financial year, the amount of which is not liable to change whatever the payment date.

(2) Compensation paid to the Corporate Officer during the financial year.

(3) The annual variable compensation item consists of the holiday bonuses, on-call bonuses, collective bonuses, redemption of RTT days, profit-sharing bonuses and paid holiday allowances received by the Executive Corporate Officers.

(4) The exceptional compensation item consists of the patent operating bonuses received by the Executive Corporate Officers.

(5) The benefits in kind item includes unemployment insurance for executives.

❖ Compensation of members of the Board of Directors

The table below details the amount of compensation paid to the Company's Directors by the Company or by any Group company during the financial years ended 31 December 2022 and 2023.

Table 3: Compensation table for the activity and other compensation received by non-Executive Corporate Officers

Non-Executive Corporate Officers	2022		2023	
(Gross value)	Amount due	Amount paid	Amount due	Amount paid
Dominique Gruson - independent director				
Compensation for Board activity	€24,000	€24,000	€24,000	€24,000
Other compensation[1]	€11,866 excl. tax	€11,866 excl. tax	€7,732 excl. tax	€7,732 excl. tax
Air Liquide Investissements d'Avenir et de Démonstration (represented by Séverine Adami) - Director				
Compensation for Board activity	€0	€0	€0	€0
Other compensation	€41,667	€41,667	€42,589	€42,589
Les Saules (represented by Marie Bierent) - Director				
Compensation for Board activity	€0	€0	€0	€0
Other compensation	€0	€0	€0	€0
Guénaël Prince - Director				
Compensation for Board activity	€0	€0	€0	€0
Other compensation[2]	€262,444	€262,444	€271,376	€271,376
Tertium Invest (represented by Stéphane Assuied) - Director				
Compensation for Board activity	€0	€0	€0	€0
Other compensation	€0	€0	€0	€0
Anna Creti - Independent Director*				
Compensation for Board activity	€10,500	€10,500	€16,500	€16,500
Other compensation	€0	€0	€0	€0
Anna Lapierre - Independent Director*				
Compensation for Board activity	€16,500	€16,500	€15,000	€15,000
Other compensation	€0	€0	€0	€0
Christilla De Moustier - Independent Director*				
Compensation for Board activity	€24,000	€24,000	€22,500	€22,500
Other compensation	€0	€0	€0	€0
Starquest (represented by Arnaud Delattre) - Director				
Compensation for Board activity	€0	€0	€0	€0
Other compensation	€0	€0	€0	€0
Swen Capital Partners (represented by Olivier Aubert) - Director				
Compensation for Board activity	€0	€0	€0	€0
Other compensation	€0	€0	€0	€0

(1) Compensation (including expenses) of Ornalys (managed by Mr Gruson) for training courses organised by Ornalys under the agreement between the Company and Ornalys (see also Section 13.1.1 "Board of Directors" and Section 18.1 "Intra-group agreements and related-party transactions" of the Universal Registration Document).
(2) Compensation in euros for the office of CEO of the US subsidiary, Waga Energy.

Table 4: Stock options granted during the financial year to each Executive Corporate Officer by the Company or any company in its Group

[None].

Table 5: Stock options exercised during the financial year by each Executive Corporate Officer

[None].

Table 6: Free shares allocated during the financial year to each Corporate Officer

[None].

Table 7: Free shares vested during the financial year for each Corporate Officer

[None].

Table 8: History of BSPCE allocations, or stock option grants

Information on BSPCEs			
	Plan no. 1	Plan no. 2	Plan no. 3
Date of meeting	Combined General Meeting of 20 December 2018	Combined General Meeting of 17 June 2021	Combined General Meeting of 30 June 2022
Date of Board of Directors' meeting	18 December 2019 (as delegated by the Combined General Meeting of 20 December 2018)	30 June 2021 (as delegated by the Combined General Meeting of 17 June 2021)	2023 Plan: 24 January 2023 2023.2 Plan: 29 June 2023
Total number of shares that may be subscribed or purchased, of which the number that may be subscribed or purchased by:	1,000,000	1,250,000	2023 Plan: 337,000 (of which 3,000 not allocated) 2023.2 Plan: 15,000
Corporate officers	390,000	600,000	0
Mathieu Lefebvre (Chairman and Chief Executive Officer)	130,000	200,000	0
Nicolas Paget (Deputy Chief Executive Officer)	130,000	200,000	0
Guénaël Prince (Director)	130,000	200,000	0
BSPCE exercise starting point	18 December 2021	1 July 2023	2023 Plan: 24 January 2025 2023.2 Plan: 29 June 2025
Expiry date	18 December 2029	30 June 2031	2023 Plan: 24 January 2033 2023.2 Plan: 29 June 2033
Subscription price	€3.1842 per share(1)	€10.00 per share(1)	2023 Plan: €27.54 per share 2023.2 Plan: €27.39 per share
Terms of exercise (when the plan includes several tranches)	1/4 from 18 December 2021 then 1/24th per month of presence during the following 24 months	1/4 from 1 July 2023 then 1/24th per month of presence during the following 24 months	1/4 from 24 January 2025 and 29 June 2025 respectively, then 1/24th per month of presence over the following 24 months
Number of shares subscribed at 31/12/2023	114,638	2,500	0
Number of expired BSPCEs	0	0	1,500

Information on BSPCEs			
	Plan no. 1	Plan no. 2	Plan no. 3
BSPCEs outstanding at year-end	885,362[(2)]	1,247,500[(2)]	347,500

(1) *Subscription price of a share upon exercise of the BSPCE after dividing the par value of the Company's shares by 100 and the corresponding multiplication by 100 of the number of shares comprising the Company's share capital.*
(2) *Number of BSPCE granted after dividing the par value of the shares by 100 and the corresponding multiplication of the number of shares comprising the Company's share capital by 100.*

Information on stock options		
	2021 options	2023 options
Date of meeting	Combined General Meeting of 17 June 2021	Combined General Meeting of 8 October 2021
Date of Board of Directors' meeting	30 June 2021 (as delegated by the Combined General Meeting of 17 June 2021) 8 September 2021 (as delegated by the Combined General Meeting of 17 June 2021)	2023 Plan: 24 January 2023 2023.2 Plan: 29 June 2023 2023.3 Plan: 20 July 2023
Total number of shares that may be subscribed or purchased, of which the number that may be subscribed or purchased by:	Board of Directors' meeting of 30 June 2021: 130,000 Board of Directors' meeting of 8 September 2021: 85,000	2023 Plan: 196,000 (of which 5,000 not allocated) 2023.2 Plan: 3,000 2023.3 Plan: 25,000
Corporate officers	N/A	2023.3 Plan: 25,000
Beneficiaries: employees of Waga Energy Canada, Waga Energy Inc, Waga Energy Espana, Waga Energy Italia, Waga Energy Ltd	Board of Directors' meeting of 30 June 2021: 130,000 (of which 20,000 not allocated) Board of Directors' meeting of 8 September 2021: 85,000	2023 Plan: 196,000 2023.2 Plan: 3,000
Starting point for exercising options	1 July 2023	2023 Plan: 24 January 2025 2023.2 Plan: 29 June 2025 2023.3 Plan: 20 July 2025
Expiry date	30 June 2031	2023 Plan: 24 January 2033 2023.2 Plan: 29 June 2033 2023.3 Plan: 20 July 2033
Subscription price	€10.00 per share[(1)]	2023 Plan: €27.54 per share 2023.2 Plan: €27.39 per share 2023.3 Plan: €27.39 per share
Terms of exercise (when the plan includes several tranches)	1/4 from 1 July 2023 then 1/24th per month of presence during the following 24 months	1/4 from 24 January 2025, 29 June 2025 and 20 July 2025 respectively, then 1/24th per month of presence over the following 24 months
Number of shares subscribed at 31/12/2023	0	0 -
Cumulative number of stock options cancelled or lapsed	0[(2)]	18,000

Information on stock options		
	2021 options	2023 options
Stock options outstanding at year-end	195,000[(2)]	201,000

(1) *Subscription price of a share on exercise of the 2021 Options after dividing the par value of the Company's shares by 100 and the corresponding multiplication by 100 of the number of shares comprising the Company's share capital.*
(2) *Number of 2021 Options issued after dividing the par value of the shares by 100 and the corresponding multiplication of the number of shares comprising the Company's share capital by 100.*

Table 9: Stock options (or BSPCEs) granted to the top 10 employee beneficiaries[38] who are not Corporate Officers and options (or BSPCEs) exercised by them

Options.2021 Plans	Total number of options granted/shares subscribed or purchased	Weighted average price	2021 Plans
Options granted by the Company and any company included in the scope of the option allocation plan, to the top 10 employees of the Company or any company included in this scope, for whom the number of options thus granted is the highest (aggregate information)	2021 options: 195,000	2021 Plans: €10/share	Board of Directors' meetings of 30 June 2021 and 8 September 2021
Options held on the Company and the aforementioned companies, exercised by the top 10 employees of the Company and these companies, for whom the number of options thus purchased or subscribed is the highest (aggregate information)	0	-	2021 Plan: Board of Directors' meetings of 30 June 2021 and 8 September 2021

Options.2023, 2023.2 and 2023.3 Plans	Total number of options granted/shares subscribed or purchased	Weighted average price	2023 Plans
Options granted by the Company and any company included in the scope of the option allocation plan, to the top 10 employees of the Company or any company included in this scope, for whom the number of options thus granted is the highest (aggregate information)	Options.2023, 2023.2 and 2023.3: 145,000	2023 Plan: €27.54/share 2023.2 and 2023.3 Plans: €27.39/share	2023, 2023.2 and 2023.3 Plans: Board of Directors' meetings of 24 January 2023, 29 June 2023 and 20 July 2023
Options held on the Company and the aforementioned companies, exercised by the top 10 employees of the Company and these companies, for whom the number of options thus purchased or subscribed is the highest (aggregate information)	0	-	2021 Plan: Board of Directors' meetings of 30 June 2021 and 8 September 2021

[38] *The top ten employees included in the two tables do not include Mathieu Lefebvre, Nicolas Paget and Guénaël Prince.*

BSPCE.2019 Plan	Total number of BSPCEs allocated/shares subscribed	Weighted average price	2019 Plan
BSPCEs allocated by the Company to the top 10 Company employees for whom the number of BSPCEs thus allocated is the highest (aggregate information)	535,000(1)	€3.1842/share(2)	Board of Directors' meeting of 18 December 2019 (as delegated by the Combined General Meeting of 20 December 2018)
BSPCEs allocated by the Company, exercised at 31/12/2023 by the top 10 Company employees for whom the number of BSPCEs thus exercised is the highest (aggregate information)	114,638	€3.1842/share(2)	-

(1) *Number of BSPCEs issued after dividing the par value of the shares by 100 and the corresponding multiplication of the number of shares comprising the Company's share capital by 100.*
(2) *Subscription price of a share upon exercise of the BSPCEs after dividing the par value of the Company's shares by 100 and the corresponding multiplication by 100 of the number of shares comprising the Company's share capital.*

BSPCE.2021 Plan	Total number of BSPCEs allocated/shares subscribed	Weighted average price	2021 Plan
BSPCEs allocated by the Company to the top 10 Company employees for whom the number of BSPCEs thus allocated is the highest (aggregate information)	400,000(1)	€10.00/share(2)	Board of Directors' meeting of 30 June 2021 (as delegated by the Combined General Meeting of 17 June 2021)
BSPCEs allocated by the Company, exercised at 31/12/2023 by the top 10 Company employees for whom the number of BSPCEs thus exercised is the highest (aggregate information)	2,500	€10.00/share(2)	-

(1) *Number of BSPCEs issued after dividing the par value of the shares by 100 and the corresponding multiplication of the number of shares comprising the Company's share capital by 100.*
(2) *Subscription price of a share upon exercise of the BSPCEs after dividing the par value of the Company's shares by 100 and the corresponding multiplication by 100 of the number of shares comprising the Company's share capital.*

BSPCE.2023, BSPCE.2023.2 and BSPCE.2023.2 Plans	Total number of BSPCEs allocated/shares subscribed	Weighted average price	2023 Plans
BSPCEs allocated by the Company to the top 10 Company employees for whom the number of BSPCEs thus allocated is the highest (aggregate information)	150,000	BSPCE.2023 Plan: €27.54/share BSPCE.2023.2 Plan: €27.39/share	Board of Directors' meetings of 24 January 2023 and 29 June 2023
BSPCEs allocated by the Company, exercised at 31/12/2023 by the top 10 Company employees for whom the number of BSPCEs thus exercised is the highest (aggregate information)	-	-	-

Table 10: History of free share allocations

None.

Table 11

The following table provides details of the compensation conditions and other benefits granted to Executive Corporate Officers:

Executive Corporate Officers	Employment contract		Supplementary pension scheme		Compensation or benefits due or liable to be due as a result of the termination or change of positions		Compensation relating to a non-compete clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Mathieu Lefebvre, *Chairman and Chief Executive Officer*	X (permanent employment contracts)			X		X	➢Effective after the expiry of the contract ➢Two-year term ➢30% of the average compensation over the last 12 months	
Term of office start date:	16/01/2015							
Term of office end date:	At the close of the Annual General Meeting held in 2024 to approve the financial statements for the financial year ending 31 December 2023							
Nicolas Paget, *Deputy Chief Executive Officer*	X (permanent employment contracts)			X		X	➢Effective after the expiry of the contract ➢Two-year term ➢30% of the average compensation over the last 12 months	
Term of office start date:	26/01/2021							
Term of office end date:	At the close of the Annual General Meeting held in 2024 to approve the financial statements for the financial year ending 31 December 2023							

Equity ratios

Pursuant to Article L. 22-10-9 of the French Commercial Code, the Universal Registration Document discloses the ratios between the level of compensation of the Company's Chairman and Chief Executive Officer and the Deputy Chief Executive Officer and, on the one hand, the average compensation on a full-time equivalent basis of the Company's employees other than corporate officers and, on the other, the median compensation on a full-time equivalent basis of the Company's employees other than corporate officers. It is specified that the term of office of the Deputy Chief Executive Officer began on 26 January 2021.

In France, the Company is the only Group entity that employs staff. In addition, the Company's employees represent approximately 73% of the Group's workforce, which is a scope that the Company considers significant for the calculation of the equity ratios.

In order to develop its methodology for calculating the ratios provided for in Article L. 22-10-9, I, 6° of the French Commercial Code, the Company referred to the AFEP guidelines on compensation multiples as updated in February 2021 (the "AFEP guidelines").

In accordance with the AFEP Guidelines, the compensation of each of the Executive Corporate Officers, *i.e.* the Chairman and Chief Executive Officer and the Deputy Chief Executive Officer, appearing in the numerator of compensation multiples, is the total compensation paid or awarded during year N, which was used for consistency with the methodology applied to calculate the average and median compensation of employees. This compensation consists of the fixed compensation paid in FY N (including notably the compensation paid under their employment contract), the variable compensation awarded in N-1 and paid in FY N, benefits in kind, BSPCE and stock options granted during FY N and measured at IFRS value at the time of the allocation.

The Group's performance is measured by changes in its revenue.

The equity ratios were higher in 2019 and 2021 due to the BSPCE allocation plans that were implemented during these two years. In 2023, they did not benefit from the BSPCE allocation plan, which explains the decrease in the equity ratio.

Table of equity ratios - Chairman and Chief Executive Officer

Mathieu Lefebvre, Chairman and Chief Executive Officer	2019	2020	2021	2022	2023
Annual percentage change in the compensation of the corporate officer	213%	-60%	872%	-84%	12%
Average compensation of employees	85,705	49,779	117,178	58,808	89,238
Change (as a %) of the average compensation of employees	86%	-42%	135%	-50%	52%
Ratio compared to average compensation	2.7	1.9	7.8	2.5	1.8
Change in the ratio (as a %) compared to the previous financial year	68%	-31%	313%	-68%	-26%
Median compensation of employees	39,370	41,191	58,474	42,884	50,920
Change (as a %) of the median compensation of employees	-3%	5%	42%	-27%	19%
Ratio compared to median compensation	6.0	2.3	15.6	3.4	3.2
Change in the ratio (as a %) compared to the previous financial year	224%	-62%	585%	-78%	-6%
Revenue (in millions of euros)	7.9	9.5	12.3	19.2	33.3
Change in revenue	183%	20%	30%	56%	74%

Table of equity ratios - Deputy Chief Executive Officer

Nicolas Paget, Deputy Chief Executive Officer	2019	2020	2021	2022	2023
Annual percentage change in the compensation of the corporate officer	N/A	N/A	N/A	-84%	14%
Average compensation of employees	85,705	49,779	117,178	58,808	89,238
Change (as a %) of the average compensation of employees	86%	-42%	135%	-50%	52%
Ratio compared to average compensation	N/A	N/A	7.7	2.4	1.8
Change in the ratio (as a %) compared to the previous financial year	N/A	N/A	N/A	-69%	-25%
Median compensation of employees	39,370.0	41,190.9	58,473.7	42,884.4	50,920
Change (as a %) of the median compensation of employees	-3%	5%	42%	-27%	19%
Ratio compared to median compensation	N/A	N/A	15.4	3.3	3.1
Change in the ratio (as a %) compared to the previous financial year	N/A	N/A	N/A	-79%	-4%
Revenue (in millions of euros)	7.9	9.5	12.3	19.2	33.3
Change in revenue	183%	20%	30%	56%	74%

14.2 Amounts provisioned by the Company for the payment of pensions, retirement and other benefits to Corporate Officers

With the exception of the provisions for statutory retirement benefits detailed in Note 7.13 to the consolidated financial statements appearing in Section 19.1 “*Historical financial information*” of the Universal Registration Document, the Company has not provisioned any sums for the payment of pensions, retirement and other benefits to members of the management and the Board of Directors.

15. FUNCTIONING OF THE ADMINISTRATIVE AND MANAGEMENT BODIES

15.1 Expiry date of the current term of office of the members of the administrative or management bodies

Information concerning the expiry date of the terms of office of the members of the Board of Directors and management is provided in Section 13.1 “Information concerning the Board of Directors and General Management” of the Universal Registration Document.

15.2 Service contracts binding members of the administrative or management bodies

To the best of the Company’s knowledge, at the date of the Universal Registration Document, there are no service agreements, other than those set out in Section 18.1 “*Intra-group agreements and related-party transactions*” of the Universal Registration Document, between the members of the Board of Directors and the Company or any of its subsidiaries providing for the grant of benefits.

15.3 Information on Board committees

At the date of the Universal Registration Document, the Company is a public limited company (*société anonyme*) with a Board of Directors.

In accordance with Article 13.1 of the Company’s Articles of Association, the Company’s Board of Directors may set up committees tasked with studying or formulating opinions on specific issues.

Three committees of the Board of Directors have been set up in the context of the initial public offering: an Audit Committee, an Appointments and Compensation Committee and a CSR Committee.

The Board of Directors decided on 28 February 2022 to create a fourth committee, called the “Commitment Committee”, whose objective is to report to the Board of Directors on so-called “strategic” projects.

15.3.1 Audit Committee

Composition

The Audit Committee comprises three (3) members, of whom two (2) will be appointed from among the independent members of the Board of Directors, after an opinion is issued by the Appointments and Compensation Committee. The composition of the Audit Committee may be modified by the Board of Directors, and in any event, must be modified in the event of a change in the general composition of the Board of Directors.

The members of the Audit Committee are chosen from among the non-executive members of the Board of Directors, and at least two members of the Audit Committee must be independent members according to the criteria defined by the Middlenext Corporate Governance Code, as published in September 2021 and to which the Company refers.

The Board of Directors ensures the independence of the members of the Audit Committee. The members of the Audit Committee must also have specific financial and/or accounting expertise.

The term of office of the members of the Audit Committee coincides with that of their term of office as Director. It may be renewed at the same time as the latter.

The Chairman of the Audit Committee is appointed, after having been subject to a specific review, by the Board of Directors after consulting the Appointments and Compensation Committee, for the duration of his or her term as a member of the Committee, from among the independent members. The Audit Committee may not include any Director holding a management position within the Company.

At its meeting of 17 May 2022, the Board of Directors appointed Dominique Gruson as Chairman of the Audit Committee to replace Christilla de Moustier, who is already Chairwoman of the CSR Committee and who remains a member of the Audit Committee. The Audit Committee is composed of Dominique Gruson (Chairman of the Committee and Independent Director), Christilla de Moustier (Independent Director) and Stéphane Assuied.

Duties

The mission of the Audit Committee is to monitor issues relating to the preparation and control of accounting and financial information and to ensure the effectiveness of the risk monitoring and operational internal control system, and where necessary, to make recommendations to guarantee the integrity thereof, in order to facilitate the exercise by the Board of Directors of its control and verification duties in this area.

As such, the Audit Committee performs the following main tasks:

- monitoring the process of preparing financial information;
- monitoring the effectiveness of internal control, internal audit and risk management systems relating to financial and non-financial accounting information;
- monitoring the statutory audit of the company and consolidated financial statements by the Company's Statutory Auditors;
- recommendation on the Statutory Auditors proposed for appointment or renewal by the General Meeting and the review of the conditions of their compensation;
- monitoring the independence of the Statutory Auditors and overseeing the performance by the Statutory Auditors of their duties; and
- periodic monitoring of the status of major disputes.

The Audit Committee reports regularly to the Board of Directors on the performance of its duties and the results of the audit assignment, on the manner in which this assignment has contributed to the integrity of the financial information and on the role that it has played in this process, and immediately informs it of any difficulties encountered.

The Audit Committee ensures the existence of an anti-fraud and anti-corruption system.

The Audit Committee meets as often as necessary and, in any event, at least twice a year, according to a schedule set by its Chairman, for the preparation of the annual, half-year and, where appropriate, quarterly financial statements (consolidated in each case, where applicable), to deliberate on an agenda set by its Chairman and sent to the members of the Audit Committee at least five (5) calendar days before the date of the meeting. It also meets at the request of its Chairman, two of its members, or the Chairman of the Company's Board of Directors.

During the financial year ended 31 December 2023, the Audit Committee met three times: on 21 April, 25 September and 21 December 2023.

15.3.2 Appointments and Compensation Committee

Composition

The Appointments and Compensation Committee comprises three (3) members, of whom two (2) members will be independent members of the Board of Directors. They are appointed by the latter from among its non-executive members and in particular in consideration of their independence.

The term of office of the members of the Appointments and Compensation Committee coincides with that of their term of office as Director. It may be renewed at the same time as the latter, without limitation. The term of office of Committee members is renewable without limitation. The Appointments and Compensation Committee is chaired by an Independent Director on the Board of Directors.

The Appointments and Compensation Committee is composed of Anne Lapierre (Chairwoman and Independent Director), Arnaud Delattre and Dominique Gruson (Independent Director).

Duties

The Appointments and Compensation Committee is a specialised committee of the Board of Directors, the main missions of which are to assist the Board in (i) the composition of the management bodies of the Company and its Group, and (ii) the determination and regular assessment of all compensation and benefits of the Company's Executive Corporate Officers, including any deferred benefits and/or voluntary or forced departure from the Group.

As part of its assignments relating to appointments, the Committee performs the following tasks:

- proposals for the appointment of members of the Board of Directors, General Management and Board committees; and
- annual assessment of the independence of the members of the Board of Directors.

As part of its assignments relating to compensation, it performs the following tasks:

- examination and proposal to the Board of Directors concerning all the components and conditions of the compensation of the Group's main executives;
- examination and proposal to the Board of Directors concerning the method for distributing compensation for the activities of the Board of Directors; and
- consultation for recommendation to the Board of Directors on any compensation relating to exceptional assignments that may be entrusted by the Board of Directors to certain members.

The Appointments and Compensation Committee meets as often as necessary and, in any event, at least twice (2) a year, according to a schedule determined by its Chairman to deliberate on an agenda set by its Chairman and sent to the members of the Committee at least five (5) calendar days before the date of the meeting. It also meets whenever it deems necessary when convened by its Chairman, two of its members or the Chairman of the Board of Directors.

During the financial year ended 31 December 2023, the Compensation Committee met twice: on 24 February and 14 December 2023.

15.3.3 CSR Committee

Composition

The Corporate Social Responsibility ("CSR") Committee shall be composed of at least three (3) members, at least two-thirds of whom shall be appointed from among the independent members of the Board of Directors. The composition of the CSR Committee may be modified by the Board of Directors, and in any event, must be modified in the event of a change in the general composition of the Board of Directors.

The term of office of the members of the CSR Committee coincides with that of their term of office as member of the Board of Directors. It may be renewed at the same time as the latter.

The CSR Committee is composed of Christilla de Moustier (Chairwoman of the committee and Independent Director), Anne Lapierre, Séverine Adami and Anna Creti, who became a member of the committee following a decision by the Board of Directors of 7 March 2023. Christilla de Moustier is a partner, in charge of CSR, in a management company that manages an Article 8 SFDR fund. Anna Creti is a member of several CSR committees and conducts research on these topics. The four members of the CSR Committee also regularly attend CSR training courses in order to master all aspects and regulatory changes.

Duties

As part of its corporate social responsibility duties, it carries out the following tasks:

- ensuring that CSR issues are taken into account in the Group's strategy and its implementation;
- examining the reports drawn up in accordance with legal and regulatory obligations in the field of CSR; and
- examining the Group's commitments in terms of sustainable development, with regard to the challenges specific to its activity and its objectives.

During the financial year ended 31 December 2023, the CSR Committee met twice: on 28 March and 14 December 2023.

15.3.4 Commitment Committee

Composition

The Commitment Committee comprises three (3) members, as proposed by the Commitment Committee. The composition of the Commitment Committee may be modified by the Board of Directors, and in any event, must be modified in the event of a change in the general composition of the Board of Directors.

The term of office of the members of the Commitment Committee coincides with that of their term of office as member of the Board of Directors. It may be renewed at the same time as the latter.

The Chairman of the Commitment Committee is appointed from among the members of the Commitment Committee.

The Commitment Committee is composed of Séverine Adami (Chairwoman of the committee and Independent Director), Dominique Gruson and Arnaud Delattre.

Duties

In the context of its missions in terms of undertaking so-called "strategic" projects within the Group, it carries out the following tasks in particular:

- validating upstream the launch of any so-called “strategic” project within the Waga Group, in France or internationally;
- monitoring so-called “strategic” projects within the Waga Group;
- periodically reviewing the progress of so-called “strategic” projects;
- regularly reporting to the Board of Directors on the performance of its duties; and
- in general, providing advice and making appropriate recommendations concerning so-called “strategic” projects.

The Commitment Committee reports regularly to the Board of Directors on the performance of its duties and immediately informs it of any difficulties encountered.

The Commitment Committee meets as often as necessary, depending on the commitment schedule of the so-called “strategic” projects envisaged within the Group.

During the financial year ended 31 December 2023, this committee met four times: on 15 February, 5 June, 18 October and 19 December 2023.

15.4 Statement of compliance with the corporate governance regime in force

Since the admission of the Company’s shares to trading on the regulated market of Euronext Paris in October 2021, the Company refers to the Middlenext Code (insofar as the principles contained therein are compatible with the Company’s organisation, size, resources and shareholding structure).

The Company aims to comply with all the recommendations of the Middlenext Code.

The table below shows the Company’s position with respect to all of the recommendations issued by the Middlenext Code at the date of the Universal Registration Document.

Recommendations of the Middlenext Code	Adopted	Will be adopted
Supervisory powers		
R1: Ethics of Board members	X	
R2: Conflicts of interest	X	
R3: Composition of the Board – Presence of independent members	X	
R4: Information for Board members	X	
R5: Training of Board members	X(1)	

Recommendations of the Middlenext Code	Adopted	Will be adopted
R6: Organisation of Board and committee meetings	X	
R7: Establishment of committees	X	
R8: Establishment of a specialised committee on corporate social/societal and environmental responsibility (CSR)	X	
R9: Setting up of internal regulations for the Board	X	
R10: Choice of each Director	X	
R11: Term of office of Board members	X	
R12: Directors' compensation	X	
R13: Setting up of an assessment of the work of the Board	X	
R14: Relations with shareholders	X	
Executive powers		
R15: Diversity and equity policy within the company		X(2)
R16: Definition and transparency of the compensation of Executive Corporate Officers	X	
R17: Preparation of an executive succession plan	X(3)	
R18: Combination of employment contracts and corporate office	X	
R19: Severance pay	X	
R20: Supplementary pension schemes	X(4)	
R21: Stock options and free allocation of shares	X	
R22: Review of points of vigilance	X	

(1) The three-year training plan for the Company's directors consists of two training days per year per director.
(2) The Company will consider studying a policy aimed at achieving gender balance and equity at each hierarchical level. The Board of Directors is notably composed of 45.5% of women.
(3) A succession plan for executives was discussed and set by the Company's Board of Directors on 24 January 2023, then renewed by the Board of Directors at its meeting of 1 February 2024.
(4) None of the Group's Executive Corporate Officers benefit from a supplementary pension plan, as the Executive Corporate Officers are affiliated to the mandatory pension plans.

15.5 Internal control and risk management procedure relating to the preparation and processing of accounting and financial information

The internal control system is based on the following main players:

- General Management: the Chairman and Chief Executive Officer is responsible for managing the internal control system at all levels. He is also in charge of the development, operation and management of the internal control systems, and must ensure the implementation of these various stages. Since April 2024, he has been assisted in this responsibility by a Deputy Chief Executive Officer in charge of support functions, who also acts as Group Chief Financial Officer;

- the Audit Committee is responsible for examining and assessing, if necessary, the internal control procedures, particularly those concerning financial information, thus contributing to the preparation of the Group's consolidated annual financial statements (see Section 15.3.1 of this Universal Registration Document);

- the Administrative and Financial Department monitors and controls activities and projects with the aim of optimising the Group's profitability (results and cash flow) by making reliable information available to all stakeholders, both internally and externally. This department defines the Group's accounting rules and methods, the main financial processes, as well as the reporting tools used to exercise control over day-to-day activities. The organisation and role of the Administrative and Financial Department are detailed below; and

- the Legal and Compliance Department is responsible for the Group's compliance and manages risk management in conjunction with two law firms specialising in corporate law and financial law respectively.

With a view to continuous improvement, the internal control system is continuously enriched thanks to organisational changes and the implementation or updating of internal policies and procedures.

Organisation of the Administrative and Financial Department

The Administrative and Financial Department comprises around 20 people in France and abroad, providing accounting, tax, treasury, management control and financing functions. Since April 2024, the Administrative and Financial Department has been supervised by the Deputy Chief Executive Officer, who also acts as Group Chief Financial Officer.

In addition, the team is assisted by experts specialising in their field:

- in the countries where the Group operates, accounting firms prepare the financial statements and tax returns of the Group's companies in accordance with local standards;
- an internationally renowned auditing and accounting firm prepares the consolidated financial statements in accordance with IFRS and provides advice on the application of IFRS;
- tax advisors in the countries where the Group operates.

The Administrative and Financial Department has put in place internal control procedures to improve the control of its operations (project monitoring, bank reconciliation, purchasing/supplier procedure, etc.) and produces monthly activity reports. The Company also regularly monitors its cash and financing resources.

Code of conduct and anti-corruption system

The Audit Committee ensures the existence of an anti-fraud and anti-corruption system.

The Company drafted a code of conduct in early 2022. This code of conduct aims to present the values on which Waga Energy is based, it provides guiding principles and specifies the rules that everyone must apply on a daily basis. The Code also serves as a guide to ethical principles and business conduct within Waga Energy. It defines the rules of conduct that must guide the actions and inspire the choices of each employee. It is complemented by a whistleblowing system that allows any employee to report a serious breach of the principles of the Code of Conduct. The Code of Conduct is signed by all employees and directors of the Company.

16. EMPLOYEES

16.1 Number of employees

At 31 December 2023, the Group employed 200 employees in the companies within its scope of consolidation.

At this date, approximately 76% of the employees were employed in Europe (approximately 73% in France).

For the financial year ended 31 December 2023, the Group's payroll amounted to €14.6 million compared with €10.0 million for the financial year ended 31 December 2022. The total payroll corresponds to the sum of all gross salaries and employer's social security contributions, employee shares and profit-sharing and other personnel costs, paid during each financial year, as well as the allocations related to the provision for retirement benefits and the cost of share-based compensation (BSPCE and stock options).

The table below shows the change in the Group's workforce over the last three financial years, broken down by country:

	Headcount at 31 December		
Country	2023	2022	2021
France	146	120	68
Spain	4	4	1
United States	22	15	4
Canada	26	14	6
Italy	1		
United Kingdom	1		
Total	200	153	79

The table below shows the change in the breakdown of the workforce by type of contract over the last three financial years:

Breakdown of workforce by type of contract	Financial year 2023	Financial year 2022	Financial year 2021
Permanent contracts (CDI)	96%	90%	89%
Fixed-term contracts (CDD)	4%	10%	11%
Temporary contracts	0%	0%	0%
Total	100%	100%	100%

Employment

The table below shows the change in employment within the Group over the last three financial years:

Employment	Financial year 2023	Financial year 2022	Financial year 2021
Total turnover (departures)	13%	6%	10%
Voluntary turnover (resignation)	6%	1%	1%
Hiring rate	49%	107%	32%
Permanent contract hiring rate	44%	92%	88%
Percentage of people with disabilities/average workforce	1%	1%	1%

Working conditions and human resources policy

The Group attaches particular importance to social issues concerning health and safety at work, employee motivation, the quality of social dialogue, the promotion of diversity and integration into the local social fabric. All these topics are part of the Group's CSR strategy, which is rolled out in each division.

16.2 Shareholdings and stock options of Corporate Officers

For more information on the stock options granted to Corporate Officers, see Sections 14.1.2 "*Compensation of Executive Corporate Officers*" and 16.3.4 "*Employee shareholding*" of the Universal Registration Document.

16.3 Agreements providing for employees to share in the Company's profits

16.3.1 Profit-sharing agreements

In France, the Group's companies do not benefit from profit-sharing agreements at the date of the Universal Registration Document.

16.3.2 Incentive agreements

In France, the employees of most of the Group's companies benefit from incentive schemes based on performance indicators, including commercial results, yield and control of overheads.

16.3.3 Company savings plans and similar

In France, employees can invest their incentive bonuses in an Inter-Company Savings Plan and a Retirement Savings Plan.

16.3.4 Employee shareholding

At the date of the Universal Registration Document, the Group's executives and senior managers hold—within the Company—the following shares, BSPCEs and stock options:

Shares held (directly and indirectly) by executives in the Company:

- Mathieu Lefebvre: 1,730,000

- Nicolas Paget: 990,000
- Guénaël Prince: 829,900

At the date of the Universal Registration Document, Mathieu Lefebvre, Guénaël Prince and Nicolas Paget respectively hold 37.18%, 21.26% and 12.76% of Holweb SAS, which itself holds 10.11% of the Company's share capital.

List of the members of the Company's Management Committee having been granted BSPCEs as of 31 December 2023:

List of members of the Management Committee	BSPCE granted by the Board of Directors on 18 December 2019	BSPCE granted by the Board of Directors on 30 June 2021	BSPCE granted by the Board of Directors on 24 January and 29 June 2023
Mathieu Lefebvre	1,300	2,000	-
Nicolas Paget	1,300	2,000	-
Guénaël Prince	1,300	2,000	-
Marie-Amélie Richel	1,500	1,000	-
Marco Venturini	1,000	500	-
Laurent Barbotin	200	100	5,000
Guillaume Piechaczyk	600	500	-
Caroline Millet	300	300	-
Vincent Tisseire	450	300	7,500
Elsa Perfetti	0	200	15,000
		300	5,000
			25,000
Antonio Trueba			10,000
Aude Dubrulle			25,000
Cyril Chu-Van			15,000
Delphine Bristiel			15,000
Francesca Consorti			3,000
Lucie Tonnellier		400	
Martin Tramoy			
		100	

Following the Combined General Meeting of 8 October 2021 and the tenth resolution adopted relating to the division by 100 of the par value of the Company's shares and the corresponding multiplication by 100 of the number of shares of the Company, each BSPCE granted in 2019 and 2021 now gives the right, in case of exercise, to 100 ordinary shares, *i.e.* a share value of €3.1842 for the BSPCEs issued on 18 December 2019 and €10 for the BSPCEs issued on 30 June 2021.

16.4 Labour relations

Since 29 March 2023, the Company has had a Social and Economic Committee (CSE). This staff delegation is made up of six elected members and six alternates. The elected members are divided into two groups (managers and non-managers). They have a four-year term of office to represent employees in relations with management. New professional elections will be organised in the first quarter of 2027 to renew the delegation.

17. MAJOR SHAREHOLDERS

17.1 Shareholders holding more than 3% of the share capital at the date of the Universal Registration Document

At the date of the Universal Registration Document, the Company is a public limited company (*société anonyme*).

The table below shows the breakdown of the Company's share capital and voting rights as of 31 March 2024 for shareholders holding more than 3% of the share capital:

Shareholder	Number of shares	Number of voting rights	% of share capital	% of voting rights	Share categories
Mathieu Lefebvre	1,730,000	3,460,000	7.06%	9.30%	ordinary shares
Nicolas Paget	990,000	1,980,000	4.04%	5.32%	ordinary shares
Guénaël Prince	829,900	1,659,800	3.39%	4.46%	ordinary shares
Holweb*	2,477,495	4,334,995	10.11%	11.65%	ordinary shares
Aliad SA	2,958,686	5,807,415	12.07%	15.61%	ordinary shares
Les Saules SARL	1,785,654	3,525,308	7.29%	9.48%	ordinary shares
FCPI Starquest Puissance 5 (and others under Starquest management mandate)	2,144,534	4,175,432	8.75%	11.22%	ordinary shares
Tertium	961,235	1,619,364	3.92%	4.35%	ordinary shares
Noria Invest SRL	1,207,471	1,207,471	4.93%	3.25%	Ordinary shares

**Mathieu Lefebvre, Guénaël Prince and Nicolas Paget respectively hold 37.18%, 21.26% and 12.76% of Holweb SAS.*

17.2 Existence of different voting rights

In accordance with Article 12 of the Company's Articles of Association, a double voting right is conferred to fully paid-up shares for which evidence of registration is provided from the second anniversary of the settlement-delivery date in connection with the admission to trading of the Company's shares on the Euronext Paris regulated market, in accordance with the provisions of Article L. 22-10-46 of the French Commercial Code.

17.3 Control of the Company

At the date of the Universal Registration Document, the Company is not controlled within the meaning of the provisions of Article L. 233-3 of the French Commercial Code.

17.4 Agreements that may result in a change of control

At the date of the Universal Registration Document, there are no agreements whose implementation could result in a change of control of the Company.

17.5 Threshold crossings

During the financial year ended 31 December 2023, the Company was informed of the crossing of thresholds provided for by the following legal and statutory provisions:

- In a letter dated 2 November 2023, ALIAD declared that it had individually crossed above the threshold of 15% of the Company's voting rights and that it individually held 2,848,729 Company shares representing 5,697,458 voting rights due to the double voting rights mentioned in 17.2 above, *i.e.* 13.9% of the Company's capital and 17.53% of its voting rights.

- In a letter dated 2 November 2023, LES SAULES declared that it had individually crossed above the threshold of 10% of the Company's voting rights and that it individually held 1,785,654 Company shares representing 3,525,308 voting rights due to the double voting rights mentioned in 17.2 above, *i.e.* 8.72% of the Company's capital and 10.85% of its voting rights.

- In a letter dated 2 November 2023, Mathieu Lefebvre declared that he had individually crossed above the threshold of 10% of the Company's voting rights due to the double voting rights and that he individually held 1,730,000 Company shares representing 3,460,000 voting rights due to the double voting rights mentioned in 17.2 above, *i.e.* 8.44% of the Company's capital and 10.65% of its voting rights.

- In a letter dated 2 November 2023, Nicolas Paget declared that he had individually crossed above the threshold of 5% of the Company's voting rights and that he individually held 990,000 Company shares representing 1,980,000 voting rights due to the double voting rights mentioned in 17.2 above, *i.e.* 4.83% of the Company's capital and 6.09% of its voting rights.

- In a letter dated 2 November 2023, Guénaël Prince declared that he had individually crossed above the threshold of 15% of the Company's voting rights and that he individually held 829,900 Company shares representing 1,659,800 voting rights due to the double voting rights mentioned in 17.2 above, *i.e.* 4.05% of the Company's capital and 5.11% of its voting rights.

These thresholds were crossed as a result of double voting rights granted pursuant to Article L. 22-10-46 of the French Commercial Code.

(see also Section 20.2.3 "*Threshold crossings*" of the Universal Registration Document).

18. TRANSACTIONS WITH RELATED PARTIES

18.1 Intra-group agreements and related-party transactions

Parties related to the Group include the shareholders of the Company, its non-consolidated subsidiaries, associated companies and entities over which the Group's various executives exercise at least significant influence.

For more details on related-party transactions entered into by the Company during the 2023 financial year, see Note 8.13 of the notes to the consolidated financial statements presented in Chapter 19 "*Financial information*" of the Universal Registration Document.

18.1.1 Regulated agreements

The Company will continue to implement the following related-party agreements, duly authorised by the Board of Directors for previous financial years and falling within the scope of Article L. 225-38 of the French Commercial Code.

- Service provision agreement

The Company has renewed a service agreement with Ornalys SPRL, managed by Dominique Gruson, Independent Director of the Company, covering the training of the Company's business developers as well as the contracts and business plans of the European projects to purify biogas from landfills. At its meeting of 1 February 2024, the Board of Directors authorised the renewal of this service agreement between the Company and Ornalys SPRL until 31 December 2024.

(see Section 13.1.1 "*Board of Directors*" of the Universal Registration Document)

- Patent licensing and communication of know-how agreement

The Company and Air Liquide (parent company of Aliad, shareholder and Director of the Company) entered into a patent licence and know-how communication agreement on 11 June 2015 in order to identify and formalise the rights granted by Air Liquide to the Company for the use of various patents. This contract was terminated on 24 June 2024.

(see Chapter 21 "*Major contracts*" of the Universal Registration Document)

- Employment contracts

The Company has signed an employment contract with Mathieu Lefebvre, Chairman and Chief Executive Officer, as Product Director since 31 March 2015. The total compensation of Mathieu Lefebvre under his employment contract amounted to €117,277 for the 2023 financial year.

The Company has signed an employment contract with Nicolas Paget, Deputy Chief Executive Officer, as Chief Technology Officer since 31 March 2015. The total compensation of Nicolas Paget under his employment contract amounted to €114,838 for the 2023 financial year.

The Company has signed an employment contract with Guénaël Prince, Director of the Company, as Chief Research and Development Officer since 8 July 2015. This contract was suspended as of 30 September 2019 following the expatriation of Guénaël Prince to the United States from 1 October 2019. Guénaël Prince now has an employment contract under US law with Waga Energy Inc. The total compensation of Guénaël Prince under his employment contract amounted to $285,000 for the 2023 financial year.

18.1.2 Agreements covered by Article L.225-39 of the French Commercial Code

Pursuant to the provisions of Article L. 22-10-12 of the French Commercial Code, the Universal Registration Document describes the procedure implemented by the Company pursuant to Article L. 225-39 and its implementation.

In companies whose shares are admitted to trading on a regulated market, the Board of Directors establishes a procedure to regularly assess whether the agreements relating to current transactions and concluded under normal conditions meet these conditions.

Persons directly or indirectly interested in one of these agreements do not participate in its assessment.

The Company's Board of Directors has put in place a procedure to assess, on a yearly basis, the agreements relating to current transactions entered into under normal conditions.

At its meeting of 1 February 2024, the Board of Directors assessed the aforementioned agreements in respect of the financial year ended 31 December 2023; namely the associated cash and current accounts agreements, the management fees agreements and the patent and trademark royalty agreements entered into with the Group's subsidiaries, under normal conditions, which were validated as such by the Board.

18.2 Statutory Auditors' special report on regulated agreements for the 2023 financial year

To the Waga Energy General Meeting,

As your company's Statutory Auditors, we hereby present to you our report on related-party agreements.

It is our responsibility to inform you, on the basis of the information that has been provided to us, of the characteristics, the main terms and the reasons behind the Company's interest therein of the agreements of which we have been informed or that we have discovered in the course of our assignment, without having to comment on their usefulness and their merits or to seek the existence of other agreements. It is your responsibility, under the terms of Article R. 225-31 of the French Commercial Code, to assess the interest attached to entering into these agreements with a view to their approval.

Furthermore, it is our responsibility, where applicable, to provide you with the information provided for in Article R. 225-31 of the French Commercial Code relating to the performance, during the past financial year, of agreements already approved by the General Meeting.

We have conducted the due diligence that we deemed necessary in accordance with the professional standards of the Compagnie nationale des commissaires aux comptes, as they relate to this assignment. This due diligence consisted of verifying that the information with which we were provided was consistent with that contained in the source documents.

1. AGREEMENTS SUBMITTED TO THE GENERAL MEETING FOR APPROVAL

Agreements authorised and concluded since the reporting date

We have been informed of the following agreements, authorised and entered into since the end of the past financial year, which were subject to the prior authorisation of your Board of Directors.

► **With Ornalys SPRL, whose Manager is Dominique Gruson, Director of your company**

Strategic consulting services agreement

Nature, purpose and terms

Your Board of Directors authorised the conclusion of a service agreement on 18 December 2019, which entered into force on 1 August 2019, between your company and Ornalys SPRL. The agreement entered into covers a period of six months, tacitly renewable for three months, extended by amendment until 31 December 2021.

The agreement covers the training of your company's business developers as well as the contracts and business plans for European landfill biogas purification projects, for a daily flat fee of €1,500 excluding tax.

The expense recorded by your company under this agreement is €7,732 for the 2023 financial year.

On 1 February 2024, your Board of Directors authorised the renewal of this agreement until 31 December 2024 for a fixed daily amount of €1,650 excluding taxes.

Reasons the agreement is in the Company's interest

Your Board of Directors justified this agreement as follows: strengthen the training of business developers in your company in terms of business development, drafting of contracts, business model, structuring of financing and establishment of business plans to purify biogas from landfills.

2. Agreements already approved by the General Meeting

Pursuant to Article R. 225-30 of the French Commercial Code, we have been informed that the following agreements, already approved by the General Meeting in previous years, continued during the financial year ended.

► **With Mathieu Lefebvre, Chairman and Chief Executive Officer of your company**

Employment contract

Nature, purpose and terms

On 26 March 2015, your Board of Directors authorised the signing of an employment contract dated 31 March 2015 between your company and Mathieu Lefebvre, Chairman and Chief Executive Officer, as Product Director for annual gross compensation of €42,000 from 15 June 2015.

The annual compensation changed as follows: €53,000 gross from 1 May 2017 (authorised by the Board of Directors' meeting of 3 May 2017), €62,000 gross from 1 October 2018 (authorised by the Board of Directors' meeting of 8 October 2018), €79,000 gross from 1 July 2020 (authorised by the Board of Directors' meeting of 9 July 2020), €100,000 gross from 1 March 2022 (authorised by the Board of Directors' meeting of 28 February 2022).

Mathieu Lefebvre also benefited from a supplementary pension scheme, a provident fund, executive health insurance and a lump-sum bonus for patent applications.

The expense recorded by your company under this employment contract is €117,277 for the 2023 financial year, including benefits in kind.

► **With Nicolas Paget, Deputy Chief Executive Officer of your company**

Employment contract

Nature, purpose and terms

On 26 March 2015, your Board of Directors authorised the signing of an employment contract dated 31 March 2015 between your company and Nicolas Paget, as Chief Technology Officer, for annual gross compensation of €60,000 from 15 June 2015.

The annual compensation changed as follows: €72,000 gross from 1 May 2017 (authorised by the Board of Directors' meeting of 3 May 2017), €80,000 gross from 1 October 2018 (authorised by the Board of Directors' meeting of 8 October 2018), €90,000 gross from 1 July 2020 (authorised by the Board of Directors' meeting of 9 July 2020), €100,000 gross from 1 March 2022 (authorised by the Board of Directors' meeting of 28 February 2022).

Nicolas Paget also benefited from a supplementary pension scheme, a provident fund, executive health insurance and a lump-sum bonus for patent applications.

The expense recorded by your company under this employment contract is €114,838 for the 2023 financial year, including benefits in kind.

► **With Guénaël Prince, Director of your company**

Employment contract

Nature, purpose and terms

On 26 March 2015, your Board of Directors authorised the signing of an employment contract dated 8 July 2015 between your company and Guénaël Prince, as Chief R&D Officer, for annual gross compensation of €60,000 from 15 August 2015.

The annual compensation changed as follows: €72,000 gross from 1 May 2017 (authorised by the Board of Directors' meeting of 3 May 2017), €80,000 gross from 1 October 2018 (authorised by the Board of Directors' meeting of 8 October 2018).

This employment contract was suspended as of 30 September 2019 following the expatriation of Guénaël Prince to the United States from 1 October 2019. His annual salary was set at $224,000 gross from 1 July 2020 (authorised by the Board of Directors' meeting of 9 July 2020), then $285,000 from 1 March 2022 (authorised by the Board of Directors' meeting of 28 February 2022) and is paid in full by Waga Energy Inc. under his employment contract under US law.

► **With Air Liquide, parent company of Aliad, the latter being a Director and shareholder with a stake of more than 10% in your company**

Framework investment agreement

Nature, purpose and terms

A patent and communication and know-how license agreement was signed on 11 June 2015 between your company and Air Liquide for the provision of support services in order to identify and formalise the rights granted to your company by Air Liquide concerning the use of various patents.

The agreement was not subject to prior authorisation by your Board of Directors insofar as the agreement was signed prior to the appointment of Aliad as Director of your company with effect from 24 June 2015, but was duly ratified by the Ordinary General Meeting of 22 June 2016, then extended by amendment authorised by your Board of Directors' meeting of 26 September 2019.

The expense recorded by your company under this agreement is €42,589 for the 2023 financial year.

Paris-La Défense and Paris, 30 April 2024

The Statutory Auditors

ERNST & YOUNG et Autres	BM&A
Cédric Garcia	Pierre-Emmanuel Passelègue

19. FINANCIAL INFORMATION

Pursuant to Article 19 of EU Regulation No. 2017/1129 of the European Commission, this Universal Registration Document incorporates by reference the following information to which the reader is invited to refer:

The consolidated financial statements and the Statutory Auditors' report on the consolidated financial statements for the financial year ended 31 December 2022, included respectively on pages 228 to 274 and 276 of the Universal Registration Document, approved on 16 June 2023 under the following approval number R23-029.

The annual financial statements and the Statutory Auditors' report on the annual financial statements for the financial year ended 31 December 2022, included on page 275 *et seq.* and page 282 respectively of the Universal Registration Document, approved on 16 June 2023 under the following approval number R23-029.

The consolidated financial statements and the Statutory Auditors' report on the consolidated financial statements for the financial year ended 31 December 2021, included on pages 207 to 256 and page 284 respectively of the Universal Registration Document, approved on 14 June 2022 under the following approval number R22-025.

The annual financial statements and the Statutory Auditors' report on the annual financial statements for the financial year ended 31 December 2021, included on pages 258 to 283 and page 290 respectively of the Universal Registration Document, approved on 14 June 2022 under the following approval number R22-025.

19.1 Informations financières historiques auditées

19.1.1 Comptes consolidés du Groupe au titre de l'exercice clos le 31 décembre 2023

TABLE OF CONTENTS

IFRS Financial Statements

BALANCE SHEET

ASSETS (in EUR thousands)	Notes	31 December 2023	31 December 2022
Intangible assets	7.1	2,057	804
Property, plant & equipment	7.2	112,630	70,331
Non-current financial assets	7.4	724	2,137
Deferred tax assets	7.5	(0)	0
Other non-current assets	7.6	8,933	6,562
Non-current assets		**124,344**	**79,835**
Inventories	7.7	11,498	4,867
Trade and other receivables	7.8	9,139	4,143
Current financial assets	7.4	1,610	
Tax receivables	7.9	405	315
Other current assets	7.10	8,934	8,356
Cash and cash equivalents	7.11	38,655	91,659
Current assets		**70,240**	**109,339**
Total assets		**194,584**	**189,174**

EQUITY AND LIABILITIES (in EUR thousands)	Notes	31 December 2023	31 December 2022
Share capital		205	205
Share premium		150,241	150,090
Reserves		(39,521)	(31,119)
Foreign currency translation reserves		220	16
Profit (loss) attributable to owners of the Company		(15,990)	(10,076)
Equity attributable to owners of the Company		95,154	109,115
Non-controlling interests		2,718	2,912
Equity	7.12	**97,873**	**112,028**
Non-current provisions	7.13	910	585
Non-current loans and borrowings	7.14	52,331	43,185
Other non-current liabilities	7.18.1	7,669	4,678
Deferred tax liabilities		0	0
Non-current liabilities		**60,910**	**48,448**
Current provisions	7.13	629	0
Current loans and borrowings	7.14	8,424	9,420
Trade and other payables	7.16	8,337	5,413
Tax liabilities	7.17	0	42
Other current liabilities	7.18.2	18,411	13,823
Current liabilities		**35,801**	**28,698**
Total equity and liabilities		**194,584**	**189,174**

INCOME STATEMENT

INCOME STATEMENT (in EUR thousands)	Notes	31 December 2023	31 December 2022
Revenue	8.1	33,262	19,159
Other income	8.2	777	397
Revenue		**34,038**	**19,556**
Cost of sales and change in inventory	8.3	(18,349)	(7,948)
External expenses	8.4	(9,348)	(6,845)
Taxes, duties and similar payments		(354)	(190)
Personnel expenses	8.5	(14,610)	(9,961)
Other recurring operating income and expenses	8.7	658	(59)
Depreciation, amortisation and provisions	7.1 & 7.2	(6,524)	(2,725)
Profit (loss) from recurring operations		**(14,488)**	**(8,171)**
Other non-recurring operating income and expenses	8.8	352	34
Impairment of non-current assets		0	0
Operating profit (loss)		**(14,136)**	**(8,137)**
Cost of net financial debt		(1,844)	(1,238)
Other financial income and expenses		803	21
Financial income (expense)	8.9	**(1,041)**	**(1,217)**
Profit (loss) before income tax		**(15,177)**	**(9,354)**
Income tax expense	8.10	(266)	(325)
Deferred taxes P&L		0	0
Profit (loss) for the year		**(15,442)**	**(9,679)**
Profit (loss) attributable to:			
Owners of the Company		(15,990)	(10,076)
Non-controlling interests		548	396
Basic earnings per share (in EUR)	8.11	(0.78)	(0.50)
Diluted earnings per share (in EUR)	8.11	(0.78)	(0.50)

STATEMENT OF COMPREHENSIVE INCOME

STATEMENT OF COMPREHENSIVE INCOME (in EUR thousands)	Notes	31 December 2023	31 December 2022
Profit (loss) for the year		**(15,442)**	**(9,679)**
Foreign currency translation differences		(365)	(238)
Interest rate swaps	7.6 & 9.2	(1,435)	1,698
Total Items subsequently recycled through profit and loss		**(1,800)**	**(238)**
Actuarial gains	7.13	19	174
Total Items that may not be recycled through profit and loss		**19**	**174**
Total comprehensive income (loss)		**(17,224)**	**(8,045)**
Attributable to owners of the Group		(17,586)	(8,864)
Attributable to non-controlling interests		362	820

STATEMENT OF CHANGES IN EQUITY

STATEMENT OF CHANGES IN EQUITY (in EUR thousands)	Number of shares (in thousands)	Share capital	Share premium	Reserves and profit (loss)	Other comprehensive income	Equity attributable to owners of the Group	Non-controlling interests	Total equity
Balance at 31 December 2021	**19,752**	**198**	**126,879**	**(11,109)**	**(53)**	**115,914**	**1,676**	**117,590**
Profit (loss) for the year				(10,076)		**(10,076)**	396	**(9,679)**
Foreign currency translation differences					(249)	**(249)**	11	**(238)**
Hedging instruments					1,286	**1,286**	412	**1,698**
Actuarial gains and losses					174	**174**		**174**
Total comprehensive income for the year				(10,076)	1,211	**(8,864)**	820	**(8,045)**
Share capital increase	75	1	238			**239**		**239**
Acquisition of non-controlling interests	656	7	22,973	(23,393)		**(413)**	413	**(0)**
Share-based payments				2,241		**2,241**		**2,241**
Other changes							3	**3**
Balance at 31 December 2022	**20,483**	**205**	**150,090**	**(42,337)**	**1,158**	**109,115**	**2,912**	**112,028**
Balance at 31 December 2022	**20,483**	**205**	**150,090**	**(42,337)**	**1,158**	**109,115**	**2,912**	**112,028**
Profit (loss) for the year				(15,990)		**(15,990)**	548	**(15,442)**
Foreign currency translation differences					(365)	**(365)**		**(365)**
Hedging instruments					(1,249)	**(1,249)**	(186)	**(1,435)**
Actuarial gains and losses					19	**19**		**19**
Total comprehensive income for the year				(15,990)	(1,596)	**(17,586)**	362	**(17,224)**
Share capital increase	42	0	151			**151**	5	**156**
Cancellation of treasury shares					(247)	**(247)**		**(247)**
Share-based payments				3,789		**3,789**		**3,789**
Dividends							(561)	**(561)**
Other changes				(69)		**(69)**		**(69)**
Balance at 31 December 2023	**20,526**	**205**	**150,241**	**(54,607)**	**(685)**	**95,154**	**2,718**	**97,873**

The main changes were:

- Hedging instruments, namely interest rate swaps for €1,435 thousand;
- Share-based payments of €3,789 thousand following the exercise of founders' share warrants (BSPCE);
- A dividend payment of €1,100,000 at Sofiwaga 1, including €561,000 to non-controlling shareholders.

CASH FLOW STATEMENT

CASH FLOW STATEMENT (in EUR thousands)	Notes	31 December 2023	31 December 2022
Profit (loss) for the year		(15,442)	(9,679)
Adjustments for:			
Depreciation, amortisation and provisions	7.1, 7.2, 7.12	6,668	2,832
Gains or losses from the disposal of assets		(7)	0
Share-based payments	8.6	3,789	2,241
Other income and expense		(5)	(231)
Cost of financial debt	8.9	1,844	1,238
Tax expense (incl. deferred tax)	8.10	266	325
Operating cash flow before income tax and change in working capital		**(2,888)**	**(3,275)**
Income taxes paid		(127)	(76)
Effect of change in inventories	7.7	(6,656)	(3,471)
Effect of change in trade and other receivables	7.8 to 7.10	(5,638)	(4,952)
Effect of change in trade and other payables		2,392	4,384
Net cash from (used in) operating activities		**(12,917)**	**(7,391)**
Acquisition of property, plant and equipment and intangible assets	7.1, 7.2	(49,164)	(40,938)
Acquisition of financial assets	7.4	(207)	(917)
Effect of changes in payables to suppliers of fixed assets		4,568	(917)
Effect of changes in advances for fixed asset acquisitions	7.6	(3,624)	3,312
Disposals and transfers of fixed assets		8	(1,460)
Investment grants received	7.18.1	3,416	0
Net cash from (used in) investing activities		**(45,005)**	**(36,982)**
Effect of change in consolidation scope (NCI contributions)		0	0
Share capital increase (net of capital increase costs)	7.12.1	151	239
Proceeds from borrowings and repayable advances	7.14	14,169	35,884
Repayment of borrowings and repayable advances	7.14	(7,159)	(23,098)
Dividends paid		(561)	0
Cost of debt (excluding accrued interest)		(1,634)	0
Net cash from financing activities		**4,966**	**13,024**
Effect of change in exchange rates on cash held		(48)	85
Net increase in cash and cash equivalents		**(53,004)**	**(31,264)**
Cash and cash equivalents at 1 January		91,659	122,913
Cash and cash equivalents at 31 December		38,655	91,659

Increases in non-cash assets and liabilities are eliminated. Consequently, assets financed through finance leases are not included in investments for the period. The decrease in financial liabilities relating to finance leases is included in loan repayments for the period.

Advances and down payments on fixed assets and the change in payables to suppliers of fixed assets are recognised under net cash used in investing activities, as they mainly concern Wagabox© units.

Cost of net debt (excluding accrued interest) is now presented separately in net cash from financing activities. At 31 December 2022, it was presented on the same line as repayment of borrowings and amounted to €1,638 thousand.

The Sofiwaga subsidiary distributed €1,100,000 in dividends, including €561,000 to non-controlling shareholders.

Details of changes in cash flow

	31 December 2022	31 December 2023	Change	Change in operating activities	Change in grants	Change in suppliers of fixed assets	Foreign currency translation differences
Inventories	4,867	11,498	(6,631)	**(6,656)**			**25**
Trade and other receivables	4,143	9,139	(4,996)	(5,014)			18
Other current assets	8,356	8,934	(578)	(533)			(45)
Current tax receivable (tax credits)	315	405	(91)	(91)			
				(5,638)			**(26)**
Trade and other payables	5,413	8,337	2,924	2,858			66
Other non-current liabilities	574	420	(155)	(104)			(51)
Investment grants	4,104	7,053	2,949		2,949		
Financial instruments		196	196				196
Total other non-current liabilities	***4,678***	***7,669***					
Other current liabilities	6,636	6,190	(446)	(362)			(84)
Investment grants	146	612	467		467		
Suppliers of fixed assets	7,042	11,609	4,568			4,568	
Total other current liabilities	***13,823***	***18,411***					
				2,392	**3,416**	**4,568**	**100**

Investment grants received by Waga Energie Canada and Waga Energy in the reporting period, classified under “Other non-current liabilities” in the balance sheet, are included in investing activities in the cash flow statement for €3,416 thousand.

NOTES TO THE FINANCIAL STATEMENTS

1. Description of the Group and its business activities

Waga Energy is a public limited company (*société anonyme*) with a Board of Directors, registered and domiciled in France (hereinafter referred to as "the Company").

Its registered office is located at 5 avenue Raymond Chanas, 38320 Eybens, France. The consolidated financial statements of Waga Energy include those of the Company and the subsidiaries it controls (collectively referred to as "the Group"). The consolidation scope is presented in Note 5.2.

Formed in 2015 and located in Grenoble, the Waga Energy Group is the European leader in the production of biomethane from landfill gas. The Group has developed a breakthrough technology that purifies biogas from landfills to transform it into biomethane, which is then injected into gas grids as a replacement for natural gas of fossil origin.

Waga Energy is strongly committed to the energy transition.

Its mission is to provide an immediate solution to reduce greenhouse gas emissions by providing abundant green, renewable, readily available energy.

Wagabox® units are small refineries or gas plants installed in landfills. They are classified under French regulations on environmental protection (ICPE).

The unique technology combining membrane filtration and cryogenic distillation is protected by several patents.

Waga Energy SA's financial statements for the year ended 31 December 2023, prepared in accordance with the IFRS, were approved by the Board of Directors on 26 April 2024.

2. Basis of preparation

2.1 Statement of compliance

The financial statements of the Company for the reporting period ended 31 December 2023 have been prepared in accordance with the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB) and adopted by the European Union.

All the IFRS adopted by the European Union are available for viewing on the European Commission's website at the following address: https://eur-lex.europa.eu/eli/reg/2008/1126/2016-01-01.

2.2 Changes in accounting standards

The following new standards, amendments and interpretations were mandatory for the Group at 31 December 2023:

- Amendments to IAS 12 – Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective for annual reporting periods beginning on or after 1 January 2023
- Amendments to IAS 12 – International Tax Reform — Pillar Two Model Rules (effective for reporting periods beginning on or after 1 January 2023)
- Amendments to IAS 1 and Practice Statement 2 – Disclosure of Accounting Policies (effective for annual reporting periods beginning on or after 1 January 2023)
- Amendments to IAS 8 – Definition of Accounting Estimates (effective for financial years beginning on or after 1 January 2023)
- IFRS 17 – Insurance Contracts (effective for reporting periods beginning on or after 1 January 2023).

The following new standards, amendments and interpretations have been issued but were not mandatory for the Group at 31 December 2023:

- Amendments to IAS 1 – Presentation of Financial Statements: Classifying Liabilities as Current or Non-current (effective for annual reporting periods beginning on or after 1 January 2024 (a proposal to change this to a later date is currently underway) – subject to approval by the EU)
- Amendments to IAS 7 and IFRS 17 – Supplier Finance Arrangements (effective for annual reporting periods beginning on or after 1 January 2024, subject to EU approval)
- Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback (effective for annual reporting periods beginning on or after 1 January 2024)
- Amendments to IAS 21 – Lack of Exchangeability (effective for annual reporting periods beginning on or after 1 January 2025, subject to EU approval).

The Company does not expect the new standards to have a significant impact on the financial statements.

2.3 Use of estimates and judgments

The preparation of the consolidated financial statements requires Management to use judgments and accounting estimates, which affect the Company's accounting policies and the reported amounts of assets and liabilities and income and expense items.

The estimates and underlying assumptions are regularly reviewed to ensure they are reasonable based on the Company's past performance. Estimates may be adjusted if the circumstances on which they are based change or if new information comes to light. Actual values may differ from estimates due to changes in assumptions and economic circumstances. The effect of changes in estimates is recognised prospectively. Consequently, the actual amounts reported in the Group's future financial statements may differ from current estimates.

2.3.1 Judgments

Information on the judgments made in applying accounting policies, which have the most significant effects on the amounts recognised in the financial statements, is included in the following notes:

- Determining the costs that may be included when measuring property, plant and equipment in accordance with IAS 16 "Property, Plant and Equipment" (Note 7.2),
- Assessing control over subsidiaries (Note 5.2) and Wagabox® units sold to subsidiaries,
- Determining revenue flows and whether an entity is acting as an agent or principal in accordance with IFRS 15 (Note 8.1),
- Measuring the recoverable amount of Wagabox® units and estimating their useful life (Note 7.3),
- Determining stage of completion, revenue and losses at completion for onerous contracts, using the stage of completion method for equipment sales (Notes 8.1 and 7.13).

2.3.2 Assumptions and estimation uncertainties

Information on assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment in the carrying amounts of assets and liabilities for the year ended 31 December 2023 is included in the following notes:

- Measuring the fair value of founders' share warrants (BSPCE) (Notes 7.12.2 and 8.6): The fair value of share-based payments is determined using the Black & Scholes option pricing model, which factors in assumptions on complex and subjective variables. The variables include share price, expected volatility of share price over the life of the instrument and the current and future behaviour of the holders of the instruments.
- With regard to convertible bonds, estimates are made to:
  - Determine the fair value of conversion options (Note 7.14);
  - Determine the effective interest rate (EIR) of the debt component of conversion options, taking into account the most probable time horizon for conversion into shares or redemption (Note 7.14).
- Measuring interest rate swaps used to manage exposure to interest rate risk (Note 9.2).
- Measuring provisions, including for retirement benefits and site dismantlement (Note 7.13).
- Determining the discount rate and lease term when assessing lease liabilities in accordance with IFRS 16 "Leases" (Note 7.2).
- Measuring provisions for the impairment of trade receivables in accordance with IFRS 9 (Note 7.8).
- Assessing whether to capitalise deferred tax assets (Note 7.5).

Actual values may differ from estimates due to changes in assumptions and economic circumstances.

These estimates may be adjusted if the circumstances on which they are based change or if new information comes to light.

2.4 Basis of measurement

The financial statements have been prepared on the historical cost basis except for derivative financial instruments and plan assets which are measured at fair value.

The financial statements of Waga Energy SA for the year ended 31 December 2023 have been prepared on a going concern basis for a minimum period of twelve months from the date of the financial statements in line with the net cash position currently available and the growth prospects reflected in the product business plan (Note 3.3).

2.5 Functional and presentation currency

The financial statements are presented in euros, which is the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

Transactions in foreign currencies are translated into euros at the exchange rates effective at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into euros at the exchange rate effective at the reporting date.

Foreign currency translation gains or losses are recognized in the income statement, except for amounts that can be considered net investments in a foreign operation as defined by IAS 21, for which foreign exchange gains and losses are recognized in other comprehensive income.

3. Significant events of the period

3.1 Significant events of 2023

3.1.1 Biomethane production

At 31 December 2023, Waga Energy (the "Company") and its subsidiaries (hereinafter the "Group") were operating 18 Wagabox® units (15 in France, two in Canada and one in Spain).

Five new units were commissioned in 2023, including the first units outside of France:

- two units in Canada: Saint-Étienne-des-Grés and Chicoutimi sites (province of Quebec),
- one unit in Spain: Els Hostalets de Pierola site (Catalonia, Can Mata project), and
- two units in France: Montois-la-Montagne site (Moselle) and Cusset site (Allier).

These units represent a total installed capacity of 275 GWh per year.

	2023	2022*	Change
Number of owned Wagabox® units in operation (at 31 Dec.)	18	13	+38%
Number of owned Wagabox® units in operation (average)	15.4	11.6	+33%
Biomethane production (in GWh)	327	207	+57%

**owned units only*

The installed base of Wagabox® units operated by the Group produced 327 GWh of biomethane in 2023, 57% more than in 2022.

Waga Energy's operating teams maintained a high level of performance throughout the year. In 2023, the average availability of units already in operation for more than twelve months was 95.7%, 94.2% factoring in newly commissioned units, including those outside France.

3.1.2 Business development

In financial year 2023, the Group signed six new contracts for sites in the United States:

- Three contracts with Casella Waste Systems, one of the country's leading waste processing firms, to equip three sites with Wagabox® units for a total installed capacity of 586 GWh per year;
- A contract with Scott County (Iowa) and Linwood to equip the Davenport site with a unit offering an installed capacity of 60 GWh per year;
- A contract with the Chester County Solid Waste Authority (Pennsylvania) to equip the Lanchester site (Narvon) with a unit offering an installed capacity of 130 GWh per year; and
- A contract with Decatur Hills Landfill (a company in the Best Way Disposal group), to equip the Greensburg site (Indiana) with a unit offering an installed capacity of 55 GWh per year.

3.1.3 Share capital transactions and subsidiaries

Legal organisation

In financial year 2023, ten new special purpose vehicles (SPV) were created for new Wagabox® projects: seven in the United States, two in Canada and one in France. These SPVs are 100% held by the Group, except for the French subsidiary, Valtom Energie Biométhane, which is 51%-held by Waga Energy.

Founders' share warrants (BSPCE) and stock options

On 24 January 2023, the Board of Directors decided to issue and award 337,000 free founders' share warrants (BSPCE.2023) to employees and/or executives, conferring entitlement to 337,000 newly-issued Company shares with a par value of €0.01 and a strike price of €27.54, as authorised by the Shareholders at their Combined General Meeting of 30 June 2022. The Board of Directors also decided to issue and award 196,000 free stock options (Options.2023) to employees and/or executives, conferring entitlement to 196,000 newly-issued Company shares with a par value of €0.01 and a strike price of €27.54, as authorised by the Shareholders at their Combined General Meeting of 8 October 2021.

On 29 June 2023, the Board of Directors decided to issue and award an additional 15,000 free founders' share warrants (BSPCE.2023.2) to employees and/or executives, conferring entitlement to 15,000 newly-issued Company shares with a par value of €0.01 and a strike price of €27.39, as authorised by the Shareholders at their Combined General Meeting of 30 June 2022. The Board of Directors also decided to issue and award 3,000 free stock options (Options.2023.2) to employees and/or executives, conferring entitlement to 3,000 newly-issued Company shares with a par value of €0.01 and a strike price of €27.39, as authorised by the Shareholders at their Combined General Meeting of 8 October 2021, to replace the 3,000 BSPCE.2023 granted on 24 January 2023.

On 20 July 2023, the Board of Directors decided to issue and award 25,000 free stock options (Options.2023.3) to employees and/or executives, conferring entitlement to 25,000 newly-issued Company shares with a par value of €0.01 and a strike price of €27.39, as authorised by the Shareholders at their Combined General Meeting of 8 October 2021.

3.1.4 Other significant events

Transfer of the registered office

The Company acquired new premises in Eybens (Grenoble metropolitan area) and transferred its registered office and that of its subsidiaries there, with effect from 16 January 2023.

3.1.5 Financing

Funding of Wagabox® projects

In March 2023, the Group took out a new long-term bank loan for €6.6 million with Bpifrance for its subsidiary Sofiwaga España 1. The loan enabled the Group to refinance a portion of the contributions made during the construction phase of the Can Mata project, which became operational in June 2023. At 31 December 2023, the loan amount was €6.3 million.

In June 2023, the Group signed a rider to the long-term loan agreement entered into in July 2022 by subsidiary Waga Assets and underwritten by CIC and Arkéa, to extend the drawdown period by 12 months to fund Wagabox® unit construction projects in progress. The rider concerned a maximum amount of €23 million. Over the second half of 2023, the Group drew down €3.3 million of this loan. At 31 December 2023, €15.6 million were due in connection with this loan, and the available outstanding amount for drawdown totalled €6.5 million.

In financial year 2023, the Company received €0.45 million (out of an aggregate €0.9 million) from Bpifrance, corresponding to the balance of two repayable advances granted in 2019 for prospecting activities in the United States and Canada under the BPI's international project development scheme. The advances will be repaid in instalments between 2025 and 2028.

In 2023, the Company also obtained a €0.4 million "Prospecting" advance from Bpifrance to finance prospecting activities in Brazil. Half of this amount had been received in financial year 2023.

Grants

Waga Energie Canada received CAD 3.6 million in grants in financial year 2023. The grants will be recognised in the income statement to reflect depreciation of the associated Wagabox® units once they are commissioned.

The Group also received the first tranche (€1 million) of the €2.5 million EU grant obtained in 2022 through the EIC Innovation Fund for the Can Mata project in Spain (see below). Waga Energy SA received this first tranche of €1 million in the second half of 2023.

3.2 Geopolitical backdrop of the conflict in Ukraine

Waga Energy has no direct exposure in Eastern Europe. However, the Group is indirectly impacted by the Russia-Ukraine war in terms of increased energy costs, inflation, higher interest rates and the slowdown in the European economy.

The increase in natural gas prices on the market has no direct impact on Group revenue, as most of the biomethane it produces is sold in France under fixed purchase price agreements at a tariff set by the French government for a 15-year period, indexed annually to industrial and labour costs.

In the long term, the hike in electricity prices in Europe will only have a limited effect on Wagabox® operating costs as the Group's electricity supply contracts are multi-year and capped under the ARENH (Regulated Access to Historical Nuclear Power) scheme introduced by the French government until December 2025. Moreover, the power consumption costs of Wagabox® units in France are generally shared with the storage site operator through adjustments to biogas purchase fees and partly offset by annual indexing to the selling price of biomethane. However, as electricity costs and offsetting measures (cost sharing or indexing) are not recognised simultaneously, the profitability of certain projects may be affected in the short term, as was the case in 2023.

In France, the United Kingdom and, to a lesser extent, Spain, Italy and Portugal, high electricity prices have resulted in slower sales for the Group due to the wait-and-see approach by some operators with cogeneration engines. Despite their low energy efficiency, such engines can be profitable in the short term. Some waste storage site operators have opted to use the cogeneration engine already installed on their site and reduce the volume of biogas sent to their Wagabox® unit. However, these opportunistic trade-offs have little impact on Group revenue as the Group's sales contracts always have a fixed remuneration component.

The economic difficulties caused by the war in Europe have led to higher prices for the Group when procuring parts for Wagabox® construction or maintenance. The overrun is partly offset by the indexation clauses in the Group's contracts and, for future projects, will be passed on to customers to maintain the projects' economic balance.

The economic situation has also resulted in longer delivery times. At the start of 2022, the Group responded by anticipating orders and stocking up on critical parts to avoid delays in the commissioning of units under construction, and continued doing so in 2023.

Lastly, higher interest rates might increase financing costs for future projects and will need to be factored in to maintain the expected levels of project profitability. Rising interest rates had little impact on the Group's financial expenses in financial year 2023 as most current loans were entered into before the crisis or in the first half of 2022 and bear fixed-rate interest or are hedged by interest rate swaps.

3.3 Going concern

The going concern assumption was adopted by the Board of Directors considering the following factors:

- Available cash of €39 million at 31 December 2023,
- The capital increase of 20 March 2024 for a gross amount of €52 million,
- The Group's cash flow forecast which includes investments scheduled for signed contracts and financing secured as of 31 December 2023.

Management and the Board of Directors expect that these factors will enable the Group to meet its requirements over the next twelve months, until the end of April 2025.

Additionally, Management is confident about the Group's ability to raise the funding needed for new Wagabox® projects in its business plan. However, if difficulties arise in obtaining this financing, the Group has additional options, such as postponing certain investments.

4. Subsequent events

4.1 Sales development

The Group has not signed any new contracts since 31 December 2023.

4.2 Operational development

Since 31 December 2023, the Group has commissioned two new units:

- In January 2024, the Group commissioned a standard unit (25 GWh/year) in Sainte-Marie-Kerque (Pas-de-Calais).
- On 15 March 2024, the Group commissioned its first unit in the United States, at the Bath site (Steuben County, New York), for a production capacity of 60 GWh/year.

4.3 Share capital transactions and subsidiaries

Capital increase

On 20 March 2024, the Company carried out a share capital increase for a gross aggregate amount of €52 million through the issuance of 3,939,394 new shares, with a par value of €13.20. This transaction, which accompanies significant growth, in North America in particular, should enable the Group to finance the equity share of new project investments as well as the pre-manufacture and manufacture of Wagabox® units to support its international development. At the end of the Share Issue period, the Company's share capital will amount to €245,031.44 euros, corresponding to 24,503,144 shares with a par value of €0.01.

4.4 Financing

In January 2024, the Group took out €2.7 million in project financing with Crédit Agricole Centre France for its subsidiary, Valtom Energie Biométhane. This financing operation was followed by a crowdfunding operation of €0.2 million.

In February 2024, the Group's American subsidiary, Waga Energy Inc., took out USD 60 million in financing with Eiffel Investment Group to fund the construction of four biomethane production units in the United States.

5. Consolidation scope

5.1 Accounting policies relating to the consolidation scope

Controlled subsidiaries, as defined in IFRS 10 "Consolidated financial statements", are fully consolidated regardless of the percentage of the Group's equity interest. Full consolidation is applied for all subsidiaries in which the Group holds a majority equity interest and over which it exercises control. This rule applies regardless of the percentage of the equity interest. Control is defined as "the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities".

Subsidiaries are companies that are controlled by the Group. The Group exercises control when it has exposure to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect the amount of the returns. Entities are consolidated or deconsolidated from the date on which control is effectively obtained or relinquished.

Non-controlling interests are presented in the balance sheet and income statement on a separate line from Group share.

All intercompany transactions and positions of fully consolidated subsidiaries are eliminated. The list of the main subsidiaries, joint ventures and associates is provided in Note 5.2.

5.2 Consolidation scope

The following companies are included in the consolidation scope:

Company	Consolidation method		Percentage control		Percentage ownership interest	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022
WAGA ENERGY	Parent company	Parent company	Parent company	Parent company	Parent company	Parent company
WAGA ENERGY INC	FC (a)	FC	100.00%	100.00%	100.00%	100.00%
WAGA ENERGIE CANADA	FC	FC	100.00%	100.00%	100.00%	100.00%
WAGA ENERGY ESPANA	FC	FC	100.00%	100.00%	100.00%	100.00%
WB STEUBEN LLC	FC	FC	100.00%	100.00%	100.00%	100.00%
WB SCOTT AREA LLC	FC		100.00%		100.00%	
WB CHEMUNG LLC	FC		100.00%		100.00%	
WB HYLAND LLC	FC		100.00%		100.00%	
WB MCKEAN LLC	FC		100.00%		100.00%	
WB LANCHESTER	FC		100.00%		100.00%	
WB DECATUR LLC	FC		100.00%		100.00%	
WB BEAUMONT LLC	FC		100.00%		100.00%	
WAGA ENERGY LIMITED	FC	FC	100.00%	100.00%	100.00%	100.00%
WAGA ENERGY ITALIA	FC	FC	100.00%	100.00%	100.00%	100.00%
WAGA ASSETS	FC	FC	100.00%	100.00%	100.00%	100.00%
WAGA ASSETS 2	FC	FC	100.00%	100.00%	100.00%	100.00%
SOFIWAGA 1	FC	FC	49.00%	49.00%	49.00%	49.00%
SOFIWAGA INFRA	FC	FC	49.00%	49.00%	49.00%	49.00%
WAGA ASSETS VEHICULE 1	FC	FC	100.00%	100.00%	100.00%	100.00%
WAGA ASSETS VEHICULE 2	FC	FC	100.00%	100.00%	100.00%	100.00%
WAGA ASSETS VEHICULE 3	FC	FC	100.00%	100.00%	100.00%	100.00%
SP WAGA 1	FC	FC	100.00%	100.00%	100.00%	100.00%
WAGA ASSETS VEHICULE 4	FC	FC	100.00%	100.00%	100.00%	100.00%
SOFIWAGA ESPANA 1	FC	FC	100.00%	100.00%	100.00%	100.00%
WAGA ASSETS VEHICULE 5	FC	FC	100.00%	100.00%	100.00%	100.00%
WAGA ASSETS VEHICULE 6	FC	FC	100.00%	100.00%	100.00%	100.00%
WAGA ASSETS VEHICULE 19	FC	FC	100.00%	100.00%	100.00%	100.00%
WAGA ASSETS VEHICULE 18	FC	FC	100.00%	100.00%	100.00%	100.00%
WAGA ASSETS VEHICULE 20	FC	FC	100.00%	100.00%	100.00%	100.00%
WAGA ASSETS VEHICULE 21	FC	FC	100.00%	100.00%	100.00%	100.00%
WAGA ASSETS VEHICULE 22	FC	FC	100.00%	100.00%	100.00%	100.00%
VALTOM ENERGIE BIOMETHANE	FC		51.00%		51.00%	
SOFIWAGA ESPANA 2	FC	FC	100.00%	100.00%	100.00%	100.00%
WAGARENA	FC	FC	100.00%	100.00%	100.00%	100.00%
HARTLAND RENEWABLE RESOURCES GROUP	FC	FC	100.00%	100.00%	100.00%	100.00%

(a) Fully consolidated

In financial year 2023, ten new special purpose vehicles were created: seven in the United States, two in Canada and one in France. Companies CWAC Inc and WBC2 S.E.C. were not included in the consolidation scope as they have not generated any cash flows to date.

Sofiwaga 1 and Sofiwaga Infra are special purpose vehicles for financing Wagabox® assets. The Company manages all the business and transactions relating to Wagabox® units of these SPVs. Although they are only 49% owned, both Sofiwaga Infra SAS and Sofiwaga 1 SAS are fully consolidated in accordance with IFRS 10, as Waga Energy SA exercises control over them. Waga Energy SA:

- Has the ability to direct the relevant activities of both companies and therefore exercises power over both of them,
- Is exposed to variable returns from its involvement with these two entities, as there are contractual penalties in the event of non-performance, and,
- Has the ability, as sole shareholder, to use its power over the entities to affect the amount of returns.

6. Segment information

According to IFRS 8 “Operating segments”, an operating segment is a separate component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses;
- whose operating results are regularly reviewed by the entity's Chief Operating Decision Maker, who decides on the resources to be allocated to the segment and assesses its performance, and
- for which discrete financial information is available.

The Group's Chief Operating Decision Maker has been identified as the Chief Executive Officer, who makes strategic decisions.

On this basis, the Company has identified only one operating segment: biomethane production by landfill gas purification.

Revenue from our four main customers at 31 December 2023 amounted to €6.7 million (or 20% of total revenue), €5.7 million (17%), €5.1 million (15%) and €2.5 million (8%), respectively.

Since financial year 2019, the Group has expanded internationally by setting up subsidiaries in the United States, Canada, Spain, the United Kingdom and Italy. The geographical disclosures required under IFRS 8.33 are presented below.

6.1 Revenue segmented by geographical area - 31 December 2023

INCOME STATEMENT (in EUR thousands)	31 December 2023	North America	Europe	France	31 December 2022	North America	Europe	France
Revenue	33,262	10,605	1,691	20,966	19,159	3,642	2	15,515

6.2 Non-current assets segmented by geographical area - 31 December 2023

ASSETS (in EUR thousands)	31 December 2023	North America	Europe	France	31 December 2022	North America	Europe	France
Intangible assets	2,057	547		1,510	804	6		798
Property, plant and equipment	112,630	39,982	10,029	62,619	70,331	12,726	6,444	51,162
Non-current financial assets	724	(38,437)	(9,365)	48,526	2,137	(8,058)	(1,569)	11,765
Other non-current assets	8,933	1,955		6,978	6,562	1,487	16	5,059
Total non-current assets	**124,344**	**4,048**	**663**	**119,633**	**79,835**	**6,160**	**4,891**	**68,784**

7. Notes to the Consolidated Balance Sheet

7.1 Intangible assets

Intangible assets are recorded at their acquisition cost.

Intangible assets are amortised on a straight-line basis over their estimated useful life.

Research costs are systematically expensed.

Under IAS 38, an intangible asset arising from development shall be recognised if, and only if, an entity can demonstrate all of the following:

a) the technical feasibility of completing the intangible asset;

b) the Company's intention to complete the intangible asset;

c) its ability to use or sell the intangible asset;

d) how the intangible asset will generate probable future economic benefits;

e) the availability of adequate technical, financial and other resources to complete the development; and

f) its ability to measure reliably the expenditure attributable to the intangible asset during its development.

The main categories of intangible assets and Group amortisation schedule are as follows:

- Software: 1 to 5 years;
- Development costs: 5 years;
- Concessions, patents and licences: 6 years.

GROSS VALUE *(in EUR thousands)*	Research and development expenses	Concessions, patents, licences and software	Other intangible assets	Intangible assets in progress	Total
Balance at 31 December 2022	**434**	**370**	**15**	**494**	**1,313**
Acquisitions		782		787	1,570
Disposals					
Reclassifications and other	31	906	(15)	(922)	(0)
Currency translation differences		(12)			(12)
Balance at 31 December 2023	**465**	**2,047**	**0**	**360**	**2,871**

AMORTISATION AND IMPAIRMENT *(in EUR thousands)*	Research and development expenses	Concessions, patents, licences and software	Other intangible assets	Intangible assets in progress	Total
Balance at 31 December 2022	**(187)**	**(308)**	**(15)**		**(509)**
Allowances for the period	(75)	(230)			(305)
Reclassifications and other		(14)	15		0
Balance at 31 December 2023	**(262)**	**(552)**			**(814)**

NET VALUE *(in EUR thousands)*	Research and development expenses	Concessions, patents, licences and software	Other intangible assets	Intangible assets in progress	Total
Balance at 31 December 2022	**248**	**62**		**494**	**804**
Balance at 31 December 2023	**203**	**1,494**		**360**	**2,057**

“Concessions, patents, licences and software” includes the portion payable to landfill site operators for biogas extraction rights. For financial year 2023, these acquisitions amounted to €543 thousand and concern one contract in the United States.

The balance of “Intangible assets in progress” at 31 December 2023 of €360 thousand corresponds to R&D work for the standardisation of Wagabox® units. The reclassification of €937 thousand primarily corresponds to the reclassification of expenses for a new ERP system to “Concessions, patents, licences and software”, following its deployment in the first half of 2023.

7.2 Property, plant and equipment

Property, plant and equipment are recognised at their acquisition cost in accordance with IAS 16 “Property, plant and equipment”, which includes:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;

- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management;

- the initial estimate of decommissioning costs, which cover dismantling and removing the Wagabox® unit and restoring the site on which it is located.

A significant portion of property, plant and equipment corresponds to the Wagabox® units designed, produced, installed and operated by the Group. These units generate future economic benefits for the Group through long-term agreements for the sale of biomethane or purification services (Note 8.1). For safety reasons, and given the specific know-how acquired by the Company, the Company is the sole operator of Wagabox® units. The Group controls these assets, which are recognised in accordance with IAS 16.

The costs directly attributable to the Wagabox® units manufactured by the Group comprise direct labour, raw material and external costs (such as legal advisors, experts, sub-contractors) directly relating to site preparation, as well as the engineering, design, technical studies, calibration, manufacturing, delivery, assembly and installation of the Wagabox® units to be operated.

Costs directly attributable to fixed assets are capitalised only when the following two criteria are met:

- There is written evidence of interest by the prospect confirming their intention to enter into a contract (signature of a letter of intent, Memorandum of Understanding, etc.)

- The technical feasibility of the project has been verified and validated (analysis of the biogas deposit and feasibility of the connection).

Prior to commissioning a Wagabox® unit, these costs are recognised under "Property, plant and equipment in progress" and are analysed at each reporting date to ensure that the conditions for capitalisation are still met.

If significant components of property, plant and equipment have different useful lives, they are recognised as separate items of property, plant and equipment (major component).

The cost of an item of property, plant and equipment includes, where appropriate, the estimated costs of decommissioning - dismantlement and removal (Note 7.13) and the restoration of the site on which it is located, in line with the Group's contractual obligation.

Depreciation, calculated from the date the asset is commissioned, is recognised as an expense over its estimated useful life, on a straight-line basis as follows:

- Wagabox® excluding components: 15 to 25 years;
- Wagabox® components: 5 to 20 years;
- Facilities & buildings: 10 to 25 years;
- Technical plant, equipment and tooling: 4 to 15 years;
- Office equipment and furniture, IT: 3 years.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if necessary.

Assets in progress primarily relate to Wagabox® units under construction.

Once expenditure is incurred for the construction of a Wagabox® unit, and until the latter is commissioned, the unit is recognised as an asset in progress.

Accounting policies applied to leases

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To determine if a contract conveys the right to control the use of an identified asset throughout its useful life, the Group assesses whether:

- the contract involves the use of an identified asset – this can be specified explicitly or implicitly, and must be physically distinct or substantially represent the capacity of a physically distinct asset. If the supplier has a substantial substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use;
- the Group has the right to direct the use of the asset. The Group has this right when it has the most relevant decision-making rights to determine how and for what purpose the asset is used. In rare cases, when the decision on how and the purpose for which the asset is used is predetermined, the Group has the right to direct the use of the asset if:
  - the Group has the right to operate the asset, or

- the Group has designed the asset in a way that predetermines how and for what purposes it will be used.

These criteria apply to contracts entered into or amended from 1 January 2018.

At the time of inception or revaluation of a contract that contains a lease component, the Group has elected not to separate the non-lease items and to recognise the lease as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the inception of the lease:

- The right-of-use asset is initially measured at cost, which includes the amount of the initial measurement of the lease liability adjusted for lease payments made at or before the commencement date, less any lease incentives received, plus any initial direct costs incurred.

- The right-of-use asset is then depreciated on a straight-line basis from the commencement date to the end of the useful life of the underlying asset. In addition, the value of the right-of-use asset is adjusted for any remeasurement of the lease liability and, where applicable, reduced in the event of impairment, in accordance with IAS 36;

- The lease liability is initially measured at the present value of the lease payments that have not yet been made, discounted using the lessee's incremental borrowing rate (rate of interest that a lessee would have to pay to borrow over a similar term and with a similar security the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment). This represents the borrowing rate used to finance the asset in question. These rates were determined by adding the risk-free rate (French State Loan) to Waga Energy's risk premiums based on the terms of the leases.

The lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;

- variable lease payments that depend on an index or a rate, initially measured using the index or rate at the commencement date;

- leases for periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option. The analysis of renewal clauses under IFRS 16 is carried out individually for each lease under consideration and estimated use of the asset. The inclusion of renewal clauses is analysed in light of their estimated useful life, particularly if the estimated useful life (with regard to the Group's strategic plan) is longer than the initial lease term.

The lease liability is remeasured to reflect changes in lease payments resulting from changes in an index or rate or if the Group reassesses whether it is reasonably certain to exercise an option to extend or to purchase the underlying asset, or to terminate the lease.

When the lease liability is remeasured, an adjustment is made to the carrying amount of the right-of-use asset, or if the right-of-use asset has been reduced to zero the amount is recognised in profit or loss.

The leases identified mainly relate to:

- leased equipment at the Saint Palais, Gueltas and Chevilly sites;

- premises leased by the Group (offices, warehouses);

- leased transport equipment.

The Group has defined depreciation periods for assets falling within the scope of IFRS 16 in terms of similar assets. The periods are defined individually for each lease and may vary between three and 15 years, depending on the type of asset:

- 15 years for the membrane scrubbers purchased from a manufacturer, then transferred under a “sale & lease-back” contract to a lessor who leases them to Waga Energy, at the same time as commissioning, and for an amount corresponding to the carrying amount of the membrane scrubber. This equipment is considered part of the construction of Wagabox® units;
- Approximately nine years for commercial leases;
- 15 years for nitrogen and coal tanks;
- Between three and four years for vehicles.

Short-term leases and leases of low-value assets

Assets financed by leases as defined in IFRS 16, which do not meet the criteria for exemptions (leases with a “low value” of less than €5 thousand and short-term leases of less than 12 months) are recognised as assets on the balance sheet. The corresponding liability is recognised as a liability under “Financial liabilities”. The lease terms used by the Group reflect the non-cancellable terms of each contract, plus any extension or termination options that the Group is reasonably certain to exercise or not to exercise for all periods covered by extension options.

For each lease, the lease liability is measured at the present value of the lease payments not yet paid at the commencement date. Lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee uses the lessee's incremental borrowing rate. These rates are between 3.7% and 9% depending on the asset concerned.

The Group has chosen not to recognise right-of-use assets and lease liabilities for short-term contracts with a lease term of less than or equal to 12 months and leases of low value assets. The Group recognises the related lease payments as expenses.

Property, plant and equipment break down as follows:

GROSS VALUE *(in EUR thousands)*	Land excl. IFRS 16	Buildings excl. IFRS 16	Buildings IFRS 16	Plant, equipment and machinery excl. IFRS 16 (*)	Plant, equipment and machinery IFRS 16	Other property, plant and equipment excl. IFRS 16	Other property, plant and equipment IFRS 16	Property, plant and equipment in progress	Total	(*) of which capitalised decommissioning costs
Balance at 31 December 2022	**806**	**4,574**	**877**	**46,298**	**3,761**	**959**	**99**	**20,871**	**78,246**	**267**
Acquisitions		384	568	14,465	275	628		32,117	48,437	145
Disposals			(299)			(5)		(6)	(310)	
Reclassifications and other				9,667				(9,667)		
Currency translation differences			(7)	(165)	(1)	(8)		(388)	(568)	
Balance at 31 December 2023	**806**	**4,958**	**1,139**	**70,264**	**4,035**	**1,574**	**99**	**42,928**	**125,804**	**412**

DEPRECIATION AND IMPAIRMENT *(in EUR thousands)*	Land excl. IFRS 16	Buildings excl. IFRS 16	Buildings IFRS 16	Plant, equipment and machinery excl. IFRS 16 (*)	Plant, equipment and machinery IFRS 16	Other property, plant and equipment excl. IFRS 16	Other property, plant and equipment IFRS 16	Property, plant and equipment in progress	Total	(*) of which capitalised decommissioning costs
Balance at 31 December 2022		**(56)**	**(447)**	**(6,033)**	**(990)**	**(355)**	**(34)**		**(7,914)**	**(41)**
Alllowances		(216)	(171)	(4,576)	(259)	(324)	(26)		(5,572)	(34)
Reversals			299			3			303	
Currency translation differences			1	6	0	2			10	
Balance at 31 December 2023		**(272)**	**(317)**	**(10,603)**	**(1,248)**	**(673)**	**(60)**		**(13,174)**	**(74)**

NET VALUE *(in EUR thousands)*	Land excl. IFRS 16	Buildings excl. IFRS 16	Buildings IFRS 16	Plant, equipment and machinery excl. IFRS 16 (*)	Plant, equipment and machinery IFRS 16	Other property, plant and equipment excl. IFRS 16	Other property, plant and equipment IFRS 16	Property, plant and equipment in progress	Total	(*) of which capitalised decommissioning costs
Balance at 31 December 2022	**806**	**4,518**	**430**	**40,264**	**2,771**	**605**	**65**	**20,871**	**70,331**	**226**
Balance at 31 December 2023	**806**	**4,686**	**822**	**59,662**	**2,786**	**901**	**38**	**42,928**	**112,630**	**338**

A significant portion of property, plant and equipment corresponds to the Wagabox® units designed, produced, installed and operated by the Group. These units generate future economic benefits for the Group through long-term agreements for the sale of biomethane or purification services (Note 8.1). For safety reasons, and given the specific know-how acquired by the Company, the Company is the sole operator of Wagabox® units. The Group controls these assets, which are recognised in accordance with IAS 16.

The costs directly attributable to the Wagabox® units manufactured by the Group comprise direct labour, raw material and external costs (such as legal advisors, experts, sub-contractors) directly relating to site preparation, as well as the engineering, design, technical studies, calibration, manufacturing, delivery, assembly and installation of the Wagabox® units to be operated.

Assets in progress primarily comprise Wagabox® units under construction.

7.3 Asset impairment

In accordance with IAS 36 "Impairment of assets", at the end of each reporting period the Group determines whether there is an indication of impairment of property, plant and equipment and intangible assets with finite useful lives. If such an indication exists, the Group performs an impairment test to assess whether the carrying amount of the asset is higher than its recoverable amount, defined as the higher of fair value less costs to sell and value in use.

For fixed assets in progress, a review of projects in progress is carried out to ensure that the capitalisation criteria under IAS 16 are still met. Except for the first financial year after a contract is signed, impairment testing is conducted annually to determine whether there is any indication of impairment.

If the resources generated by the project are predictable, and if there are no production incidents, the risk of not generating the expected level of cash flow is low. Assets in progress mainly correspond to Wagabox® units under construction.

For Wagabox® units in operation, the Group has chosen each biogas recovery (Wagabox®) unit as the CGU. To determine whether there is an indication of impairment, the Group uses the following method: the data (revenue and margins) used in the test are reviewed by comparing actual results and forecasts. The data are taken from the project's business plans for the duration of the gas sales agreements, and a sales period from the end of the sales agreements until the end of the useful life of the underlying assets. The underlying assumptions are systematically updated at the impairment testing date. External factors, such as climate-related and operating incidents, or any event that could call into question the profitability of the Wagabox® units, are also taken into account.

At 31 December 2023, the Group identified an indication of impairment for one of its units in Canada, since capital expenditure was higher than initially estimated (mainly due to civil engineering and grid connection costs) and commissioning was postponed for reasons outside the Group's control. The loss will be difficult to recover given the contract term. Consequently, a €1.5 million provision for impairment was recognised in the financial year.

7.4 Financial assets

7.4.1 Non-current financial assets

Non-current financial assets comprise security deposits for financing contracts and guarantees.

Financial assets are recognised at amortised cost; where applicable, provisions for impairment are recognised if the assets' net realisable value falls below their carrying amount.

The resulting impairment loss is recognised in the income statement under provisions for impairment.

NON-CURRENT FINANCIAL ASSETS (in EUR thousands)	31 December 2023	31 December 2022
Security deposits	277	1,960
Other non-current receivables	413	160
Other financial assets	33	17
Gross value	**724**	**2,137**
Net value	**724**	**2,137**

The change in security deposits mainly corresponds to the reclassification to current financial assets of €1,610 thousand from an escrow account that will expire in the financial year ending 31 December 2024.

Other non-current receivables mainly correspond to the cash balance of the liquidity contract, whose overall ceiling was increased in financial year 2023 from €500 thousand to €1 million.

7.4.2 Current financial assets

CURRENT FINANCIAL ASSETS (in EUR thousands)	31 December 2023	31 December 2022
Security deposits	1,610	
Gross value	**1,610**	
Net value	**1,610**	

Security deposits correspond to the reclassification to current financial assets of €1,610 thousand from an escrow account (Note 7.4.1).

7.5 Deferred tax assets

Current and previous tax assets and liabilities are measured at the amount that the Company expects to recover or pay to the tax authorities.

The tax rates and tax regulations used to determine these amounts are those enacted or substantially enacted at the reporting date.

Deferred tax assets are recognised using the liability method for all temporary differences existing at the reporting date between the tax base for assets and liabilities and their carrying amounts, as well as for tax loss carry-forwards. Deferred tax assets are recognised for tax loss carry-forwards when it is probable that the Company will have future taxable profit against which the unused tax losses can be offset.

In determining the amount of deferred tax assets that may be recognised, management is required to make estimates both about the period of use of the tax loss carry-forwards, and the level of future taxable profit, with regard to tax management strategies.

In accordance with the principles described above and the mechanism for capping tax losses carried forward, no deferred tax assets have been recognised in the Group's consolidated financial statements. At 31 December 2023, the aggregate amount of tax loss carry-forwards for which no corresponding deferred tax assets were recognised was €23.8 million, including €10.8 million (€4 million generated in the period) for French companies and €13 million (€7.7 million generated in the period) for foreign companies.

Deferred tax assets are recognised for tax loss carry-forwards when it is more likely than unlikely that the Company will have future taxable profit against which these unused tax losses can be offset.

7.6 Other non-current assets

OTHER NON-CURRENT ASSETS (in EUR thousands)	31 December 2023	31 December 2022
Unpaid capital		14
Trade payables, advances on fixed assets	8,416	4,791
Financial instruments - non-current assets	517	1,757
Total net other non-current assets	**8,933**	**6,562**

Financial instruments comprise interest rate swaps set up to hedge project funding. Changes in the value of swaps are recognised in other comprehensive income (Note 7.15).

Changes in the down payments made to suppliers of fixed assets are recognised in investing activities in the cash flow statement.

7.7 Inventories

Inventories are measured using the weighted average cost (WAC) method, which uses a weighted average cost of units held and purchased in the period to measure the cost of goods sold.

Where applicable, provisions for impairment are made on a case-by-case basis when the net realisable value is lower than the inventory carrying amount.

When there is an indication of impairment, the impairment loss is recognised in profit or loss under ‘depreciation, amortisation and impairment’.

INVENTORIES (in EUR thousands)	31 December 2023	31 December 2022
Inventories of spare parts	11,243	4,731
Nitrogen and coal inventories	254	136
Gross value	**11,498**	**4,867**
Net value	**11,498**	**4,867**

The Group reviews the value of inventories at each reporting date. The Group did not recognise any impairment losses on inventories at 31 December 2023.

Safety spare parts inventories pooled for all Wagabox® units are recognised in inventories (for spare parts that the Group intends to use over a period of less than 12 months), with the exception of spare parts for the first units installed, which are specific.

7.8 Trade and other receivables

Trade receivables are recognised upon transfer of ownership and at their nominal value.

In accordance with IFRS 9, impairment is recognised if the carrying amount of trade receivables presents a collection risk.

Under IFRS 9, entities are required to account for expected credit losses on their financial assets, which involves recognising a loss allowance for trade receivables not yet due.

TRADE AND OTHER RECEIVABLES (in EUR thousands)	Gross value	Overdue	Not yet due	Impairment	Net value
Position at 31 December 2023	9,139	141	8,998		9,139
Position at 31 December 2022	4,143	608	3,535		4,143

7.9 Tax receivables

TAX RECEIVABLES (in EUR thousands)	31 December 2023	31 December 2022
Research tax credit	346	285
Innovation tax credit		29
Corporate income tax receivable	59	
Tax receivables	**405**	**315**

7.10 Other current assets

OTHER CURRENT ASSETS (in EUR thousands)	31 December 2023	31 December 2022
Trade receivables, advances and down payments, credit notes receivable	1,018	
Personnel and social security	2	4
State, VAT	5,738	6,237
Receivables from the sale of assets	1	
Prepaid expenses	1,457	1,681
Other current assets and accrued income	718	434
Total net other current assets	**8,934**	**8,356**

"Trade receivables, advances and down payments, credit notes receivable" mainly comprise advances and down payments paid to suppliers for the purchase of goods.

"Prepaid expenses" mainly comprise annual insurance costs, lease expenses and annualised services. The lease expenses relate to low-value assets that have not been restated in accordance with IFRS 16.

The €718 thousand in other current assets and accrued income mainly correspond to a €501 thousand security deposit.

7.11 Cash and cash equivalents

Cash and cash equivalents includes cash and short-term investments that are considered to be liquid, convertible into a known amount of cash and subject to an insignificant risk of change in value based on the criteria set out in IAS 7 "Statement of Cash Flows".

Overdrafts are excluded from cash and cash equivalents. They are recognised as current financial liabilities.

CASH AND CASH EQUIVALENTS (in EUR thousands)	31 December 2023	31 December 2022
Cash equivalents	11,501	24,235
Cash	27,154	67,424
Total cash and cash equivalents	**38,655**	**91,659**

Cash equivalents consist of term deposits under which funds can be available within 30 days.

There are no cash restrictions for any of the periods presented.

7.12 Equity and dilutive instruments

7.12.1. Share capital

Ordinary shares are classified as equity. The costs of capital transactions directly attributable to the issue of new shares or options are recognised in equity as a deduction from share premium, net of tax.

Capital management policy

The Group's policy is to maintain a sufficient financial base to preserve the confidence of investors and creditors and support the future growth of the Company.

Waga Energy's share capital comprises fully paid-up ordinary shares with a par value of €0.01.

Number of shares	Ordinary shares
At 31 December 2022	**20,483,350**
Capital increase BSPCE 29/06/2023	5,200
Capital increase BSPCE 31/12/2023	37,000
At 31 December 2023	**20,525,550**

7.12.2. Dilutive instruments

In accordance with IFRS 2, the cost of equity-settled share-based payment transactions is recognised as an expense in the period in which the rights to benefit from the equity instruments are acquired, with a corresponding increase in equity.

The group has applied IFRS 2 to all equity instruments granted to employees and corporate officers.

The fair value of founders' share warrants (BSPCE) is determined using the Black & Scholes option pricing model.

The valuation methods used to estimate the fair value of options are described below.

- The share price used is equal to the subscription price of investors for the plans prior to the Company's listing, based on the last capital increase;
- The share price used for plans subsequent to the Company's listing is specified in the table in section 8.6;
- The risk-free rate is determined according to the expected term of the instruments;
- Volatility was determined based on a sample of listed companies in the Group's business sector, at the grant date of the instruments and over a period equivalent to the life of the option;
- The expected term of the instruments has been estimated at 4.9 years;
- No dividend payments are expected over this term;
- Employee turnover was not taken into account, as it was considered low for the beneficiaries of the instruments.

The value of the options was recognised in the income statement under personnel expenses between the grant date and the maturity date, with an offset to equity. The expense was spread over the vesting period according to the vesting terms and conditions.

At each reporting date, the Group assesses the probability of loss by the beneficiaries of the rights to the options or free shares granted before the end of the vesting period. Where applicable, the impact of a revision of these estimates is recognised in the income statement with a corresponding change in consolidated reserves.

7.13 Provisions

Provisions are recognised when, at the reporting date, the Group has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised in provisions is measured in accordance with IAS 37 “Provisions, Contingent Liabilities and Contingent Assets” based on the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. When the effect of the time value of money is material, the amount of the provision is the present value of the expenditures expected to be required to settle the obligation. The increase in provisions recorded to reflect the passage of time and accretion is recognised as a borrowing cost.

Litigation and contingent liabilities

The Group exercises its judgment on a case-by-case basis in assessing risks and recognises a provision when it expects a probable outflow of resources. In the event that no reliable estimate can be made, either because it is deemed unfounded or insufficiently substantiated, a present or possible obligation exists that cannot be recognised (contingent liability).

PROVISIONS (in EUR thousands)	Decommissioning	Pensions and retirement benefits	Guarantees	Losses at completion	Other	Total
Balance at 31 December 2022	**340**	**200**			**45**	**585**
Increase in the financial year	185			629	15	829
Current service cost		144				144
Actuarial (gains) / losses		(19)				(19)
Balance at 31 December 2023	**526**	**325**		**629**	**60**	**1,539**
Less than one year at 31 December 2023				629		629
More than one year at 31 December 2023	526	325			60	910

Provisions for decommissioning costs

When a legal or contractual obligation to decommission a Wagabox® exists, a provision for decommissioning costs is recognised for the item of property, plant and equipment, the cost of which is regularly estimated. In the event of a significant change in the estimate leading to an increase in the provision, the carrying amount of the asset is also increased. If the change leads to a decrease in the provision, an impairment loss is recorded.

Pensions and retirement benefits

IAS 19 distinguishes between two post-employment benefit plans.

Defined contribution plans (statutory and supplementary pension plans) are expensed in the year in which the services are rendered by employees. The Company’s obligation is limited to the payment of contributions. Consequently, no liability is recognised in the balance sheet.

Under defined benefit plans, the actuarial risks are borne by the Company. They relate to the retirement obligations defined by the French Labour Code. Retirement benefit obligations are calculated using the projected unit credit method based on the vesting calculations stipulated in collective bargaining agreements, as well as employees' final salary and actuarial assumptions (discount rate, salary increase rate, turnover rate, mortality rate, etc.).

The Group does not outsource the financing of its retirement benefit obligations.

The benefit obligation is recognised in the balance sheet as a non-current liability for the total amount of the obligation.

In accordance with IAS 19, the cost of services rendered is presented in operating profit (loss). Interest expense is recognised under net financial income and expense. Remeasurements of the liability (actuarial gains and losses) are recognised directly in other comprehensive income (OCI).

The impact of plan changes is recognised immediately in profit or loss. No changes occurred in the financial years presented.

After retirement, Group employees receive pensions under pension systems that comply with the laws and practices of the countries in which the companies operate.

The Group's benefit obligations are recognised in the form of provisions or contributions paid to independent pension funds and the legal bodies responsible for servicing them.

Retirement benefits only relate to employees of the parent company Waga Energy. No benefit obligations within the meaning of IAS 19 have been identified and provisioned for the Canadian or US subsidiaries.

The main actuarial data used at 31 December 2023 and 31 December 2022 is presented below:

	31 December 2023	31 December 2022
Retirement age	Age 64: other employees Age 65: management	Age 64: other employees Age 65: management
Discount rate (a)	3.54%	3.65%
Salary increase rate	3.00%	3.00%
Social security contribution rate (b)	44.00%	44.00%
Mortality table	Insee 2012-2014 without distinction Men/Women	Insee 2012-2014 without distinction Men/Women
Probability of presence at retirement age (before mortality)	under age 30: 81.0% between age 30 and 40: 87.3% between age 40 and 50: 88.5% between age 50 and 60: 99.0% over 60: 100.0%	under age 30: 91.7% between age 30 and 40: 94.7% between age 40 and 50: 99.0% between age 50 and 60: 99.0% over 60: 100.0%

Changes in the retirement benefit obligation between 1 January 2023 and 31 December 2023 were as follows:

		Effect on consolidated profit (loss)				Effect on other comprehensive income	
In EUR thousands	31 December 2022	Curent service cost	Interest cost	Benefits paid	Subtotal	Actuarial (gains) losses	31 December 2023
Total obligation	200	135	9		344	(19)	325
Net obligation	**200**	**135**	**9**		**344**	**(19)**	**325**

As the Group has no plan assets, the entire benefit obligation described above is recorded under liabilities.

Losses at completion

Provisions for losses at completion on equipment sales are mainly recognised when the forecast costs at completion of a given contract (based on the best profit estimates) show a loss.

At 31 December 2023, a €0.6 million loss at completion was recognised for a construction and sales contract in Canada, due to the operational difficulties encountered during the project.

7.14 Borrowings and financial liabilities

Borrowings and financial liabilities consist of bonds, bank loans, conditional advances and certain liabilities.

Borrowings are initially measured at the fair value of the consideration received, less any directly attributable transaction costs. They are then recognised at amortised cost using the effective interest rate.

Conditional advances received are only repayable in the event of the success of the projects financed, according to criteria defined in advance with the financing organisation.

It was considered that these advances would all be repaid due to the expected success of each project financed. Consequently, the advances were recognised in accordance with IFRS 9 based on the discounted amounts of expected repayments. The discount rate corresponding to the market financing rate was determined based on bank loans with similar terms.

Upon the initial recognition of conditional advances, the difference between their fair value (value of future cash flows discounted at market rates) and the amount of cash received is recognised as a government grant under "Other income" as the expenses financed by these advances are recognised in accordance with IAS 20 (Note 7.17).

The effective interest rate includes any premium provided for in the contract, which could be due in the event of repayment, taking into account estimated future revenue if the repayable advance contracts provide for indexation on revenue generated by the projects.

In the event of a change in the schedule of expected repayments of repayable advances, in particular in the event of a change in estimated forecast revenue, the Company recalculates the carrying amount of the liability resulting from discounting expected future cash flows. If significant, the resulting adjustment is recognised in the income statement for the period in which the change is identified, under net financial income and expense.

In the event of a pronounced failure, the debt waiver granted is recorded in other operating income.

With regard to convertible bonds, estimates are made to:

- Determine the fair value of conversion options;
- Determine the effective interest rate (EIR) of the debt component of conversion options, taking into account the most probable time horizon for conversion into shares or redemption.

BORROWINGS AND FINANCIAL LIABILITIES (in EUR thousands)	31 December 2022	Issuance	Repayment	New contracts IFRS 16	Accrued interest and reclassifications	31 December 2023
Bank loans	38,029	13,089	(5,432)		8	45,696
BPI loans	2,695				44	2,739
Shareholder loans	380	381	(380)			381
Repayable advances	604	665			(32)	1,237
Sofiwaga 1 bonds	2,578				6	2,584
Waga Asset 2 convertible bonds	5,265		(750)		188	4,703
IFRS 16 financial liabilities	3,049		(597)	929	(5)	3,376
Other financial liabilities	6	34	(1)			39
Total	**52,605**	**14,169**	**(7,160)**	**929**	**210**	**60,755**

- **Bank loans**

New bank loans mainly comprise:

- Refinancing of a €1.6 million tranche by Waga Energie Canada;

- Drawdowns of €2.4 million on the real estate loan taken out by Wagarena in 2022 to finance the acquisition of the premises in Eybens at 31 December 2023;

- Drawdowns of €3.3 million from the financing of the Waga Assets project at 31 December 2023;

- A €5.8 million drawdown from the financing of the Can Mata project at 31 December 2023 (net of the premium).

- **Shareholder loans**

Shareholder loans comprise the current accounts held with companies with a 51% interest in the Group's subsidiaries, which are classified as current liabilities.

These current accounts bear interest, recorded under current liabilities.

- **Repayable advances**

The Group receives advances that are repayable, with or without a premium, beyond a certain profitability level. These repayable advances amounted to a total of €604 thousand at 31 December 2022 and €1,237 thousand at 31 December 2023.

The main terms of the repayable advances are presented below:

BPI INSURANCE

In connection with the development of international projects in the United States, Canada and Brazil, Waga Energy SA obtained repayable "Prospecting" advances from BPI of €455 thousand each for the United States and Canada, and €390 thousand for Brazil. At 31 December 2023, the advances received amounted to €1,105 thousand (100% of the advance for Canada and the United States). Repayment of the advances for Canada and the United States is expected to be spread over 2025 and 2028.

- **Convertible bonds**

The Group has several bonds convertible into shares, which are recognised under "Financial liabilities":

- In addition, the Group issued two bonds at Sofiwaga 1 for a total amount of €2,600 thousand in November 2017 to finance the Wagabox® units at the Saint Palais, Gueltas and Chevilly sites.

  These ordinary bonds were issued for a period of 12 years, expiring in November 2029.

- Convertible bond OCA 2021 Tranche 2, corresponding to initial financing of €6,000 thousand, fully subscribed on 13 July 2021 and bearing interest at the maximum annual interest rate of 9.2%. The bonds were fully repaid by Waga Energy SA and reissued by its subsidiary Waga Assets 2 in December 2022 in the amount of €5,250 thousand. The outstanding balance at 31 December 2023 amounted to €4,703 thousand.

  The deadline for the redemption or conversion of the bonds is set at 30 June 2029.

The repayment schedule for borrowings and financial liabilities is as follows:

BORROWINGS AND FINANCIAL LIABILITIES (in EUR thousands)	31 December 2023	Less than 1 year	1-5 years	More than 5 years
Bank loans	45,696	5,479	20,429	19,787
BPI loans	2,739		2,739	
Shareholder loans	381	381		
Repayable advances	1,237	67	1,170	
Sofiwaga 1 bonds	2,584	996	1,589	
Waga Asset 2 convertible bonds	4,703	953	3,750	
IFRS 16 financial liabilities	3,376	544	2,063	769
Other financial liabilities	39	5		34
Total	**60,755**	**8,424**	**31,740**	**20,591**

7.15 Fair value of financial instruments

In accordance with the amendment to IFRS 7, the following table presents the items recognised at fair value by class of financial instruments according to the following hierarchy:

- Level 1: instruments directly listed on an active market,
- Level 2: instruments listed on an active market for a similar instrument, or whose valuation techniques are based on observable parameters,
- Level 3: instruments whose significant valuation parameters are not observable.

31 December 2023

In EUR thousands	Carrying amount at 31 December 2023	Level	Fair value	Assets/Liabilities at fair value through profit or loss	Assets/Liabilities at fair value through OCI	Assets/Liabilities at amortised cost
Non-current financial assets	447	3	447			447
Security deposits	277	2	277			277
Other non-current assets	8,416	2	8,416			8,416
Derivative financial instruments	517	3	517		517	
Trade and other receivables	9,139	2	9,139			9,139
Current financial assets	1,610	2	1,610			1,610
Other current assets	1,738	2	1,738			1,738
Cash and cash equivalents	38,655	2	38,655			38,655
Total financial assets	**60,799**		**60,799**		**517**	**60,281**
Non-current loans and borrowings	52,331	2	52,331			52,331
Other non-current liabilities	9	2	9			9
Derivative financial instruments	196	3	196		196	
Current loans and borrowings	8,424	2	8,424			8,424
Trade and other payables	8,337	2	8,337			8,337
Other current liabilities	13,908	2	13,908			13,908
Total financial liabilities	**83,205**		**83,205**		**196**	**83,009**

31 December 2022

In EUR thousands	Carrying amount at 31 December 2022	Level	Fair value	Assets/Liabilities at fair value through profit or loss	Assets/Liabilities at fair value through OCI	Assets/Liabilities at amortised cost
Non-current financial assets	2,137	3	2,137			2,137
Other non-current assets	6,562	2	6,562		1,757	4,806
Trade and other receivables	4,143	2	4,143			4,143
Other current assets	2,119	2	2,119			2,119
Cash and cash equivalents	91,659	2	91,659			91,659
Total financial assets	**106,620**		**106,620**		**1,757**	**104,864**
Non-current loans and borrowings	43,185	2	43,185			43,185
Other non-current liabilities	4,678	2	4,678			4,678
Current loans and borrowings	9,420	2	9,420			9,420
Trade and other payables	5,413	2	5,413			5,413
Other current liabilities	10,029	2	10,029			10,029
Total financial liabilities	**72,726**		**72,726**			**72,726**

7.16 Trade and other payables

TRADE AND OTHER PAYABLES (in EUR thousands)	31 December 2023	31 December 2022
Trade and other payables	8,337	5,413
Total trade payables	**8,337**	**5,413**

The increase in trade and other payables is due to increased business.

7.17 Tax liabilities

TAX LIABILITIES (in EUR thousands)	31 December 2023	31 December 2022
Income tax		42
Tax liabilities	**0**	**42**

Tax liabilities correspond to taxes payable at the reporting date for all Group entities.

7.18 Other liabilities

7.18.1 Other non-current liabilities

OTHER NON-CURRENT LIABILITIES (in EUR thousands)	31 December 2023	31 December 2022
Financial instruments - non-current liabilities	196	
Accrued liabilities	9	
Deferred income - non-current	7,464	4,678
TOTAL	**7,669**	**4,678**

At 31 December 2023, deferred income to be earned in more than one year corresponded to investment grants for €7,053 thousand and additional premiums for €191 thousand. The line item also includes the reclassification of €218 thousand following application of the effective interest rate to a BPI loan of €3,000 thousand, in accordance with IAS 20.

7.18.2 Other current liabilities

OTHER CURRENT LIABILITIES (in EUR thousands)	31 December 2023	31 December 2022
Social security liabilities	1,659	1,447
Tax liabilities	2,033	2,347
Advances and down payments received, credit notes	67	17
Deferred income - current	811	2,791
Amounts due relating to assets acquired - current	11,609	7,042
Other liabilities	2,231	180
TOTAL	**18,411**	**13,823**

At 31 December 2023, deferred income to be earned in less than one year mainly comprised investment grants for €612 thousand and revenue for €199 thousand, primarily from equipment sales.

8. Notes to the consolidated income statement

8.1 Revenue

The Group recognises revenue in accordance with IFRS 15.

Group revenue is generated by the sale of biomethane production to energy companies or purification services to landfill operators with biomethane sales contracts. Alongside this business model, the Group reserves the right to sell equipment.

The Waga Energy Group operates in gas engineering. The Group designs, builds and operates Wagabox® units installed in landfills (termed Non-Hazardous Waste Storage Facilities in France). The biogas produced by landfill waste is captured by the landfill operator. Wagabox® units purify the biogas into biomethane using a patented technology combining membrane purification and cryogenic distillation. The biomethane is injected directly into the natural gas grid.

The biomethane molecules are bought by energy companies who sell biomethane to end users.

The Group's core business is based on the integrated developer-investor-operator business model for long-term contracts, in which the Group commits to the performance of Wagabox® units. The key contracts involve the following stakeholders:

- The landfill operator, which supplies biogas;
- The energy operator, which purchases biomethane;
- The Group, which manufactures and operates Wagabox® units and owns the purification process to convert biogas into biomethane.

Two separate economic models have been developed in the business:

- Purification services, and
- Biomethane sales.

For purification services, the Group enters into contracts with landfill operators, provides biogas purification services and guarantees fixed remuneration in return for the service. Landfill operators, which are biomethane producers in the regulatory sense, enter into biomethane sales contracts with energy companies. In accordance with IFRS 15, revenue from purification services is recognised in Group revenue.

For biomethane sales, the Group enters into (i) biogas purchase contracts with landfill operators, and (ii) biomethane sales contracts with energy companies. In France, the tariff is set by the French State; in other countries, the price is negotiated based on market value. The Group generates revenue from the sale of biomethane at the price negotiated plus an additional premium. The biomethane sales model enables the Company to choose energy companies and freely negotiate additional premiums, which are a substantial revenue component. As energy companies can derive additional value from energy sales, biomethane producers are also able to freely negotiate additional premiums (defined in contracts as “additional premium”), which are recognised as biomethane is injected into the network. In accordance with IFRS 15, income from the sale of biomethane is recognised as revenue, and biogas purchases are recognised under purchases of goods.

For each contract, an analysis is carried out under IFRS 15 to determine whether Waga Energy acts as principal. As such:

For direct biomethane sales, Waga Energy acts as principal in the transaction for the following reasons:

- Waga chooses the energy provider, mainly based on the amount of additional income possible with the additional premiums;
- Waga enters into the contract with the energy provider and negotiates the sales price (even though the margin for negotiation is limited in France);
- The additional premiums (described above) represent a significant portion of incremental contract margin.

Consequently, Waga Energy acts as principal and has the obligation to supply biomethane to the energy provider. Waga Energy delivers the biomethane itself. To summarise, Waga Energy acts as principal and has the ability to decide to whom it sells and at what price.

For purification services, Waga Energy’s work is limited to providing the purification service. The landfill operator chooses the energy provider, enters into the contract with the provider and negotiates sales prices. In this case, Waga Energy's client is the landfill operator and the performance obligation is the purification service sold to the operator.

However, for the Group, the commitment to purify biogas or sell biomethane is not quantifiable because compliance with the obligations can only be assessed once the service has been provided or product sold. The Group does not commit to predefined and fixed volumes to be purified or sold.

As a result, the Group has not presented any additional information.

As an exception to the business model, the Group’s other sources of revenue include long-term equipment sale contracts (Engineering Procurement & Construction or EPC contracts), for which revenue is recognised using the stage-of-completion method. Changes to contracts, particularly price changes, are taken into account in determining profit on completion when they are approved by the client. Contract assets correspond to accrued invoices, advances paid to subcontractors and security deposits. They are recognised on the consolidated balance sheet under “Trade and other receivables” and “Other current assets”, respectively. Contract liabilities mainly comprise advances received and deferred income. They are included under “Other current liabilities” on the consolidated balance sheet.

If estimated revenue at completion shows a loss, a provision for losses at completion is recognised independently of construction progress, in accordance with IAS 37, based on the best profit estimates including, where applicable, rights to additional income or claims, if they are considered highly probable and may be reliably estimated. Provisions for losses at completion are presented under liabilities on the balance sheet (Note 7.13).

Revenue corresponds to the fair value of the consideration received or to be received for goods and services sold in the normal course of the Group’s business.

Revenue is recognised net of discounts and rebates, and net of intercompany sales.

No revenue is recognised if there is significant uncertainty of collection of payment.

REVENUE (in EUR thousands)	31 December 2023		31 December 2022	
Biomethane sales and purification services	23,671	71%	15,091	79%
Equipment sales	8,973	27%	3,606	19%
O&M and other	618	2%	462	2%
Total revenue	**33,262**	**100%**	**19,159**	**100%**

Equipment sales correspond to the sale of cryogenic equipment to Air Liquide by subsidiary Waga Energy Inc and a portion of equipment sales by subsidiary HRRG in Canada under the Hartland contract signed in 2022. The O&M (Operating & Maintenance) service is primarily performed for the Wagabox® unit in Lorient Agglomération (Brittany, France).

8.2 Other operating income

Other operating income includes grants, the Research Tax Credit (CIR) and the Innovation Tax Credit (CII).

In accordance with IAS 20, government grants received are initially recognised in the balance sheet as deferred income. Government grants are recognised in the income statement for the financial year:

- symmetrically with asset depreciation and amortisation for government grants for capital expenditure. Grants that finance capitalised development costs are accounted for in the same way as equipment grants. Such grants are recognised in the income statement at the same pace as depreciation and amortisation of the financed assets are recognised, directly crediting the allowance account.

- in proportion to expenses incurred for government grants for operating expenses. Grants intended to cover expenditure are expensed based on progress of R&D projects (pro rata to actual costs incurred/estimated costs at completion).

OTHER OPERATING INCOME (in EUR thousands)	31 December 2023		31 December 2022	
Research tax credit	346	45%	285	72%
Innovation tax credit			29	7%
Grants	431	55%	83	21%
Total other operating income	**777**	**100%**	**397**	**100%**

8.3 Purchases of goods and changes in inventories

GOODS PURCHASED (in EUR thousands)	31 December 2023		31 December 2022	
Raw materials and spare parts	17,309	94%	5,382	68%
Change in inventories	(6,599)	-36%	(6,172)	-78%
Sub-contracting	2,276	12%	1,053	13%
Equipment and material	5,362	29%	7,686	97%
Total goods purchased	**18,349**	**100%**	**7,948**	**100%**

Purchases of equipment and material increased sharply due to Group growth and the construction of Wagabox© units sold.

8.4 External expenses

EXTERNAL EXPENSES (in EUR thousands)	31 December 2023		31 December 2022	
General subcontracting	484	5%	415	6%
Leases and lease expenses	1,225	13%	660	10%
Maintenance and repairs	593	6%	287	4%
Insurance premiums	976	10%	639	9%
Seconded personnel	249	3%	118	2%
Professional fees	3,668	39%	3,125	46%
Advertising	212	2%	165	2%
Transport	98	1%	156	2%
Travel and assignment expenses	925	10%	601	9%
Postal & telecom costs	476	5%	215	3%
Banking services	307	3%	280	4%
Other external expenses	135	1%	183	3%
Total external expenses	**9,348**	**100%**	**6,845**	**100%**

Leases and lease expenses correspond to expenses recognised in the income statement under the IFRS 16 exemption, and property taxes.

Professional and other fees rose, reflecting greater use of external service providers to implement the Group's growth strategy, in particular abroad, and the overheads involved in meeting the regulatory requirements applicable to listed companies.

The increase in other external expenses was mainly due to the growth of business activities abroad.

8.5 Personnel expenses

Personnel expenses allocated for project development were recorded under assets if the projects met the criteria for capitalisation under IAS 16 "Property, Plant and Equipment" (Note 7.2).

Other personnel expenses, including the service cost of retirement benefit provisions (Note 7.13) and the cost of equity-settled transactions (Note 7.12), were recorded in the income statement.

Personnel expenses break down as follows:

PERSONNEL EXPENSES (in EUR thousands)	31 December 2023		31 December 2022	
Personnel remuneration	6,657	46%	5,086	51%
IFRS 2 expenses	3,789	26%	2,241	22%
Social security contributions	3,876	27%	2,499	25%
Other personnel expenses	144	1%	28	0%
Current service cost	144	1%	107	1%
Total personnel expenses	**14,610**	**100%**	**9,961**	**100%**

The average number of employees was 165 at 31 December 2023 compared with 112 in the previous financial year.

8.6 Share-based payments (IFRS 2)

Founders' share warrants (BSPCE) and stock options were awarded to executives and certain key employees. The various plans are presented in the table below:

Type of financial investment	BSPCE 2019	BSPCE 2021	OPTIONS 2021	OPTIONS 2021	BSPCE 2023
AGM warrant grant date	18/12/2019	30/06/2021	30/06/2021	08/09/2021	24/01/2023
Vesting date	18/12/2023	30/06/2025	30/06/2025	30/06/2025	24/01/2027
Exercice price per new share subscribed	€ 318.42	€ 1,000.00	€ 1,000.00	€ 1,000.00	€ 27.54
Vesting	- 25% of the BSPCEs held by the Holder at the end of a period of twenty-four (24) months from the grant date; - the remaining balance, at the rate of one twenty-fourth (1/24) at the end of each month, following the initial period of twenty-four (24) months, for a period of twenty-four (24) months.				
Period of validity	17/12/2029	30/06/2031	30/06/2031	30/06/2031	24/01/2033
Number of warrants granted at 31 December 2022	1,000,000	1,250,000	130,000	85,000	
Number of warrants granted at 31 December 2023	1,000,000	1,250,000	130,000	85,000	337,000
Maximum number of new shares that may be subscribed at 31 December 2023	**885,362**	**1,247,500**	**110,000**	**85,000**	**332,500**

Type of financial investment	OPTIONS 2023	BSPCE 2023.2	OPTIONS 2023.2	OPTIONS 2023.3
AGM warrant grant date	24/01/2023	29/06/2023	29/06/2023	20/07/2023
Vesting date	24/01/2027	29/06/2027	29/06/2027	20/07/2027
Exercice price per new share subscribed	€ 27.54	€ 27.39	€ 27.39	€ 27.39
Vesting	- 25% of the BSPCEs held by the Holder at the end of a period of twenty-four (24) months from the grant date; - the remaining balance, at the rate of one twenty-fourth (1/24) at the end of each month, following the initial period of twenty-four (24) months, for a period of twenty-four (24) months.			
Period of validity	24/01/2033	29/06/2033	29/06/2033	20/07/2033
Number of warrants granted at 31 December 2022				
Number of warrants granted at 31 December 2023	196,000	15,000	3,000	25,000
Maximum number of new shares that may be subscribed at 31 December 2023	**176,000**	**15,000**	**0**	**25,000**

Based on the data above, expenses amounted to €3,789 thousand and €2,241 thousand for 2023 and 2022, respectively.

8.7 Other recurring operating income and expenses

OTHER RECURRING OPERATING INCOME AND EXPENSES (in EUR thousands)	31 December 2023	31 December 2022
Other recurring operating income	1,173	275
Other recurring operating expenses	(515)	(334)
Total other recurring operating income (expense)	**658**	**(59)**

Other recurring operating income includes €591 thousand from managing Wagabox® units and €353 thousand from leasing part of the registered office premises. Other recurring operating expenses, amounting to €195 thousand, mainly comprised license fees, attendance fees and various day-to-day management expenses. They are also included €320 thousand in management expenses for Wagabox® units, mainly contractual downtime penalties).

8.8 Other non-recurring operating income and expenses

Other non-recurring operating income and expenses include non-recurring transactions of significant amounts which, by their nature or unusual character, may adversely affect the clarity of the presentation of the Group’s recurring operating activities.

OTHER NON-RECURRING OPERATING INCOME AND EXPENSES (in EUR thousands)	31 December 2023	31 December 2022
Other non-recurring operating income	534	230
Other non-recurring operating expenses	(182)	(196)
Total other non-recurring operating income (expense)	**352**	**34**

Other non-recurring operating income included non-recurring income for €315 thousand and the share of grants recognised in the income statement for €219 thousand.

Other non-recurring operating expenses included non-recurring expenses of €182 thousand primarily relating to prior periods.

8.9 Net financial income (expense)

Net financial income and expense includes all expenses incurred due to the Company's financing (interest paid, accrued interest, finance lease expenses, the unwinding of non-recurring liabilities, the financial impact of fair value) as well as foreign exchange gains and losses. Other financial income includes interest received by the Company on its cash investments.

NET FINANCIAL INCOME (EXPENSE) (in EUR thousands)	31 December 2023	31 December 2022
Interest on loans and borrowings	(1,844)	(1,238)
Cost of net financial debt	**(1,844)**	**(1,238)**
Foreign exchange gains	153	140
Other financial income	1,212	227
Accretion expense	(41)	(31)
Foreign exchange losses	(354)	(281)
Other financial expenses	(167)	(34)
Other financial income and expenses	**803**	**21**
Net financial income (expense)	**(1,041)**	**(1,217)**

The increase in interest on financial liabilities is mainly due to €14,169 thousand in new borrowings over the financial year.

Accrued interest at 31 December 2023 amounts to €116 thousand.
Other financial income mainly comprises interest generated on term deposits (Note 7.11).

8.10 Income tax

Income tax in the income statement includes current and deferred taxes of consolidated companies, when the bases are recognised in profit or loss. Where appropriate, the tax effects on items recognised directly in equity are also recognised in equity.

Current taxes correspond to the tax due to the tax authorities by each of the consolidated companies in the countries in which they operate.

Deferred taxes are recorded in the consolidated balance sheet and income statement and result from:

- temporary differences in the accounting recognition of income or expense and their inclusion in taxable profit in a subsequent financial year;
- temporary differences between the tax values and carrying amounts of assets and liabilities on the balance sheet;
- adjustments and eliminations required for consolidation purposes and not recognised in the separate financial statements;
- the use of tax losses.

The prospect of using deferred tax assets is reviewed periodically by each tax entity and may result in previously recognised deferred tax assets no longer being recognised. The prospect of using deferred tax assets is analysed on the basis of a tax plan indicating the forecast level of taxable profit.

The assumptions included in the tax plan are consistent with those included in the forecasts and medium-term business plan prepared by the Group's entities and approved by the Board of Directors.

Deferred taxes are calculated at the tax rate that is expected to apply in the financial year in which the asset will be realised or the liability settled, on the basis of the tax rates (and tax regulations) that have been adopted or substantially adopted at the reporting date (Note 8.1.4).

Other taxes and duties

In France, the 2010 Finance Act introduced a regional economic contribution (CET) to replace business tax. The CET includes two new contributions: corporate land tax (CFE) and value-added business tax (CVAE). For the financial years presented, the Group recognised this tax as a recurring operating expense under "Taxes, duties and similar payments".

The table below shows the reconciliation of theoretical tax and effective tax:

In EUR thousands	31 December 2023	31 December 2022
Current taxes	(266)	(325)
Deferred taxes		
Total income tax	**(266)**	**(325)**

In EUR thousands	31 December 2023	31 December 2022
Profit (loss) for the period	**(15,442)**	**(9,680)**
Consolidated tax	(266)	(325)
Research tax credit	345	315
Theoretical pre-tax profit (loss)	**(15,522)**	**(9,669)**
Income tax rate applicable to the parent company	25.0%	25.0%
Theoretical income tax expense at the current rate	3,880	2,417
Increase/decrease in income tax expense due to:		
Deferred tax assets on unrecognised tax loss carryforwards	(3,163)	(1,815)
Other unrecognised deferred tax assets	(53)	(198)
Share-based payments	(947)	(560)
Permanent differences	44	58
Other (taxes without a base, effect of tax rate decreases, etc.)	(26)	(227)
ACTUAL TAX EXPENSE	**(266)**	**(149)**
Effective tax rate	2%	3%

8.11 Earnings per share

Basic earnings per share is calculated based on the weighted average number of ordinary shares outstanding during the period, while the calculation of diluted earnings per share also includes all potentially dilutive ordinary shares if they meet certain criteria laid down in IAS 33.

Basic earnings per share are obtained by dividing net income attributable to owners of the parent by the weighted average number of ordinary shares outstanding.

Diluted earnings per share are obtained by dividing net income attributable to owners of the parent by the weighted average number of shares adjusted for the maximum impact of the conversion of dilutive instruments into ordinary shares using the share buyback method.

Using this method, the funds raised by potentially dilutive financial instruments are allocated to share buybacks at their market value. The dilutive effect of shares potentially arising from stock option plans (BSPCE) or convertible instruments is not reflected in the calculation of diluted earnings per share, due to the losses incurred.

The dilution is obtained by the difference between the theoretical amount of shares that would be bought back and the number of potentially dilutive options.

EARNINGS PER SHARE	31 December 2023	31 December 2022
Net income attributable to holders of ordinary shares	(15,990,328)	(10,075,698)
Number of ordinary shares	20,525,550	20,483,350
Weighted average number of ordinary shares outstanding	20,463,418	20,117,339
Weighted average number of ordinary and potential shares	20,463,418	20,117,339
Earnings per share in euros	**(0.78)**	**(0.50)**
Diluted earnings per share in euros	**(0.78)**	**(0.50)**

8.12 Off-balance sheet commitments

The Group monitors off-balance sheet commitments based on the following commitments given and received:

- Personal sureties (endorsements, securities and guarantees);
- Collateral (mortgages, pledges, guarantees);
- Operating leases, purchase and investment obligations;
- Other commitments.

The financial commitments received correspond to guarantees granted by the French government or BPI France to lenders of bank loans.

Pledges given correspond mainly to guarantees for the financing of Wagabox® units, particularly the 2020 bond issue and bank refinancing issued in 2021 and 2022. Pledges also include equipment pledged to lenders. Other commitments mainly relate to the mortgage on the new premises acquired by subsidiary Wagarena, benefiting the banks that granted the real estate loan.

FINANCIAL COMMITMENTS (in EUR thousands)	31 December 2023	31 December 2022
Commitments given		
Endorsements, securities and guarantees given	(1,663)	(3,808)
Pledges	(30,668)	(24,727)
Other commitments	(1,030)	(1,030)
Commitments given	**(33,361)**	**(29,564)**
Commitments received		
Endorsements, securities and guarantees received	4,119	6,814
Commitments received	**4,119**	**6,814**
Total commitments	**(29,242)**	**(22,751)**

8.13 Transactions with related parties

Related parties with which transactions are carried out include companies and individuals directly or indirectly associated with the Group, and entities that directly or indirectly hold an interest in the Group.

These transactions are performed on an arm's-length basis.

All transactions were recognised in accordance with IAS 24 and their impact on the Group's consolidated financial statements is as follows, by type and related party:

31 December 2023

Name of related party	Related party	Type of related party	Description of the transaction	Balance sheet (in EUR thousands)	Income statement (in EUR thousands)
Waga Energy SA	Les Saules	*Shareholder*	Support services agreement		11
Waga Energy SA	Société Européenne de Gestion de l'Energie (SEGE)	*Company in the same group as a shareholder with more than 10% of the shares*	Biomethane sales contract	171	2,387
Waga Energy Inc	ALATUS	*Company in the same group as a shareholder with more than 10% of the shares*	EPC agreement		2,367
Waga Energy Inc	ALATUS	*Company in the same group as a shareholder with more than 10% of the shares*	O&M agreement		50
Waga Energy SA	ALATUS	*Company in the same group as a shareholder with more than 10% of the shares*	Patent licence	150	43
Waga Energy SA	Air Liquide France Industrie (ALFI)	*Company in the same group as a shareholder with more than 10% of the shares*	Lease of Nitrogen frame and purchase of Nitrogen	34	339
Waga Energy SA	Ornalys SPRL	*Company employing a director*	Strategic consulting services agreement		7
Sofiwaga 1	Les Saules	*Shareholder*	Mandatory contract	2,600	260

KEY MANAGEMENT PERSONNEL COMPENSATION (in EUR thousands)	Total at 31 December 2023	Total at 31 December 2022
Short-term remuneration (1)	576	634
Share-based payments (2)	714	919
Key management personnel compensation	**1,290**	**1,553**

(1) This includes salaries, wages, profit-sharing, bonuses, attendance fees and benefits in kind.

(2) This amount corresponds to the annual expense relating to the founders' share warrants (BSPCE) and stock options awarded.

8.14 Statutory Audit Fees

31 December 2023

(In EUR thousands)	EY		BM&A		KPMG		31 December 2023	
Waga Energy SA								
Statutory audit and opinion, review of separate parent company and IFRS financial statements	209	78%	195	81%			404	79%
Services other than statutory audit of financial statements	0	0%	13	5%			13	3%
Subsidiaries								
Statutory audit and opinion, review of separate parent company and IFRS financial statements	56	21%	32	13%	5	100%	93	18%
Services other than statutory audit of financial statements	2						2	0%
Total	**267**	**99%**	**240**	**100%**	**5**	**100%**	**512**	**100%**

9. Risk management

The Group's policy is not to subscribe to financial instruments for speculative purposes.

The main risks to which the Group is exposed are interest rate risk and credit risk.

9.1 Liquidity risks

Liquidity risk corresponds to the risk to which the Company is exposed if it encounters difficulties in meeting its obligations relating to the financial liabilities to be settled in cash or by means of other financial assets. The Company's objective is to manage liquidity risk so as to ensure, insofar as possible, that it will have sufficient cash to pay its liabilities when due, under normal or "stressed" conditions, without having to incur unacceptable losses or damage to the Company's reputation.

Since its formation, the Group has financed growth through successive capital increases, bond issues, repayable advances, bank loans, State-guaranteed loans and Research Tax Credit receivables. The €124 million capital increase performed at the time of the initial public offering in 2021, as well as the €52 million capital increase performed in 2024, significantly reduced the Group's liquidity risk.

Cash and cash equivalents amounted to €38.7 million at 31 December 2023 and financial liabilities amounted to €60.8 million (including €3.4 million relating to lease obligations and leaseholds). Current financial liabilities amounted to €12 million.

Residual contractual payments outstanding at the reporting date break down as follows. The amounts are expressed as raw data, they have not been measured to present value, and they include contractual interest payments.

In EUR thousands	< 1 year	Between 1 and 5 years	< 5 years	Total contractual flows	Total at 31 December 2023
Financial liabilities (excluding IFRS 16 lease liabilities)	11,266	39,850	23,294	74,410	57,379
IFRS 16 lease liabilities	727	2,521	1,203	4,451	3,376
Total	**11,993**	**42,371**	**24,497**	**78,861**	**60,755**

Some agreements have restrictions on the use of capital:

Bpifrance Financement loan

The debt contracted by the Group with Bpifrance Financement on 3 October 2019 is subject to mandatory full early repayment if certain events occur, such as a change of control of the Company; voluntary early repayment may be made at the Company's discretion subject to the payment of compensation equal to 5% of the capital repaid early.

OCA 2021 Tranche 2

The OCA 2021 Tranche 2 bond includes a restriction making the payment of dividends by the Company subject to the payment of all sums due to parties involved in financing the convertible bonds.

Under the Issue Programme, the subscriber would be able to request early repayment of the amounts due under the bond in the event of a change of control in the issuer, a subsidiary of the Company.

Concerning this bond, subscribers would benefit from collateral such as the pledging of the subsidiary's securities and the Company's current account balance in the subsidiary.

In connection with bank loans or bonds subscribed, the Group has undertaken to comply with financial covenants, notably relating to *pari passu* clauses, cross-default clauses, compliance with financial ratios (ratio of debt service coverage by available liquidity or gearing) or specific debt levels. As at 31 December 2023, these covenants were met.

Note 3.3 on going concern provides more information on the Group's liquidity horizon at the reporting date of 31 December 2023.

9.2 Interest rate risk

Hedge accounting

Interest rate risk represents the Group’s exposure to changes in market interest rates.

Changes in interest rates may affect returns on cash and term deposits. This risk is not significant for the Group's term deposits.

Most of the Group’s loans are taken out at fixed rates, or at floating rates hedged to a fixed rate through interest rate swaps (Note 7.14, Borrowings and financial liabilities).

The models used to measure these instruments include assumptions based on market information in accordance with IFRS 13. The fair value of interest rate swaps is calculated based on discounted future cash flows.

These interest rate swaps are qualified as cash flow hedges in accordance with IFRS 9.

At 31 December 2023, the Group held the following derivative instruments:

No.	Characteristics									Value (in €)
	Counterparty	Value date	Maturity date	Financing	Initial principal amount	Closing principal amount	Fixed rate	Floating rate	Floor	Bank calculation
1	BNP	13/10/2021	30/12/2033	Belledonne	1,618,807	1,349,438	0.26%	EURIBOR3M	-1.75%	143,147
2	BPGO	13/10/2021	30/12/2033	Belledonne	693,775	578,331	0.26%	EURIBOR3M	-1.75%	61,671
3	BNP	24/12/2021	30/12/2033	Belledonne	1,873,703	1,561,513	0.2475%	EURIBOR3M	-1.75%	166,544
4	BPGO	24/12/2021	30/12/2033	Belledonne	803,015	669,220	0.2475%	EURIBOR3M	-1.75%	71,751
5	BNP	28/04/2022	30/06/2034	Belledonne	1,570,800	1,383,730	1.57%	EURIBOR3M	-1.75%	61,741
6	BPGO	28/04/2022	30/06/2034	Belledonne	673,200	593,027	1.57%	EURIBOR3M	-1.75%	26,615
7	BNP	03/10/2022	30/06/2036	Belledonne	1,817,200	1,692,113	2.54%	EURIBOR3M	-1.75%	(9,833)
8	BPGO	01/10/2022	30/06/2036	Belledonne	778,800	725,191	2.54%	EURIBOR3M	-1.75%	(4,298)
9	CIC	30/09/2022	31/12/2036	Ariane	9,542,525	9,750,807	2.540%	EURIBOR3M	-1.75%	9,059
10	Arkea	30/09/2022	31/12/2036	Ariane	4,915,846	5,023,143	2.540%	EURIBOR3M	-1.75%	19,786
11	CIC	31/03/2023	31/12/2036	Ariane	1,813,505	1,934,789	2.540%	EURIBOR3M	-1.75%	(152,760)
12	Arkea	31/03/2023	31/12/2036	Ariane	909,475	970,300	2.540%	EURIBOR3M	-1.75%	(72,099)
	Total				27,010,652	26,231,601				321,325

9.3 Credit risk

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as exposures relating to customer credit, including unpaid receivables and committed transactions.

Credit risk relating to cash, cash equivalents and deposits with banks and financial institutions is not significant, as the Group has liquidity and investments only with leading banks.

As outstanding receivables mainly include VAT receivables and research tax credits (“CIR”) granted by the French State, the Group does not bear significant credit risk.

The Group manages credit risk relating to trade receivables by recognising allowances for impairment when risks are identified (Note 7.8).

9.4 Currency risk

The main risks relating to foreign exchange are not considered to be significant due to the low level of activity of subsidiaries abroad.

At this stage of its development, the Group has not made any hedging arrangements to protect its business against exchange rate fluctuations.

However, the Group cannot rule out the possibility that a significant increase in its activity could result in greater exposure to foreign exchange risk.

The Group will then consider adopting an appropriate policy to hedge these risks. If it were to fail to make effective foreign exchange hedging arrangements in the future, its results could be affected.

10. Fair value of financial assets and liabilities

Some of the Group's accounting methods, as well as certain disclosures, involve measuring the fair value of financial and non-financial assets and liabilities.

Whenever possible, when measuring the fair value of an asset or liability, the Group uses observable market data. Fair value measurements are classified into three levels in terms of hierarchy, depending on the inputs used in the valuation technique.

- Level 1: fair value measured on the basis of (unadjusted) prices observed in active markets for identical assets or liabilities;

- Level 2: fair value measured using inputs other than the listed prices included in level 1, that are observable for the asset or liability, either directly (in the form of prices) or indirectly (determined from prices);

- Level 3: fair value for the asset or liability measured using inputs that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability can be classified in the fair value hierarchy, then the fair value obtained is generally classified at the same level as the lowest level input that is significant for fair value as a whole.

The fair value of trade payables and trade receivables corresponds to the carrying amount indicated in the balance sheet, as the effect of discounting future cash flows is not material.

In accordance with IFRS 9, the financial liability component is measured at amortised cost.

The Group also uses interest rate swaps to manage its exposure to interest rate risk. Most of the swaps negotiated make it possible to convert floating rate debt to fixed.

19.1.2 Financial statements for the year ended December 31st 2023

Assets

		31 December 2023			31 December 2022
		Gross value	**Amort. & Dep.**	**Net value**	**Net value**
	Uncalled subscribed share capital (I)				
NON-CURRENT ASSETS	**INTANGIBLE ASSETS**				
	Start-up costs	9,628,254	4,255,641	5,372,613	7,276,295
	Research and development costs	464,916	261,885	203,030	247,673
	Concessions, patents and similar rights	1,488,581	506,247	982,335	56,138
	Business goodwill (1)				
	Other intangible assets	679,528	43,530	635,998	494,311
	Advance payments relating to intangibles				
	PROPERTY, PLANT & EQUIPMENT				
	Land				
	Buildings	91,798	36,600	55,198	57,876
	Technical plant, equipment and ind. tooling	9,497,138	4,046,605	5,450,533	6,038,006
	Other property, plant and equipment	791,597	456,355	335,242	328,914
	PPE under construction	3,589,453		3,589,453	268,007
	Advances and downpayments				
	FINANCIAL ASSETS (2)				
	Equity-accounted investments				
	Other investments	26,227,935		26,227,935	26,211,110
	Loans relating to equity investments	72,788,629		72,788,629	27,429,437
	Other long-term investments				
	Loans				
	Other financial assets	1,212,443	12,300	1,200,142	729,073
	TOTAL (II)	**126,460,272**	**9,619,162**	**116,841,109**	**69,136,840**
CURRENT ASSETS	**INVENTORIES AND WORK IN PROGRESS**				
	Raw materials and supplies	6,722,367		6,722,367	3,821,724
	Work in progress - goods	4,554,546		4,554,546	2,660,406
	Work in progress - services	170,347		170,347	229,173
	Finished and semi-finished goods				
	Purchased goods	132,174		132,174	806,414
	Advances & down payments on orders				
	RECEIVABLES (3)				
	Trade and related receivables	15,880,616		15,880,616	20,139,576
	Other receivables	8,920,344		8,920,344	5,692,141
	Unpaid called-up subscribed capital				2,987
	MARKETABLE SECURITIES	11,000,000		11,000,000	22,630,079
	CASH AND CASH EQUIVALENTS	9,111,393		9,111,393	51,614,438
ADJUSTMENT ACCOUNTS	Prepaid expenses	299,118		299,118	1,146,400
	TOTAL (III)	**56,790,906**		**56,790,906**	**108,743,338**
	Deferred loan issuance costs (IV)	40,000		40,000	
	Bond redemption premiums (V)				
	Currency translation adjustment (VI)	860,782		860,782	276,231
	TOTAL ASSETS (I to VI)	**184,151,960**	**9,619,162**	**174,532,797**	**178,156,410**
	(1) of which leaseholds				
	(2) less than one year			1,212,443	729,073
	(3) more than one year				

Shareholders' Equity & Liabilities

		31 December 2023	31 December 2022
Shareholders' equity	Share capital	205,256	204,834
	Additional paid-in capital	158,250,448	158,099,457
	Revaluation surplus		
	RESERVES		
	Legal reserves	10,992	10,992
	Statutory and contractual reserves		
	Regulated reserves		
	Other reserves		
	Retained earnings	(4,425,804)	(1,862,688)
	Profit (loss) for the period	**(2,875,614)**	**(2,563,116)**
	Investment grants	710,082	794,187
	Regulated provisions	23,760	10,883
	Total shareholders' equity	**151,899,119**	**154,694,547**
Other equity	Proceeds from issuance of equity		
	Conditional advances	136,500	318,500
	Total other equity	**136,500**	**318,500**
Provisions	Provisions for contingencies	920,497	320,947
	Provisions for liabilities	225,000	225,000
	Total provisions	**1,145,497**	**545,947**
LIABILITIES (1)	**FINANCIAL LIABILITIES**		
	Convertible bonds		
	Other bonds		
	Bank loans and borrowings (2)	7,168,927	8,624,500
	Other loans and borrowings (3)	1,176,211	353,670
	Advances and downpayments received on orders in progress	2,015,302	2,804,488
	OPERATING LIABILITIES		
	Trade and related payables	8,232,952	7,608,654
	Tax and payroll-related payables	2,693,104	3,088,747
	OTHER LIABILITIES		
	Payables to suppliers of assets and related accounts	68	68
	Other liabilities	30,892	16,169
	Deferred income (1)		111,769
	Total liabilities	**21,317,456**	**22,496,297**
	Currency translation adjustment	34,226	101,119
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**174,532,797**	**178,156,410**

	Profit (loss) for the period	(2,875,614)	(2,563,116)
-1	Liabilities and deferred income of less than one year	13,716,167	12,711,198
-2	Of which overdrafts, credit balances and current accounts		6,048
-3	Of which participating loans		

Income Statement

		31 December 2023		31 December 2022	
		12 months	% revenue	12 months	% revenue
OPERATING INCOME	Sales of merchandise	1,948,207	6.61		
	Sales of goods	15,734,514	53.42	21,940,997	73.08
	Sales of services and site work	11,769,418	39.96	8,081,677	26.92
	Revenue	**29,452,139**	**100.00**	**30,022,673**	**100.00**
	Production held in inventory	283,555	0.96	91,080	0.30
	Capitalised production	932,039	3.16	187,924	0.63
	Operating grants	1,478,137	5.02	204,968	0.68
	Reversals of dep., amort. and provisions, and expense transfers	35,288	0.12	1,184,208	3.94
	Other operating income	376,900	1.28	144,388	0.48
	Total operating income	**32,558,059**	**110.55**	**31,835,241**	**106.04**
OPERATING EXPENSES	Cost of sales				
	Change in inventories	674,240	2.29	(730,659)	(2.43)
	Purchase of raw materials and other supplies	4,825,615	16.38	2,695,846	8.98
	Change in inventories	(4,452,403)	(15.12)	(4,818,535)	(16.05)
	Other purchases and external expenses	24,713,418	83.91	26,657,814	88.79
	Taxes, duties and similar payments	194,278	0.66	172,391	0.57
	Wages and salaries	6,585,923	22.36	5,033,774	16.77
	Social security contributions	3,018,426	10.25	2,088,918	6.96
	Owner's social security contributions				
	Amortisation, depreciation and impairment provisions	3,195,205	10.85	3,014,577	10.04
	Other expenses	423,397	1.44	378,918	1.26
	Total operating expenses	**39,178,099**	**133.02**	**34,493,045**	**114.89**
	OPERATING INCOME (EXPENSE)	**(6,620,040)**	**(22.48)**	**(2,657,804)**	**(8.85)**
Joint ope	Profit allocated or loss transferred				
	Loss assumed or profit transferred				
FINANCIAL INCOME	Financial income from equity investments (3)	539,000	1.83		
	Proceeds from marketable securities and long-term investments (3)				
	Other interest and similar income (3)	3,498,925	11.88	643,149	2.14
	Reversals of provisions and expense transfers	316,231	1.07		
	Foreign exchange gains	153,030	0.52	97,053	0.32
	Proceeds from disposals of marketable securities				
	Total financial income	**4,507,186**	**15.30**	**740,202**	**2.47**
FINANCIAL EXPENSES	Amortisation and impairment provisions	873,082	2.96	276,231	0.92
	Accrued interest and related expenses (4)	195,084	0.66	724,512	2.41
	Foreign exchange losses	225,039	0.76	141,659	0.47
	Net expense on disposals of marketable securities				
	Total financial expenses	**1,293,205**	**4.39**	**1,142,402**	**3.81**
	NET FINANCIAL INCOME (EXPENSE)	**3,213,981**	**10.91**	**(402,200)**	**(1.34)**
	PROFIT (LOSS) BEFORE INCOME TAX	**(3,406,058)**	**(11.56)**	**(3,060,003)**	**(10.19)**
	Total non-recurring income	**75,309**	**0.26**	**45,727**	**0.15**
	Total non-recurring expenses	**150,041**	**0.51**	**43,063**	**0.14**
	NON-RECURRING INCOME (EXPENSE)	**(74,732)**	**(0.25)**	**2,664**	**0.01**
	EMPLOYEE PROFIT SHARING				
	CORPORATE INCOME TAX	(605,176)	(2.05)	(494,223)	(1.65)
	TOTAL INCOME	**37,140,554**	**126.10**	**32,621,171**	**108.66**
	TOTAL EXPENSES	**40,016,168**	**135.87**	**35,184,287**	**117.19**
	PROFIT (LOSS) FOR THE PERIOD	**(2,875,614)**	**(9.76)**	**(2,563,116)**	**(8.54)**

Accounting Principles and Policies

Company name: Waga Energy SA (*société anonyme* – public limited company)

Notes to the balance sheet before appropriation of earnings for the year ended 31 December 2023, totalling €181,199,264, and to the income statement, presented in list form, showing a net loss of €2,875,614.

Financial year 2023 lasted 12 months, from 1 January 2023 to 31 December 2023. The financial statements of Waga Energy SA for the year ended 31 December 2023 were approved by the Board of Directors on 26 April 2024.

Significant events

Transfer of head office

Effective 16 January 2023, the Company transferred its head office to the new premises acquired by subsidiary Wagarena in Eybens (greater Grenoble) in November 2022. The Company signed a commercial lease with Wagarena in January 2023.

Business development and hiring

The Company continued to scale up recruitment in 2023 to support business development in France and other countries. At 31 December 2023, the Company had 146 employees, compared with 120 at 31 December 2022.

Creation of subsidiaries

The Company created Valtom Energie Biomethane, in which it holds a 51% equity interest.

Financing of Wagabox® projects

In the financial year, the Company received €0.45 million, corresponding to the balance of two repayable "Prospecting" advances obtained from Bpifrance in 2019 in connection with the development of international projects in the United States and Canada (out of an aggregate €0.9 million), repayable in instalments between 2025 and 2028.

In 2023, the Company also obtained a "Prospecting" advance from Bpifrance for €0.4 million, to finance prospecting activities in Brazil. Half of the advance was received in financial year 2023.

Grants

The finalisation of funding for the Can Mata project in Spain (see below) led to the release of the first tranche (€1 million) of the €2.5 million EU grant obtained in 2022 through the EIC Fund. Waga Energy SA received this amount (€1 million) in the second half of 2023. The subsidiary leading the Wagabox® project will directly receive the rest of the grant.

Accounting Principles and Policies

Stock options and founders' share warrants (BSPCE)

On 24 January 2023, the Board of Directors decided to issue and allocate 337,000 founders' share warrants (BSPCE 2023) free of charge to employees and/or executives, granting access to 337,000 new company shares with a par value of €0.01, and a strike price of €27.54, under the delegation of powers granted by the Combined General Meeting of 30 June 2022. On the same date, the Shareholders also resolved to issue and allocate 196,000 free stock options ("Options.2023") for employees and/or executives, granting access to 196,000 new company shares with a par value of €0.01, and a strike price of €27.54, under the authorisation granted by the Combined General Meeting of 8 October 2021.

On 29 June 2023, the Board of Directors decided to issue and allocate 15,000 more founders' share warrants ("BSPCE.2023.2") free of charge to employees and/or executives, granting access to 15,000 new company shares with a par value of €0.01, and a strike price of €27.39, under the delegation of powers granted by the Combined General Meeting of 30 June 2022. On the same date, the Shareholders also resolved to issue and allocate 3,000 free stock options ("Options.2023.2") for employees and/or executives, granting access to 3,000 new company shares with a par value of €0.01, and a strike price of €27.39, under the authorisation granted by the Combined General Meeting of 8 October 2021 to replace 3,000 BSPCE.2023 founders' share warrants granted on 24 Janvier 2023.

On 20 July 2023, the Board of Directors decided to issue and allocate 25,000 free stock options ("Options.2023.3") for employees and/or executives, granting access to 25,000 new company shares with a par value of €0.01, and a strike price of €27.39, under the authorisation granted by the Combined General Meeting of 8 October 2021.

Subsequent events

Share capital increase

On 20 March 2024, the Company carried out a share capital increase for a gross aggregate amount of €52 million through the issuance of 3,939,394 new shares, with a par value of €13.20. This transaction, which accompanies significant growth, in North America in particular, should enable the Group to finance the equity share of new project investments as well as the pre-manufacture and manufacture of Wagabox® units to support its international development. At the end of the Share Issue period, the Company's share capital will amount to €245,031.44 euros, corresponding to 24,503,144 shares with a par value of €0.01.

Accounting Principles and Policies

The financial statements of the Company for the reporting period ended 31 December 2023 have been prepared and presented in accordance with regulation ANC 2014-03 issued by the French Accounting Standards Board ("ANC") and regulations ANC 2015-06, 2016-07, and 2022-01.

French generally accepted accounting principles (GAAP) have been applied in accordance with the conservatism principle, based on the following assumptions:

- going concern,
- consistency of accounting policies between reporting periods,
- separation of reporting periods,

And in compliance with the general principles governing the preparation and presentation of financial statements.

Going concern

The Board of Directors adopted the going concern assumption after considering:

- Available cash at 31 December 2023 in the amount of €39 million (including €9 million at Waga SA);

-The share capital increase carried out on 20 March 2024 for a gross amount of €52 million at Waga SA;

-The Group's cash forecasts, including investments for confirmed projects and secure financing.

In light of the foregoing, Management and the Board of Directors consider that the Group is able to meet its requirements over the next 12 months, i.e. end-April 2025.

Moreover, Management is confident in the Group's ability to raise the funding necessary for the new Wagabox® projects in its business plan. However, in the event that the Group encounters difficulties to secure funding, it has other options, including the deferral of certain investments.

The historical cost method was the basic method used to measure items recognised in the financial statements.

Only material information is presented. Unless otherwise stated, amounts are expressed in euros.

Intangible assets

Intangible assets are measured at their acquisition cost (purchase price and ancillary fees) or production cost. Development expenses related to the standardisation and design of Wagabox® units are capitalised if the conditions for recognising an intangible asset arising from development are met. Intangible assets are not remeasured.

The main amortisation periods are as follows:

· Concessions, patents and licences: 6 years
. Development costs: 5 years

Accounting Principles and Policies

· Software: 1 to 5 years
An impairment loss is recognised if an asset's present value falls below its carrying amount.

Costs relating to the IPO were recognised in start-up costs and amortised over five years.

Property, plant and equipment

Property, plant and equipment are measured at their acquisition cost (purchase price and ancillary fees) or production cost. They are not remeasured.

Impairment tests are conducted annually to ensure that there is no impairment that would change the carrying amount on the balance sheet.

Depreciation is calculated on a straight-line basis based on estimated useful life. Residual values are not taken into account, since their impact is immaterial. The main depreciation periods are as follows:

- technical plant, equipment & tooling: 4 years to 15 years
- office equipment and furniture, IT: 3 years
- Wagabox® excluding components: 15 years for units built before May 2022 and 25 years thereafter
- Wagabox® components: 5 to 15 years

Financial assets

Financial assets are recognised at their purchase price.

Equity investments and loans relating to equity investments are tested for impairment at each reporting date to ensure that their recoverable amount does not fall below their carrying amount.

The recoverable amount is estimated based on several criteria, the main ones being: value of shareholders' equity and value of estimated remeasured net assets based on the expected cash flow net of financial debt of each company tested for impairment.

Trade receivables

Trade receivables are recognised upon transfer of ownership and at their nominal value.

Impairment is recognised if the carrying amount of trade receivables presents a collection risk.

Inventories

Accounting Principles and Policies

Inventories are measured according to the First In First Out ("FIFO") method.

The gross value of goods and supplies comprises the purchase price before VAT, including distribution costs, and ancillary costs.

Work in progress is measured at production cost, including direct and indirect expenses that may be included depending on the normal capacity of the production facilities, not including financial expenses.

Where applicable, provisions for impairment are made on a case-by-case basis when the net realisable value is lower than the costs incurred to bring inventories to their place and condition of storage:

- for raw materials, based on their physical impairment and risk of obsolescence,

- for work in progress and finished goods, taking into account any lost contracts or risk of obsolescence

Services in progress correspond to:

- Wagabox® units under construction for which the EPC agreement between the Company and the subsidiary leading the Wagabox® project has not been signed (timeframe for the legal incorporation of the subsidiary)

- development costs incurred by Waga Energy in connection with the projects at its subsidiaries in France, and the rest of Europe.

Measurement of receivables and payables denominated in foreign currencies

Payables and receivables denominated in foreign currencies are converted to and recognised in euros at the exchange rate at the date of recognition. At the closing date, these payables and receivables are translated into euros at the exchange rate at the closing date.

Any negative difference (i.e. decrease in the value of trade receivables or increase in the value of trade payables) is recognised as a provision for contingencies and liabilities.

Marketable securities

At the reporting date, the carrying amount of marketable securities is compared to their net asset value (latest stock price).

For disposals of a group of securities of the same type granting the same rights, the value of the securities was estimated according to the First In First Out method (FIFO).

Any unrealised capital losses are recognised but not provisioned.

Provisions for contingencies and liabilities

Accounting Principles and Policies

Provisions are recognised when, at the reporting date, the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The Company measures provisions based on facts and circumstances surrounding its obligations at the reporting date, to the best of its knowledge based on prior experience, and if needed after consulting its legal counsel at the reporting date.

The Company recognises provisions for litigation (commercial, labour, etc.) for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Since 2022, the Company has recognised a provision for decommissioning its Wagabox® units. A corresponding entry is made under depreciated assets over the residual depreciation period of these Wagabox® units.

Provisions for contingencies and liabilities also include provisions for currency translation adjustment.

Employee benefits

Employee benefits include:

- Founders' share warrants (BSPCEs) and stock options.
- Defined benefit retirement plans, in accordance with the collective bargaining agreement.

The amount of retirement obligations is calculated prospectively and recognised in off-balance sheet commitments.

Borrowings and financial liabilities

Borrowings and financial liabilities consist of bank loans, shareholders' current accounts, repayable advances and bank overdrafts.

Loan issuance costs are recognised in prepaid expenses and allocated over the term of the loan.

Recognition of revenue

Revenue corresponds to the fair value of the consideration received or to be received.

Accounting Principles and Policies

Revenue relates to the sale of goods and purchased goods and the provision of various related services.

Revenue is recognised upon transfer of the significant risks and rewards of ownership to the buyer, which generally corresponds to the date ownership of the good is transferred or the service is performed.

Stage of completion:

Revenue from contracts for the sale of Wagabox units spanning periods of over 12 months (and consequently impacting several financial years) is accounted for using the stage-of-completion method.

The proportion of expenses incurred compared with estimated costs at completion is applied to the contractual sales price.

Trade receivables, accrued invoices, deferred income and advances and down payments received are recognised on the balance sheet.

If estimated revenue at completion shows a loss, a provision for losses at completion is recognised independently of contract progress, based on the best profit estimates including, where applicable, rights to additional income or claims, if they are probable and may be reliably estimated. Provisions for losses at completion are presented under liabilities on the balance sheet.

No such provision was recognised in the financial year.

Grants

Grants that finance capitalised development costs are accounted for in the same way as equipment grants. Such grants are recognised in the income statement at the same pace as depreciation and amortisation of the financed assets.

Grants intended to cover expenditure are expensed based on progress of R&D projects (pro rata to actual costs incurred/estimated costs at completion). Consequently, grants to be received or deferred income may be recorded if the grant contract is signed and expenditure has been incurred although the grants themselves have not yet been received.

Non-recurring income and expenses

Non-recurring income and expenses include items that are not related to the Company's recurring operating activities.

Accounting Principles and Policies

Income tax

The Company is subject to ordinary French law with regard to income tax.

The "income tax" line includes current taxes for the financial year after deduction of tax credits.

Tax loss carryforwards at 31 December 2023 amounted to €10,022,796.

Current tax

Current tax is determined based on taxable net income for the period. Taxable income may differ from profit or loss for the period if certain income or expense items are added again or deducted based on tax positions in effect, and using the tax rate voted into effect at the date on which the financial information is prepared.

Research tax credit (CIR)

Industrial and commercial companies that have research expenses and pay corporate income tax based on net profit (France's *régime réel* tax scheme) can benefit from a tax credit.

The research tax credit is calculated for a calendar year, and is applied to the Company's tax payable in the year in which the research expenses were incurred. Under ordinary French law, any unused tax credit can be carried forward for three years after the year for which it was recognised.

At the end of this period, the Company receives a refund of any unused portion of the research tax credit.

The research tax credit generated from expenses for financial year 2023 amounted to €345,893.

Remuneration of members of management bodies:

The management bodies comprise the three founding Directors and four members of the Board of Directors.

Total remuneration of members of the management bodies amounted to €359,386 for the year ended 31 December 2023:

-4 directors for €78,000

-2 founding directors for €312,115 (gross salaries).

Statutory Audit fees

The Company is audited by Ernst & Young and BM&A. Their fees for financial year 2023 amounted to:

- Ernst & Young: €209,000 for certification of the financial statements.

- BM&A: €195,000 for certification of the financial statements and €1,400 for other engagements performed over the financial year.

Accounting Principles and Policies

Number of employees

AVERAGE WORKFORCE	31 December 2023		31 December 2022	
Management	80	67%	60	67%
Other employees	40	33%	29	33%
Average workforce	120	100%	89	100%

Related party transactions

Related party transactions were carried out under arm's length conditions.

Tax consolidation

Effective 1 January 2021, the Company opted for a tax consolidation scheme with French subsidiaries in which it held more than a 95% equity interest at 1 January 2021 (SP Waga 1, Waga Assets, Waga Assets Véhicule 1, Waga Assets Véhicule 2 and Waga Assets Véhicule 3).

At 1 January 2022, new companies entered the tax consolidation scope: Waga Assets Véhicule 4 and Waga Assets Véhicule 5.

At 1 January 2023, new companies entered the tax consolidation scope: Waga Assets Véhicule 6, Waga Assets 2, Waga Assets Véhicule 18, Waga Assets Véhicule 19, Waga Assets Véhicule 20, Waga Assets Véhicule 21, Waga Assets Véhicule 22 and Wagarena.

Under the scheme, the Company alone pays all taxes due by the tax consolidation group to the French tax authorities.

Consolidation

In accordance with Articles L 233-16 to L 233-28 of the French Commercial Code (*Code de commerce*), the Company prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS). The consolidated financial statements are available on the Company's website at: https://waga-energy.com/investisseurs/

Non-current assets

		Gross value at start of period	Changes in the financial year				Gross value at 31 Dec. 2023
			Increases		Decreases		
			Remeasurement	Acquisitions	Inter-account transfers	Disposals	
INTANGIBLES	Start-up and development costs	10,062,646		30,524			10,093,170
	Other intangible assets	872,511		1,295,598			2,168,109
	TOTAL INTANGIBLE ASSETS	**10,935,157**		**1,326,122**			**12,261,279**
PROPERTY, PLANT & EQUIPMENT	Land						
	Buildings : on own land	87,988					87,988
	on third-party land						
	gen. facilities & improvements			3,810			3,810
	Technical plant, equipment and tooling	9,296,442	96,651	104,045			9,497,138
	Other general facilities & improvements	137,503					137,503
	Transport equipment	142,732				2,178	140,554
	Office and IT equipment, furniture	329,526		189,347		5,332	513,540
	Reusable containers & miscellaneous						
	PPE in progress	268,007		3,418,097	96,651		3,589,453
	Advances and down payments						
	TOTAL PROPERTY, PLANT AND EQUIPMENT	**10,262,197**	**96,651**	**3,715,298**	**96,651**	**7,510**	**13,969,986**
FINANCIAL	Equity-accounted investments						
	Other equity investments	53,640,547		52,046,433		6,670,415	99,016,565
	Other investments						
	Loans and other financial assets	729,073		2,493,423		2,010,053	1,212,443
	TOTAL FINANCIAL ASSETS	**54,369,620**		**54,539,856**		**8,680,468**	**100,229,007**
TOTAL		**75,566,974**	**96,651**	**59,581,276**	**96,651**	**8,687,979**	**126,460,272**

Additional Notes

"Other intangible assets" correspond to intangible assets in progress. Acquisitions under this line item mainly concern the ERP tool deployed in 2023 and research and development expenses relating to standard units.

"Other intangible assets" include not only assets in progress and standardisation expenses for large-volume WB units, but also capitalised ERP assets.

A €1,000,000 liquidity contract, included under financial assets, was taken out with Portzamparc in order to ensure the liquidity of the Company's securities. At 31 December 2023, the Company portfolio comprised 22,568 treasury shares valued at €586,655 and a cash balance of €413,344. At 31 December 2023, the market value of shares was lower than their acquisition value, so an impairment provision of €12,300 was recognised.

Amortisation / Depreciation

		Amort./Dep. at start of period	Changes in the financial year: Increases	Changes in the financial year: Decreases	Amort./Dep. at 31 December 2023
INTANGIBLES	Start-up and research & development costs	2,538,678	1,978,848		4,517,526
	Business goodwill				
	Other intangible assets	322,062	227,715		549,777
	TOTAL INTANGIBLE ASSETS	**2,860,740**	**2,206,563**		**5,067,303**
PP&E	Land				
	Buildings: on own land	30,112	5,866		35,977
	on third-party land				
	general fixtures and fittings		622		622
	Technical plant, equipment and ind. tooling	3,258,436	788,169		4,046,605
	Other general fixtures and fittings	31,647	41,502		73,149
	Transport equipment	56,428	41,436	2,178	95,686
	Office and IT equipment, furniture	192,771	96,048	1,298	287,520
	Reusable containers & miscellaneous				
	TOTAL PROPERTY, PLANT AND EQUIPMENT	**3,569,394**	**973,642**	**3,476**	**4,539,560**
	TOTAL	**6,430,134**	**3,180,205**	**3,476**	**9,606,862**

	Breakdown of changes affecting tax-driven provisions						
	Additions			Reversals			Net change in dep. / amt. at period-end
	Diff. in dep./amt. period	Decl. balance method	Special tax depreciation	Diff. in dep./amt. period	Dec. balance method	Special tax depreciation	
Start-up and development costs							
Business goodwill							
Other intangible assets							
TOTAL INTANGIBLE ASSETS							
Land							
Buildings on own land:							
- On third-party land							
- General fixtures and fittings							
Technical plant, equipment and ind. tooling							
Other general fixtures and fittings							
Transport equipment							
Office and IT equipment and furniture							
Reusable packaging							
TOTAL PROPERTY, PLAND AND EQUIPMENT							
Deferred transaction costs							
TOTAL							
TOTAL (UNALLOCATED)							

Maturities of Payables and Receivables

		31 December 2023	One year or less	More than one year
RECEIVABLES	Loans relating to equity investments	72,788,629		72,788,629
	Loans (1) (2)			
	Other financial assets	1,212,443	1,212,443	
	Doubtful debt (trade receivables)			
	Other trade receivables	15,880,616	15,880,616	
	Receivables representing loaned securities			
	Personnel and related accounts	113	113	
	Social security and related receivables	1,868	1,868	
	Corporate income tax	345,893	345,893	
	Value added tax	1,607,114	1,607,114	
	Other taxes, levies and similar payments			
	Other items	178,815	178,815	
	Group and associates (2)	437,131	437,131	
	Miscellaneous accounts receivable	6,349,411	6,349,411	
	Prepaid expenses	299,118	299,118	
	TOTAL RECEIVABLES	**99,101,151**	**26,312,522**	**72,788,629**
(1)	Loans granted during period			
(1)	Loans repaid during period			
(2)	Loans and advances granted to associates (natural persons)			

		31 December 2023	One year or less	More than one year Five years or less	More than five years
PAYABLES	Convertible bonds (1)				
	Other bonds (1)				
	Bank loans and borrowings (one year or less) (1)				
	Bank loans and borrowings (more than one year) (1)	7,168,927	1,582,940	5,585,987	
	Other loans and borrowings (1) (2)	1,176,211	1,176,211		
	Trade and related payables	8,232,952	8,232,952		
	Amounts due to employees	524,493	524,493		
	Social security and related payables	629,271	629,271		
	Corporate income tax				
	Value added tax	1,438,917	1,438,917		
	Guaranteed bonds				
	Other taxes, levies and similar payments	100,423	100,423		
	Payables to supp. of assets & related accounts	68	68		
	Group and associates (2)				
	Other liabilities	30,892	30,892		
	Liabilities representing borrowed securities				
	Prepaid income				
	TOTAL LIABILITIES	**19,302,154**	**13,716,167**	**5,585,987**	
(1)	Loans taken out during period				
(1)	Loans repaid during period	1,436,087			
(2)	Loans and debts due to associates (natural persons)				

This document contains an express mention (Art.1727 II-2 of the French Tax Code, CGI)

Additional Notes

Borrowings and financial liabilities

The Company has received support from ADEME in connection with the Wagabox 1 Investments for the Future Programme, which comprised two components: a grant of €683,450 and a repayable advance totalling €1,594,718. At 31 December 2023, the advance had been fully repaid.

The company received a repayable advance from Ademe WHIPE of €103,753, of which the remaining balance outstanding at 31 December 2023 was €66,666.

In 2020, the Company obtained “Prospecting” advances from BPI France for an aggregate €1,105,000 in connection with the development of international projects in the United States and Canada. At 31 December 2023, the Company recognized €968,500 of this advance under loans and borrowings for the portion not subject to conditions and the balance of €136,500 under equity for the portion subject to successful project development.

“Borrowings and financial liabilities” include a €3 million Innovation, Research & Development loan from Bpifrance, granted for the development of the high-capacity Wagabox® unit in Claye-Souilly.

Share capital

SHARES – 31 December 2023	Number of shares	Face value	Amount
Comprising share capital at 1 January	20,483,350.00	0.0100	204,833.50
Issued during the period	42,200.00	0.0100	422.00
Paid back during the period			
Comprising share capital at 31 December	**20,525,550.00**	**0.0100**	**205,255.50**

In financial year 2023, the Company issued a total of 42,200 shares representing a share capital increase of €422:

-5,200 shares issued following the exercise of founders' share warrants by Company employees, at a par value of €0.01

and additional paid-in capital of €16,505.84 per share.

-37,000 shares issued following the exercise of founders' share warrants by Company employees, at a par value of €0.01 and additional paid-in capital of €134,484.90 per share.

Consequently, the Company's share capital was increased to €205,255.50.

In connection with the various founders' share warrants (BSPCE) and stock options awarded by the Company to its executives and certain key employees, outstanding instruments at the reporting date were as follows:

BSPCE 2019: 9,250 share warrants granting entitlement to 925,062 shares at a unit price of €3.1842 (after division of the nominal value of the Company's shares). The number of shares still to be issued, after cancellation of expired share warrants and warrants that have already been exercised, is 885,362.

BSPCE 2021: 12,500 share warrants granting entitlement to 1,250,000 shares at a unit price of €10 (after division of the nominal value of the Company's shares). The number of shares still to be issued, after cancellation of expired share warrants and warrants that have already been exercised, is 1,247,500.

Stock option plan 2021: 1,950 stock options granting entitlement to 195,000 shares at a unit price of €10 (after division of the nominal value of the Company's shares). The number of shares still to be issued, after cancellation of expired share warrants and warrants that have already been exercised, is 110,000 shares.

BSPCE 2023.1: 334,000 share warrants granting entitlement to 334,000 shares at a unit price of €27.54. The number of shares still to be issued, after cancellation of expired share warrants, is 332,500.

BSPCE 2023.2: 15,000 share warrants granting entitlement to 15,000 shares at a unit price of €27.39.

Stock option plan 2023.1: 196,000 share warrants granting entitlement to 196,000 shares at a unit price of €27.54.

The number of shares still to be issued, after cancellation of expired share warrants, is 176,000.

Subsidiaries and equity investments

1 / 0

31 December 2023	Share capital	Equity	Share of capital held (in %)	Carrying amounts of securities held - Gross	Carrying amounts of securities held - Net
A. Detailed information					
1. Subsidiaries (more than 50% of capital held)					
WAGA ASSETS	100,000	17,290	100.00	100,000	
SP WAGA 1	5,000	455,562	100.00	5,000	
WAGA INC	8,933	(5,698,401)	100.00	8,933	
WAGA ENERGY CANADA	1,853,802	3,768,000	100.00	1,853,802	
WAGA ENERGY ITALIA	10,000	(611,342)	100.00	10,000	
WAGA ENERGY ESPANA	60,000	(1,562,965)	100.00	60,000	
WAGA ASSETS 2	50,000	(304,704)	100.00	50,000	
2. Equity investments (between 10% and 50% of capital held)					
SOFIWAGA INFRA	939,000	2,480,000	49.00	460,110	
SOFIWAGA 1	1,000,000	1,577,683	49.00	490,000	

1. Subsidiaries (more than 50% of capital held)	Loans and advances granted	Sureties and guarantees given	Revenue	Profit (loss) last reporting period	Dividends collected
WAGA ASSETS	13,220,571		92,904	146,745	
SP WAGA 1	378,153		780,887	170,487	
WAGA INC	18,600,651		11,903,698	(1,893,522)	
WAGA ENERGY CANADA	20,419,666		10,003,334	3,736,000	
WAGA ENGERY ITALIA	340,904			(537,723)	
WAGA ENERGY ESPANA	1,891,614		158,795	(880,315)	
WAGA ASSETS 2	7,311,235			(317,915)	
2. Equity investments (between 10% and 50% of capital held)					
SOFIWAGA INFRA	12,113		3,409,045	419,918	
SOFIWAGA 1			4,318,513	370,204	

B. General information	Subsidiaries not included in A - French	Subsidiaries not included in A - Foreign	Equity investments not included in A - French	Equity investments not included in A - Foreign
Share capital				
Equity				
Percentage ownership				
Carrying amount of securities held - Gross				
Carrying amount of securities held – Net				
Loans and advances granted				
Sureties and guarantees				
Revenue				
Prior-year profit				
Dividends collected				

Subsidiaries and equity investments

2 0

31 December 2023	Share capital	Equity	Share of capital held (in %)	Carrying amounts of securities held - Gross	Carrying amounts of securities held - Net
A. Detailed information					
1. Subsidiaries (more than 50% of capital held)					
WAGARENA	10,000	(407,346)	100.00	10,000	
WAGA ENERGY UK	11,729	(649,105)	100.00	11,725	
VALTOM	10,000	837	51.00	5,100	
2. Equity investments (between 10% and 50% of capital held)					

	Loans and advances granted	Sureties and guarantees given	Revenue	Profit (loss) last reporting period	Dividends collected
1. Subsidiaries (more than 50% of capital held)					
WAGARENA	2,931,914		612,499	(294,472)	
WAGA ENERGY UK	387,967			(547,555)	
VALTOM	339,337			(9,163)	
2. Equity investments (between 10% and 50% of capital held)					

B. General information	Subsidiaries not included in A - French	Subsidiaries not included in A - Foreign	Equity investments not included in A - French	Equity investments not included in A - Foreign
Share capital				
Equity				
Percentage ownership				
Carrying amount of securities held - Gross				
Carrying amount of securities held – Net				
Loans and advances granted				
Sureties and guarantees				
Revenue				
Prior-year profit				
Dividends collected				

Provisions

		Amount at start of period	Increases	Decreases	31 Dec. 2023
Regulated provisions	Provisions for mining reserves				
	Provisions for investment				
	Provisions for price increases				
	Tax-driven provisions	10,883	12,878		23,760
	Provisions for start-up loans				
	Other regulated provisions				
	TOTAL REGULATED PROVISIONS	**10,883**	**12,878**		**23,760**
Provisions for contingencies and liabilities	Provisions for disputes and litigation	44,716			44,716
	Prov. for warranties given to customers				
	Prov. for losses on contract completion				
	Prov. for fines and penalties				
	Prov. for foreign exchange losses	276,231	860,782	276,231	860,782
	Prov. for pensions and similar obligations				
	Prov. for taxes				
	Prov. for asset renewals				
	Provisions for major maintenance				
	Prov. for social security and tax liabilities				
	Other provisions for contingencies and liabilities	225,000	15,000		240,000
	TOTAL PROV. FOR CONT. AND LIABILITIES	**545,947**	**875,782**	**276,231**	**1,145,497**
Provisions for impairment	of: Intangible assets				
	PPE				
	Equity-accounted investments				
	Long-term equity interests				
	Other financial assets		12,300		12,300
	Inventories and work in progress				
	Trade receivables				
	Other impairment provisions				
	TOTAL PROVISIONS FOR IMPAIRMENT		**12,300**		**12,300**

	Amount at start of period	Increases	Decreases	31 Dec. 2023
TOTAL	**556,829**	**900,959**	**276,231**	**1,181,557**

	Increases	Decreases
Of which operating prov. & reversals	15,000	
Of which financial prov. & reversals	873,082	276,231
Of which non-recurring prov. & reversals	12,878	

Equity-accounted investments: impairment loss at the reporting date calculated in accordance with Article 39-1.5e of the French Tax Code

A provision for tax-driven amortization was recognized at 31 December 2023 to reflect expenses in connection with the repurchase of the shares of US subsidiary Waga Energy Inc.

Other provisions for contingencies and liabilities correspond to provisions for the decommissioning of three Wagabox® units owned by the Company.

Expense transfers

	31 December 2023
Transfer of expenses for consumables - account 791010	
Expense transfers / VAT exemptions - account 791200	
Intracom. expense transfers - account 791201	
Benefits in kind	
Transfer of expenses for pipeline - account 791000	30,000
Expense transfers / rebilling - account 791020	
Expense transfers - claims	5,288
Transfer of finance costs	40,000
TOTAL	**75,288**

Most expense transfers correspond to expenses borne by the Company and rebilled to its subsidiaries.

Accrued income

		31 December 2023
Total accrued income		**19,429,150**
Loans relating to equity investments		**2,690,586**
Accrued interest / Loans relating to equity investments	*2,690,586*	
Other trade accounts receivable		**9,938,150**
Retention - customers	*175,322*	
Accrued trade receivables	*9,762,828*	
Other receivables		**6,800,414**
Credit notes receivable	*151,682*	
Advances and progress payments made	*6,150,828*	
Social security receivables	*1,868*	
Investment grants	*150,101*	
Government receivables	*28,714*	
Other receivables	*46,251*	
Accrued interest	*270,971*	

Expenses payable

		31 December 2023
Total expenses payable		**4,537,782**
Bank loans and borrowings		**33,164**
Accrued interest on bank loans	*32,775*	
Insurance premiums not yet due	*35*	
Accrued interest/commissions	*355*	
Trade and related payables		**3,710,612**
Accrued invoices	*3,710,612*	
Tax and social security payables		**763,115**
Provision for paid leave	*149,523*	
Wages and salaries	*374,177*	
Social security contributions on paid leave	*70,986*	
Other accrued social security contributions	*127,914*	
Government – other accrued expenses	*28,807*	
Apprenticeship tax payable	*5,546*	
Continuous training	*6,162*	
Other payables		**30,892**
Accrued credit notes	*22,656*	
Expenses payable	*8,236*	

Deferred income and prepaid expenses

31 December 2023	Expense	Income
OPERATING income and expense	299,118	
FINANCIAL income and expense		
NON-RECURRING income and expense		
TOTAL	**299,118**	

Prepaid expenses mainly relate to overhead invoices and one piece of Wagabox® equipment in transit at 31 December 2023.

Financial commitments

31 December 2023	Commitments given	Commitments received
Discounted bills not yet due		
Sureties and guarantees		
See Financial commitments – Sureties and guarantees	**21,119,007**	**3,314,426**
	21,119,007	3,314,426
Leasehold commitments		
Pensions, retirement and related obligations		
Retirement and supplemental retirement	325,115	
Other commitments		
Total financial commitments (1)	**21,444,122**	**3,314,426**
(1) Including those regarding:		
Directors		
Subsidiaries		
Investments		
Other related entities		

Additional notes

Assumptions used to measure retirement benefits at 31 December 2023:

Retirement age	Age 65: management Age 64: other employees
Discount rate (a)	3.54%
Salary increase rate	3%
Social security contribution rate (b)	44%
Mortality table	Insee 2012-2014 without distinction Men/Women
Probability of presence at retirement age (before mortality)	Under age 30: 81.0% Between age 30 and 40: 87.3% Between age 40 and 50: 88.5% Between age 50 and 60: 99.0% Over 60: 100%

(a) The discount rate during the period was determined by reference to the yields of the AA-rated corporate bonds at the closing date. Bonds with maturities comparable to those of the commitments were used.

(b) Excluding the impact of temporary reduction schemes.

BBM - Seyssinet	SA WAGA ENERGY
Page : 29	

Breakdown of endorsements, securities and guarantees

Financial commitments – Endorsements, securities and guarantees	Financial commitments given	Financial commitments rece
FNG guarantee to BPI 164700	9,904	
EIF innov plus guarantee 50% 164310	34,923	
Pledge of biogas purifier to BNP; loan of €250K 9449 (164030)	101,598	
BPI 164211 FPI FNG guarantee 30%		
BPI 164211 EIF European Investment Fund guarantee 50%		
BPI 164070 €500K guarantee fund 90%		
BPI 164060 €500K guarantee fund 90%		
BPI 164090 €500K guarantee fund 90%		
CASRA 164050 €500K guarantee fund 90%		
BNP 164040 €500K guarantee fund 90%		
CERA 164080 guarantee fund 90%		
FNG guarantee for investment seed loan		
FNG guarantee for investment seed loan		
European Investment Fund guarantee 164200		
European Investment Fund guarantee 164210		
Greater Lorient - guarantee given	1,000,000	
Deposit High Valley premises	30,000	
Pledge of SP Waga 1 securities_Belledone refinancing	5,000	
Pledge of SW Infra securities_Belledone refinancing	460,110	
Pledge of Waga Assets securities_Ariane refinancing	100,000	
Pledge of Waga Assets securities_Ariane refinancing_Assignment of Waga Assets receivables	12,526,728	
Pledge of Waga Assets 2 securities	50,000	
Pledge of Wagarena securities	6,800,744	
Total	**21,119,007**	

19.2 Interim and other financial information

Not applicable

19.3 Financial statements audit

19.3.1 Auditors report on consolidated financial statements

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This statutory auditors' report includes information required by European regulations and French law, such as information about the appointment of the statutory auditors or the verification of the information concerning the Group presented in the management report and other documents provided to the shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of Waga Energy for the year ended December 31, 2023.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2023 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code *(Code de commerce)* and the French Code of Ethics for Statutory Auditors *(Code de déontologie de la profession de commissaire aux comptes)* for the period from January 1, 2023 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

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

Accounting method for contributions in Sofiwaga 1 and Sofiwaga Infra

Risk identified	Our response
As at December 31, 2023, the contributions of Sofiwaga 1 and Sofiwaga Infra, which are owned at 49%, amounted to M€ 8.9 and M€ 12.4	In the context of our audit of the consolidated financial statements, our work consisted in particular in:

respectively in your Group's balance sheet, and contributed M€ 0.7 and M€ 0.5 respectively to your group's net income. As indicated in Note 5.2 to the consolidated financial statements, your Group has control over these two companies insofar as it: (1) has the ability to manage the right business of both companies and therefore has authority over both entities, (2) is exposed to variable returns due to its relationship with both entities, as there are contractual penalties for performance failure, (3) has the ability, as the sole player, to exercise its authority so as to influence the amount of returns earned. These two entities are therefore fully consolidated. We considered that the determination of the accounting method to be applied to the investments in Sofiwaga 1 and Sofiwaga Infra is a key matter given its significant importance in the accounts of your Group, as well as the facts and circumstances that lead your Group to control Sofiwaga 1 and Sofiwaga Infra, and in particular Management's judgement regarding the analysis of whether it manages the companies' activity in a relevant manner.	► examining the analysis carried out by Management arguing that your group has control over Sofiwaga 1 and Sofiwaga Infra; ► examine the nature and relevance of these arguments with regard to accounting standards, in particular IFRS 10; ► obtaining information supporting the arguments retained such as, in particular, the minutes of the Board of Directors, the register of related party agreements, and the shareholders' agreements justifying that no changes occurred in the governance of Sofiwaga 1 and Sofiwaga Infra and/or no new contracts structuring the relationships between Sofiwaga 1, Sofiwaga Infra and your Group likely to modify the analysis of the control made by your Group's Management over these companies. Finally, we have assessed the appropriateness of the information provided in the Notes to the consolidated financial statements.

■ **Assessment of the "agent" or "principal"s position under IFRS 15 regarding individual gas sales**

Risk identified	Our response
As at December 31, 2023, your Group had "Gas sales" revenues of M€ 15.1, of which M€ 9.3 corresponded to biomethane sales and M€ 5.8 to purification services.	In the context of our audit of the consolidated financial statements, our work consisted in particular in: ► obtaining an understanding of the internal control procedures relating to revenue recognition;

Note 8.1 to the consolidated financial statements describes, for each of these two business models, the revenue recognition methods developed under IFRS 15:

► on the one hand, purification services in which the Group acts as a service provider and recognizes as ordinary income the remuneration invoiced in return for the service; and

► on the other hand, biomethane sale, in which the Group acts on its own behalf, as "principal" and not as "agent" in the transaction.

The clauses of the commercial contracts entered into between your Group and its customers include terms and conditions transfer of ownership and the provision of services or the sale of goods, the analysis of which is decisive for the right recognition of revenue. The accounting standards for this type of contracts record require of judgement, particularly for complex contracts.

An error in the analysis of the obligations of this type of contract may lead to incorrect revenue recognition.

We considered the analysis of whether your Group is acting as a 'principal' or 'agent' regarding the various gas sales as a key audit matter due to its significant impact on your Group's accounts, and the judgement required to perform this analysis.

► consulting the contracts deemed significant entered into between your Group and its various customers in order to analyze whether Management's judgement, in assessing the position of agent or principal, complies with accounting standards. This work consisted of an analysis of the contractual terms and in particular the ability to negotiate both the base sale price and the amount of possible additional revenue (additional bonuses).

Finally, we assessed the appropriateness of the information provided in the notes to the consolidated accounts.

Specific verifications

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

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

Report on Other Legal and Regulatory Requirements

■ Format of preparation of the consolidated financial statements included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by statutory auditor regarding the annual and consolidated financial statements prepared in the European single electronic format, that the preparation of the consolidated financial statements included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (Code monétaire et financier), prepared under the Chairman and Chief Executive Officers responsibility, complies with the single electronic format defined in Commission Delegated Regulation (EU) No. 2019/815 of December 17, 2018. Regarding consolidated financial statements, our work includes verifying that the tagging thereof complies with the format defined in the above-mentioned regulation.

On the basis of our work, we conclude that the preparation of the consolidated financial statements included in the annual financial report complies, in all material respects, with the European single electronic format.

Due to the technical limitations inherent to the block-tagging of the consolidated financial statements according to the European single electronic format, the content of certain tags of the notes may not be rendered identically to the accompanying consolidated financial statements.

Furthermore, we have no responsibility to verify that the consolidated financial statements that will ultimately be included by your Company in the annual financial report filed with the AMF (Autorité des marchés financiers) agree with those on which we have performed our work..

■ Appointment of the Statutory Auditors

We were appointed as statutory auditors of Waga Energy by the Annual General Meeting held on June 17, 2021 for BM&A and by your Articles of Association of January 16, 2015 for ERNST & YOUNG et Autres.

As at December 31, 2023, BM&A was in the third year of total uninterrupted engagement and ERNST & YOUNG et Autres in the eighth year including three years since the securities of the Company were admitted to trading on a regulated market

Responsabilities of Management and those charged with governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

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

Statutory Auditor’s’ Responsabilities for the Audit of the Consolidated Financial Statements

■ Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these consolidated financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (Code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

► Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

► Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

► Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the consolidated financial statements.

- Assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

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

- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committe

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report significant deficiencies, if any, in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France as set out in particular in Articles L. 822-10 to L. 822-14 of the French Commercial Code (Code de commerce) and in the French Code of Ethics for Statutory Auditors (Code de déontologie de la profession de commissaire aux comptes). Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris and Paris-La Défense, April, 30, 2024

The Statutory Auditors

French original signed by

BM&A	ERNST & YOUNG et Autres
Pierre-Emmanuel Passelègue	Cédric Garcia

19.3.2 Statutory auditors' report on the financial statements

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by European regulations and French law, such as information about the appointment of the statutory auditors or the verification of the management report and other documents provided to the shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Statutory auditors' report on the financial statements

To the Annual General Meeting of Waga Energy,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying financial statements of Waga Energy for the year ended December 31, 2023.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2023 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for opinion

- Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Financial Statements section of our report.

- Independence

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code (Code de commerce) and the French Code of Ethics for Statutory Auditors (Code de déontologie de la profession de commissaire aux comptes) for the period from January 1, 2023 to the date of our report, and specifically we did not provide any prohibited non audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014.

Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code *(Code de commerce)* relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

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

- Recognition of profit or loss on long-term contracts

Risk identified	Our response
Revenue from long-term contracts amounted to M€ 15.7, representing over 53% of your Company's revenue.	In the context of our audit, we familiarized ourselves with the internal control procedures relating to the accounting of contracts that have been implemented by your Company and in particular the procedures relating to budgetary control and the commitment of expenses.

As indicated in the " Revenue at completion" note to the financial statements, the results of these contracts are recognized using the stage of completion method, which consists in estimating the result at completion of a given contract and recognizing it progressively as costs are incurred.

The recognition of profit or loss is therefore based on the estimated costs at completion for each contract. These are reviewed at every closing by Management to reflect the best estimate of the future benefits and obligations expected from these contracts. When the forecast at the end of the business shows a deficit, a provision for loss at completion is recognized.

Given the significance of these estimates and the importance of the judgements made by Management in determining the outcome at completion, we considered the recognition of profit or loss on long-term contracts to be a key audit matter.

Our work consisted in carrying out:

- interviews with operational and financial managers to obtain an understanding of the judgements they made in determining the profit or loss at completion;
- a comparison of the achievements for the year ended December 31, 2022 against previous estimates in order to assess the reliability of the estimates;
- the reconciliation between the accounting data and the management data used to recognize revenue and margin over the financial year;
- the verification of the arithmetical accuracy of the rate of completion, revenue and margin recognized in the financial statements;
- a test, on a sample basis, of costs incurred.

On a selection of contracts made on the basis of quantitative and qualitative criteria, our work also included:

- the reconciliation of estimated terminal revenues with contractual documents (such as, for example, purchase orders, contracts and amendments);
- the analysis of documents used for project monitoring and management, carried out by project managers and management controllers in order to assess the estimate of expenses at completion.

Finally, we assessed the appropriateness of the information provided in the notes to the annual accounts.

■ Valuation of equity interests and receivables from equity interests

Risk identified	Our response
Equity interests held by your Company and receivables from equity interests amounted to M€ 26.2 and M€ 72.8 respectively in net value, and represent significant items on the assets side of the balance sheet, i.e. over 55%. Equity investments are recognized at their purchase price on the date of acquisition and are subject to an impairment test at the end of the financial year, which results in the recognition of an impairment loss when the recoverable value of the equity investments falls below their net book value, as indicated in the "Financial assets" Note to the financial statements. The recoverable amount takes into account, in particular, the share of equity at the end of the financial year of the entities concerned, as well as their long-term profitability and strategic information. The estimate of the recoverable amount therefore requires the exercise of Management's judgement, using forward-looking information to define the profitability outlook. In this context, and due to the inherent uncertainties of certain information, and in particular the probability of realization of forecasts, we considered that the correct valuation of equity investments and receivables related to equity investments to be a key audit matter.	Our work mainly consisted, on the basis of the information provided to us, in analyzing the estimate of these values determined by Management in relation to the valuation method and the figures used: ► for valuations based on historical information, we examined the consistency of the equity retained with the accounts of the entities concerned; ► for valuations based on forecast information, we assessed the analyses prepared by Management, relating to the profitability prospects and strategic nature of these entities. In particular, we assessed the consistency of the revenue and EBITDA forecasts with the historical performance of the Company concerned and the economic context at the closing and reporting dates. With the assistance of our valuation specialists, we analyzed the parameters used to determine the discount and perpetual growth rates applied to the estimated cash flows. In particular, we recalculated them based on available market data and compared the results obtained with the rates used by Management. In the event that the recoverable amount is lower than the acquisition value of the equity investments, we verified the recognition of an asset impairment and, if necessary, a provision for risks relating to these equity investments and the receivables associated with these investments.

Finally, we assessed the appropriateness of the information provided in the notes to the financial statements.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

- Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors' management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D. 441 6 of the French Commercial Code (Code de commerce).

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

- **Report on Corporate Governance**

We attest that the Board of Directors' Report on Corporate Governance sets out the information required by Articles L. 225 37 4, L. 22 10 10 and L. 22 10 9 of the French Commercial Code (Code de commerce).

Concerning the information given in accordance with the requirements of Article L. 22 10 9 of the French Commercial Code (Code de commerce) relating to the remuneration and benefits received by, or allocated to the directors and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from companies controlled thereby, included in the consolidation scope. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your Company considered likely to have an impact in the event of a takeover bid or exchange offer, provided pursuant to Article L. 22 10 11 of the French Commercial Code (Code de commerce), we have agreed this information to the source documents submitted to us. Based on these procedures, we have no observations to make on this information.

- Other information

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of voting rights has been properly disclosed in the management report.

Report on Other Legal and Regulatory Requirements

- Format of preparation of the financial statements intended to be included in the annual report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by statutory auditors regarding the annual and consolidated financial statements prepared in the European single electronic format, that the preparation of the financial statements intended to be included in the annual financial report mentioned in Article L. 451 1 2, I of the French Monetary and Financial Code (Code monétaire et financier), prepared under the Chairman and Chief Executive Officer’s responsibility, complies with the single electronic format defined in Commission Delegated Regulation (EU) No. 2019/815 of 17 December 2018.

On the basis of our work, we conclude that the preparation of the financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the financial statements that will ultimately be included by your Company in the annual financial report filed with the AMF (Autorité des marchés financiers) agree with those on which we have performed our work.

- Appointment of the Statutory Auditors

We were appointed as statutory auditors of Waga Energy by your annual general meeting held on June 17, 2021 for BM&A and by your articles of association of January 16, 2015 for ERNST & YOUNG et Autres.

As at December 31, 2023, BM&A was in the second year and ERNST & YOUNG et Autres in the ninth year of total uninterrupted engagement respectively, including three years since the securities of the Company were admitted to trading on a regulated market.

Responsabilities of Management and those charged with Governance for the Financial Statements

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

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

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Statutory Auditors’ Responsabilities for the Audit of the Financial Statements

■ Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

As specified in Article L. 823 10 1 of the French Commercial Code (Code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

► Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

► Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

► Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the financial statements.

► Assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

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

Report to the Audit Committee

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report significant deficiencies, if any, in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France as set out in particular in Articles L. 822 10 to L. 822 14 of the French Commercial Code (Code de commerce) and in the French Code of Ethics for Statutory Auditors (Code de déontologie de la profession de commissaire aux comptes). Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris and Paris-La Défense, April, 30, 2024

The Statutory Auditors

French original signed by

BM&A	ERNST & YOUNG et Autres
Pierre-Emmanuel Passelègue	Cédric Garcia

19.4 Other information

19.4.1 Age of financial information

The date of the latest financial information is 31 December 2023.

19.4.2 Change of accounting reference date

All the financial years presented are for financial years ended 31 December.

19.4.3 Accounting standards

See Section 19.1.1 of the consolidated financial statements prepared in accordance with IFRS (Note 2 Basis of preparation of the financial statements) and Section 19.1.2 of the annual financial statements prepared in accordance with French standards (note on accounting rules and methods).

19.4.4 Change of accounting framework

There was no change in the accounting framework.

19.4.5 Interim and other financial information

Not applicable.

19.4.6 Other information in the Universal Registration Document that has been audited by the auditors.

None.

19.4.7 Financial information included in the Universal Registration Document that is not derived from the issuer's audited financial statements

None.

19.4.8 Table of results for the last five financial years

Financial year ended	FY2019	FY2020	FY2021	FY2022	FY2023
I. Financial position at year-end					
Share capital	140 397 €	144 794 €	197 524 €	204 834 €	205 256 €
Number of ordinary shares	140 397	144 794	19 752 417	20 483 350	20 525 550
Number of preferred dividend shares					
II. Total income from actual operations					
Revenue	11 129 687	9 966 840	19 020 552	30 022 673	29 452 139
Profit (loss) before taxes, equity investments, depreciation, amortisation and provisions	435 639	57 563	- 1 027 017	189 256	311 265
Corporate income tax	- 225 969	- 259 933	- 330 946	- 494 223	- 605 176
Employee profit sharing	-	-	-	-	-
Profit (loss) after taxes, equity investments, depreciation, amortisation and provisions	- 164 670	- 496 759	- 1 862 688	- 2 563 117	- 2 875 614
Distributed earnings	-	-	-	-	-
III. Earnings per share					
Profit (loss) after taxes, equity investments but before depreciation, amortisation and provisions	4,82 €	2,88 €	-0,0284 €	0,04 €	0,05 €
Profit (loss) after taxes, equity investments, depreciation, amortisation and provisions	-1,17 €	-3,43 €	-0,09 €	-0,13 €	-0,14 €
Dividend paid per share	-	-	-	-	-
IV. Employee					
Average workforce (FTE)	26	39	54	89	120
Total payroll	1 423 976	2 201 959	3 119 740	5 033 774	6 585 923
Social security contributions and benefits	618 502	970 943	1 311 766	2 088 918	3 018 426

19.4.9 Proposed appropriation of earnings

The annual financial statements for the year ended 31 December 2023 (balance sheet, income statement and notes) as presented to you, show a loss of €2,875,614 that it is proposed to allocate in full to the “Retained earnings” account.

19.4.10 Sumptuary expenses and non-tax-deductible charges

None.

19.4.11 Information on payment terms

In accordance with the provisions of Articles L. 441-14 paragraph 1 and D. 441-4 of the French Commercial Code, we bring to your attention the information appearing in the table appended to this report at the end of the financial year beginning on 1 January 2023:

Customer payment terms	Article D. 441-I.-1° : Invoices received but not paid at the closing date of the financial year whose term has expired					
	0 day (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)
A. Late payment						
Number of invoices	310	196	27	6	21	250
Total amount including taxes	2 633 635	1 676 793	95 669	18 499	97 744	1 888 705
Percentage of the total amount of purchases (incl. Tax) for the financial year	7,62%	4,85%	0,28%	0,05%	0,28%	5,46%
Percentage of revenue						
B. Invoices excluded from (A) relating to disputed or unrecognised debts and receivables						
Number of invoices						
Total amount of excluded invoices						
C. Reference payment terms used (contractual or legal deadline - Article L. 441-6 or L. 443-1 of the French Commercial Code)						
Payment terms used to calculate late payments	Legal deadlines: 30 days from the end of the month					

Supplier payment terms	Article D. 441-I.-2°: Invoices issued but not paid at the closing date of the financial year whose term has expired					
	0 day (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)
A. Late payment term						
	67	20	-	-	-	20
	5 388 836	553 630	-	-	-	553 630
Percentage of the total amount of purchases (incl. Tax) for the financial year						
	16,61%	1,71%	0,00%	0,00%	0,00%	1,71%
B. Invoices excluded from (A) relating to disputed or unrecognised debts and receivables						
C. Reference payment terms used (contractual or legal deadline - Article L. 441-6 or L. 443-1 of the French Commercial Code)						
payments	Legal deadlines: 30 days from the end of the month					

We inform you that, in accordance with the provisions of Article D. 823-7-1 of the French Commercial Code, the Statutory Auditors will present in their reports on the annual financial statements their observations on the fairness and consistency of the above information with the annual financial statements.

19.4.12 Dividend policy

The restrictions applicable to the distribution of dividends by the Company in respect of the Group's main bonds outstanding are described below. For more details on the terms and conditions of these Group bonds, please refer to Sections 8.3 "*Information on the Company's financing needs and financing structure*" and 8.4 "*Restriction on use of capital*" of this Universal Registration Document.

The documentation relating to the OCA 2021 Tranche 2 issued by the Company authorises the distribution of dividends subject to the payment of all amounts owed to the financial parties and due on the date of the planned distribution in respect of these convertible bonds.

Notwithstanding the above, no dividend payment policy is planned in the short or medium term, given the Company's stage of development, in order to use the available resources to finance its growth.

19.4.13 Significant change in financial or commercial position

With the exception of what is described in the Universal Registration Document, to the best of the Company's knowledge, there has been no significant change in the Group's financial or commercial position since 31 December 2023.

19.5 Administrative, legal and arbitration proceedings

At the date of the Registration Document, the Company is not aware of any governmental, legal or arbitration proceedings, pending or threatened, that are liable to have or that have had significant effects on the Company's or Group's financial position or profitability in the past twelve (12) months.

20. ADDITIONAL INFORMATION

20.1 Share capital

20.1.1 Amount of share capital

At the date of the Universal Registration Document, the Company's share capital amounts to €245,031.44 divided into 24,503,144 fully paid-up shares with a par value of one euro cent (€0.01) each.

The Company's share capital consists of 245,031,144 ordinary shares.

20.1.2 Transactions on the Company's securities

The Company complies with Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, as amended (the "Market Abuse Regulation") and the Middlenext Code.

Thus, purchases or sales of the Company's securities or financial instruments are prohibited during the periods between the date on which executives, persons legally treated as executives or any other person having access, on a regular basis or occasionally, to inside information, are aware of precise information on the course of business or the outlook which, if made public, would be likely to have a significant influence on the price, and the date on which this information is published.

In addition, pursuant to Article 19 of the Market Abuse Regulation, they are also prohibited for a period of thirty (30) calendar days preceding the date of publication of the Company's annual and half-yearly financial statements.

In accordance with the Market Abuse Regulation and the recommendations of the Middlenext Code, hedging transactions of any kind on the Company's securities, in connection with stock options, are prohibited.

In addition, transactions carried out on the Company's securities by the persons referred to in Article L. 621-18-2 of the French Monetary and Financial Code are reported to the AMF in the manner and within the time limits provided for by Article 223-22-A *et seq.* of the AMF's General Regulation and Article 19 of the Market Abuse Regulation. These statements are available on the AMF website (www.amf-france.org).

During the financial year ended 31 December 2023, the members of the Board of Directors and the persons referred to in Article L. 621-18-2 of the French Monetary and Financial Code carried out the following transactions on the Company's securities:

Transaction date	Information on the person exercising management responsibilities/person closely associated	Description of the financial instrument	Nature of the transaction	Aggregate price and volume information
31/05/2023	Les Saules SARL represented by M. Bierent (Director)	Shares	Disposal	Price: €23.75/share Volume: 46,000
24/07/2023	Holweb chaired by M. Lefebvre	Shares	Disposal	Price: €27.25/share Volume: 36,000

20.1.3 Securities not representing capital

See Section 20.1.5 "*Other securities giving access to the share capital*" of the Universal Registration Document.

20.1.4 Shares held by the Company

The Company's General Meeting of 29 June 2023 authorised, for a period of eighteen (18) months, the Board of Directors to implement a share buyback programme for the Company's shares within the framework of the provisions of Article L. 22-10-62 of the French Commercial Code and Regulation (EU) No. 596/2014 of 16 April 2014 on market abuse and in accordance with the AMF's General Regulation under the conditions described below:

Purpose of share buybacks:

- ensure the liquidity of the Company's shares under a liquidity contract to be entered into with an investment services provider, acting independently, in accordance with the market practice accepted by the AMF;

- fulfil obligations related to stock option plans, free share plans, employee savings plans or other share allocations to employees of the Company and executives of the Company or its related companies and to carry out all hedging transactions relating to these transactions under the conditions and in accordance with the provisions of applicable laws and regulations;

- deliver shares upon the exercise of rights attached to marketable securities giving access to the capital and to carry out any hedging transactions relating to these transactions under the conditions and in accordance with the provisions of applicable laws and regulations;

- purchase shares to be held and subsequently used for exchange or as payment in the context of potential acquisitions, mergers, spin-offs or contributions, in compliance notably with stock market regulations;

- cancel all or part of the shares thus repurchased; or

- more generally, carry out any transaction in accordance with the regulations in force or any market practice that may be accepted by the market authorities, it being specified that, in such a case, the Company would inform its shareholders by means of a press release;

Maximum purchase price: € eighty (80), with an overall ceiling of € twenty million (20,000,000), it being specified that this purchase price will be subject to adjustments if necessary in order to take into account any transactions on the capital (notably in the event of the incorporation of reserves and the allocation of free shares, or of share splits or reverse splits).

Maximum number of shares that may be purchased: 10% of the total number of shares comprising the share capital at any time, it being specified that (i) when the shares are acquired for the purpose of promoting the liquidity of the Company’s shares under the conditions defined by the AMF's General Regulation, the number of shares taken into account for the calculation of this limit will correspond to the number of shares purchased less the number of shares sold during the term of the authorisation and (ii) when they are sold with a view to their retention and subsequent delivery in payment or exchange in the context of a merger, spin-off or contribution, the number of shares acquired may not exceed 5% of the total number of shares.

The shares thus purchased may be cancelled.

Liquidity agreement

From 2 November 2021, the Company has entrusted Portzamparc with the implementation of a liquidity contract in accordance with the provisions of the legal framework in force. For the implementation of this contract, €500 thousand in cash were allocated to the liquidity account.

On 26 April 2023 and 2 April 2024, the Company signed amendments to the liquidity contract concluded with Portzamparc - BNP Paribas in order to allocate an additional €500,000 and €300,000, respectively, to the contract. These arrangements, which fall within the framework of AMF decision 2021-01 of 22 June 2021 on the establishment of liquidity contracts on equity securities consistent with accepted market practice, are intended to improve share liquidity and trading conditions for investors.

At 31 December 2023, the Company held 22,568 treasury shares valued at €574,355.60 and the cash balance of the liquidity account amounted to €413,344.29.

20.1.5 Other securities giving access to the share capital

The securities giving access to the Company’s share capital, at the date of the Universal Registration Document, are presented below:

Share subscription options

The Combined General Meeting of the Company of 17 June 2021 voted, in its 28th resolution, to delegate authority to the Board of Directors to issue a maximum number of 20,000 stock options (Options.2021), for the benefit of named employees of the Company or of a company in which the Company holds, directly or indirectly, at least 10% of the share capital or voting rights and meeting the conditions of Articles L. 225-180 and L. 225-185 paragraph 4 of the French Commercial Code.

On 30 June 2021, the Company's Board of Directors issued 1,300 Options.2021 (before division of the value of the shares by 100) to certain employees of the Company's subsidiaries, respectively Waga Energy Canada and Waga Energy Inc.

On 8 September 2021, the Board of Directors of the Company issued 850 Options.2021 (before division of the value of the shares by 100) to certain employees of the Company's subsidiaries, respectively Waga Energy Canada and Sofiwaga Espana 1 SL.

On 24 January 2023, the Board of Directors decided to issue and award 196,000 free stock options (Options.2023) to employees of the Company's foreign subsidiaries, conferring entitlement to 196,000 new Company shares with a par value of €0.01 each, under the authority delegated by the Combined General Meeting of 8 October 2021.

On 29 June 2023, the Board of Directors decided to issue and allocate 3,000 additional free Options.2023 (Options.2023.2) to employees of the Company's foreign subsidiaries, conferring entitlement to 3,000 new Company shares with a par value of €0.01 each, under the authority delegated by the Combined General Meeting of 8 October 2021.

On 20 July 2023, the Board of Directors decided to issue and allocate 25,000 additional free Options.2023 (Options.2023.3) to employees of the Company's foreign subsidiaries, conferring entitlement to 25,000 new Company shares with a par value of €0.01 each, under the authority delegated by the Combined General Meeting of 8 October 2021.

BSPCE

The Combined General Meeting of the Company of 17 June 2021 voted, in its 25th resolution, to delegate authority to the Board of Directors to issue, on one or more occasions, a maximum number of 20,000 warrants to subscribe for business creator shares (BSPCE.2021), free of charge, for the benefit of employees and/or executives (assimilated to employees for tax purposes) and/or directors of the Company (and/or companies in which the Company holds at least 75% of the capital or voting rights), in accordance with the provisions of Article 163 bis G of the French General Tax Code.

On 30 June 2021, the Board of Directors of the Company issued 12,500 BSPCE.2021 to employees, executives and directors of the Company, in addition to the 10,000 BSPCE.2019 issued by the Board of Directors on 18 December 2019.

(See Tables 4, 5, 8 and 9 in Section 14.1.2 "*Compensation of Executive Corporate Officers*".)

On 24 January 2023, the Board of Directors decided to issue and allocate 337,000 free founders' share warrants (BSPCE.2023) to employees of the Company, conferring entitlement to 337,000 new Company shares with a par value of €0.01 each, under the authority delegated by the Combined General Meeting of 30 June 2022.

On 29 June 2023, the Board of Directors decided to issue and allocate 15,000 additional free BSPCE.2023 (BSPCE.2023.2) to employees of the Company, conferring entitlement to 15,000 new Company shares with a par value of €0.01 each, under the authority delegated by the Combined General Meeting of 30 June 2022.

At the date of the Universal Registration Document, 147,970 warrants (BSA or BSPCE) may still be issued by the Board of Directors under the delegations of authority granted by the 21st and 22nd resolutions of the Combined General Meeting of 29 June 2023 for the issue of BSPCEs, in accordance with the legal deadlines.

20.1.6 Acquisition conditions

The Company's General Meeting held on 8 October 2021, has adopted the financial delegations described below.

Nature of the delegation	Ceiling (nominal amount)	Duration	Common ceiling	Use
Division by 100 of the par value of the Company's ordinary shares and corresponding multiplication by 100 of the number of ordinary shares of the Company, and corresponding amendment to the Articles of Association	N/A	N/A	N/A	Used by the Board of Directors on 28 October 2021 when amending the Articles of Association

Nature of the delegation	Ceiling (nominal amount)	Duration	Common ceiling	Use
(10th resolution)				
Delegation of authority to be granted to the Board of Directors with a view to increasing the share capital by issuing ordinary shares and/or any marketable securities, with preferential subscription rights for shareholders (11th resolution)	Capital increase: €108,595.50 Debt securities: €150,000,000	26 months	Common ceiling for the 11th,12th,13th,14th, 16th, 17th and 18th €108,595.50	
Delegation of authority to the Board of Directors to increase the share capital by issuing ordinary shares and/or any marketable securities with cancellation of shareholders' preferential subscription rights and offering to the public (separately from the offers referred to in paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code) (12th resolution)	Capital increase: €72,397 Debt securities: €150,000,000	26 months	Common ceiling for the 11th,12th,13th,14th, 16th, 17th and 18th €108,595.50	Use by the Board of Directors of 26 October 2021 to the tune of a nominal amount of €45,852.33 by issuing 4,585,233 new ordinary Company shares
Delegation of authority to be granted to the Board of Directors with a view to increasing the share capital by issuing ordinary shares and/or any marketable securities, with cancellation of shareholders' preferential subscription rights in the context of a public offering for qualified investors or a limited circle of investors referred to in paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code (13th resolution)	Within the limit of 20% of the Company's share capital per 12-month period Debt securities: €15,000,000	26 months	Common ceiling for the 11th,12th,13th,14th, 16th, 17th and 18th €108,595.50	
Delegation of authority to be granted to the Board of Directors to increase the number of shares to be issued in the event of a capital	15% of the initial issue	26 months	N/A	Use by the Board of Directors of 18 November 2021 to the tune of a nominal

Nature of the delegation	Ceiling (nominal amount)	Duration	Common ceiling	Use
increase with or without preferential subscription rights (14th resolution)				amount of €6,877.84 by issuing 687,784 new ordinary Company shares
Authorisation to be granted to the Board of Directors, in the event of the issue of shares or any marketable securities with cancellation of shareholders' preferential subscription rights, to set the issue price within the limit of 10% of the share capital (15th resolution)	the issue price of the ordinary shares will be at least equal to the volume-weighted average of the last three (3) trading sessions preceding its setting, possibly reduced by a maximum discount of 20%	26 months	N/A	
Delegation of authority to be granted to the Board of Directors to issue ordinary shares and marketable securities giving access to the Company's share capital, in the event of a public offer including an exchange component initiated by the Company (17th resolution)	Capital increase: €72,397 Debt securities: €150,000,000	26 months	Common ceiling for the 11th,12th,13th,14th, 16th, 17th and 18th €108,595.50	
Delegation of authority to be granted to the Board of Directors for the purpose of deciding on the issue of ordinary shares of the Company or marketable securities giving access by any means, immediately and/or in the future, to ordinary shares of the Company, up to a limit of 10% of the share capital, to remunerate contributions in kind of equity securities or marketable securities giving access to the capital of third-party companies outside of a public exchange offer	Within the limit of 10% of the share capital Debt securities: €15,000,000	26 months	Common ceiling for the 11th,12th,13th,14th, 16th, 17th and 18th €108,595.50	

Nature of the delegation	Ceiling (nominal amount)	Duration	Common ceiling	Use
(18th resolution)				
Delegation of authority to be granted to the Board of Directors to increase the share capital through the incorporation of premiums, reserves, profits or other (20th resolution)	Capital increase: €72,397	26 months	N/A	
Authorisation to be given to the Board of Directors to grant stock options in the Company (22nd resolution)	723,970 shares with a par value of €0.01	38 months	Common ceiling for the 21st, 22nd, 23rd and 24th 723,970 shares with a par value of €0.01	Use by the Board of Directors of 24 January 2023 to the tune of a nominal amount of €1,960 by issuing 196,000 new ordinary Company shares Use by the Board of Directors of 29 June 2023 to the tune of a nominal amount of €30 by issuing 3,000 new ordinary Company shares Use by the Board of Directors of 20 July 2023 to the tune of a nominal amount of €250 by issuing 25,000 new ordinary Company shares
Authorisation to be given to the Board of Directors to allocate free shares, either existing or to be issued (23rd resolution)	723,970 shares with a par value of €0.01	38 months	Common ceiling for the 21st, 22nd, 23rd and 24th 723,970 shares with a par value of €0.01	

The Company's General Meeting held on 30 June 2022 adopted the financial delegations described below.

Nature of the delegation	Ceiling (nominal amount)	Duration	Common ceiling	Use
Authorisation to be given to the Board of Directors for the Company to purchase its own shares (32nd resolution) This delegation cancels and replaces the 8th resolution of the Combined General Meeting of 8 October 2021.	Maximum number of shares: limit of 10% of the total number of shares comprising the share capital	18 months	N/A	
Authorisation to be given to the Board of Directors to reduce the share capital by cancelling shares as part of the authorisation to buy back its own shares (36th resolution) This delegation cancels and replaces the 9th resolution of the Combined General Meeting of 8 October 2021.	Limit of 10% of the share capital per period of 24 months	18 months	N/A	
Delegation of authority to be granted to the Board of Directors for the purpose of issuing and allocating share subscription warrants - BSA - for the benefit of (i) members and non-voting members of the Company's Board of Directors in office at the date of the allocation of warrants who are not employees or executives of the Company or one of its subsidiaries, or (ii) persons bound by a service or consultancy	723,970 shares with a par value of €0.01	18 months	Common ceiling for the 22nd and 23rd resolutions of the Combined General Meeting of 8 October 2021 and for the 37th and 38th resolutions of the Combined General Meeting of 30 June 2022 723,970 shares with a par value of €0.01	

Nature of the delegation	Ceiling (nominal amount)	Duration	Common ceiling	Use
contract to the Company or one of its subsidiaries, or (iii) members of any committee set up or to be set up by the Board of Directors who are not employees or executives of the Company or one of its subsidiaries. (37th resolution) This delegation cancels and replaces the 21st resolution of the Combined General Meeting of 8 October 2021.				
Authorisation to be given to the Board of Directors to allocate founders' warrants - BSPCE - free of charge to the Company's employees and executives (38th resolution) This delegation cancels and replaces the 24th resolution of the Combined General Meeting of 8 October 2021.	723,970 shares with a par value of €0.01	18 months	Common ceiling for the 22nd and 23rd resolutions of the Combined General Meeting of 8 October 2021 and for the 37th and 38th resolutions of the Combined General Meeting of 30 June 2022 723,970 shares with a par value of €0.01	Use by the Board of Directors of 24 January 2023 to the tune of a nominal amount of €3,370 by issuing 337,000 new ordinary Company shares Use by the Board of Directors of 29 June 2023 to the tune of a nominal amount of €150 by issuing 15,000 new ordinary Company shares
Delegation of authority to be granted to the Board of Directors for the purpose of approving the issue of ordinary shares or securities giving access to ordinary shares to be issued by the Company immediately or in the future, with cancellation of shareholders' preferential subscription rights in favour of certain categories of beneficiaries	Capital increase: €72,397 Debt securities: €150,000,000	18 months	Common ceiling for the 11th, 12th, 13th, 14th, 17th and 18th resolutions of the Combined General Meeting of 8 October 2021 and for the 40th resolution of the Combined General Meeting of 30 June 2022	

Nature of the delegation	Ceiling (nominal amount)	Duration	Common ceiling	Use
(40th resolution) This delegation cancels and replaces the 16th resolution of the Combined General Meeting of 8 October 2021.			€108,595.50	
Delegation of authority to be granted to the Board of Directors to increase the share capital by issuing shares and marketable securities giving access to the Company's share capital for the benefit of employees participating in the company savings plan (PEE) (42nd resolution)	Capital increase: €72,397 Debt securities: €150,000,000	18 months	N/A	

The Company's General Meeting held on 29 June 2023 adopted the financial delegations described below.

Nature of the delegation	Ceiling (nominal amount)	Duration	Common ceiling	Use
Authorisation to be given to the Board of Directors for the Company to purchase its own shares (19th resolution) This delegation cancels and replaces the 32nd resolution of the Combined General Meeting of 30 June 2022.	Maximum number of shares: limit of 10% of the total number of shares comprising the share capital	18 months	N/A	
Authorisation to be given to the Board of Directors to reduce the share capital by cancelling shares as part of the authorisation to buy back its own shares (20th resolution) This delegation cancels and replaces the 36th resolution of the Combined General Meeting of 30 June 2022.	Limit of 10% of the share capital per period of 24 months	18 months	N/A	
Delegation of authority to be granted to the Board of Directors for the purpose of issuing and allocating share subscription warrants - BSA - for the benefit of (i) members and non-voting members of the Company's Board of Directors in office at the date of the allocation of warrants who are not employees or executives of the Company or one of its subsidiaries, or (ii) persons bound by a service or consultancy contract to the Company or one of its subsidiaries, or (iii) members of any committee set up or to be set up by the Board	723,970 shares with a par value of €0.01	18 months	Common ceiling for the 22nd and 23rd resolutions of the Combined General Meeting of 8 October 2021 and for the 21st and 22nd resolutions of the Combined General Meeting of 29 June 2023 723,970 shares with a par value of €0.01	

Nature of the delegation	Ceiling (nominal amount)	Duration	Common ceiling	Use
of Directors who are not employees or executives of the Company or one of its subsidiaries. (21st resolution) This delegation cancels and replaces the 37th resolution of the Combined General Meeting of 30 June 2022.				
Authorisation to be given to the Board of Directors to allocate founders' warrants - BSPCE - free of charge to the Company's employees and executives (22nd resolution) This delegation cancels and replaces the 38th resolution of the Combined General Meeting of 30 June 2022.	723,970 shares with a par value of €0.01	18 months	Common ceiling for the 22nd and 23rd resolutions of the Combined General Meeting of 8 October 2021 and for the 21st and 22nd resolutions of the Combined General Meeting of 29 June 2023 723,970 shares with a par value of €0.01	
Delegation of authority to be granted to the Board of Directors for the purpose of approving the issue of ordinary shares or securities giving access to ordinary shares to be issued by the Company immediately or in the future, with cancellation of shareholders' preferential subscription rights in favour of certain categories of beneficiaries (24th resolution)	Capital increase: €72,397 Debt securities: €150,000,000	18 months	Common ceiling for the 11th, 12th, 13th, 14th, 17th and 18th resolutions of the Combined General Meeting of 8 October 2021 and for the 24th resolution of the Combined General Meeting of 29 June 2023 €108,595.50	Use by the Chairman and Chief Executive Officer, pursuant to the delegation granted by the Board of Directors on 8 March 2024, for a nominal amount of €39,393.94 through the issue of 3,939,394 new ordinary Company shares / securities giving access to ordinary shares to be issued immediately or

Nature of the delegation	Ceiling (nominal amount)	Duration	Common ceiling	Use
This delegation cancels and replaces the 40th resolution of the Combined General Meeting of 30 June 2022.				in the future by the Company, with waiver of the shareholders' preferential subscription rights for the benefit of categories of beneficiaries
Delegation of authority to be granted to the Board of Directors to increase the share capital by issuing shares and marketable securities giving access to the Company's share capital for the benefit of employees participating in the company savings plan (PEE) (26th resolution)	Capital increase: €7,239.70 Debt securities: €150,000,000	18 months	N/A	

20.1.7 Information on the share capital of any member of the Group that is the subject of an option or an agreement to place it under option and details of such options

Not applicable.

20.1.8 History of share capital

❖ Change in share capital

The table below summarises changes in the share capital over the last three financial years.

Transaction date(s)	Nature of transaction	Number of shares issued or cancelled	Nominal amount (€)	Issue or contribution premium (€)	Cumulative nominal amount of share capital (€)	Total number of shares outstanding	Par value (€)
Combined General Meeting of 8 October 2021	Division by 100 of the par value and corresponding multiplication of the number of shares by 100	-	-	-	€144,794	14,479,400	€0.01
Board of Directors' meeting of 26 October 2021, as delegated by the Combined General Meeting of 8 October 2021	Capital increase as part of the Company's initial public offering	4,585,233	€45,852.33	€23.53 issue premium per share	€190,646.33	19,064,633	€0.01
Board of Directors' meeting of 18 November 2021 (as delegated by the Combined General Meeting of 8 October 2021)	Exercise of the over-allotment option in the context of the Company's IPO	687,784	€6,877.84	€23.53 issue premium per share	197,524.17	19,752,417	€0.01
Combined General Meeting of 30 June 2022	Capital increase through the creation and issuance of ordinary shares following the contribution in kind of Holweb shares to Waga Energy Inc.	655,995	€6,559.95	€35.02 issue premium per share	€204,084.12	20,408,412	€0.01

Transaction date(s)	Nature of transaction	Number of shares issued or cancelled	Nominal amount (€)	Issue or contribution premium (€)	Cumulative nominal amount of share capital (€)	Total number of shares outstanding	Par value (€)
Board of Directors' meeting dated 30 June 2022	Recognition of the BSPCE exercises during the first half of 2022 and the resulting capital increase	67,900	€679.00	€3.1742 issue premium per share	€204,763.12	20,476,312	€0.01
Board of Directors' meeting of 24 January 2023	Recognition of the BSPCE exercises during the second half of 2022 and the resulting capital increase	7,038	€70.38	€3.1742 issue premium per share	€204,833.50	20,483,350	€0.01
Board of Directors' meeting of 29 June 2023	Recognition of the BSPCE exercises during the first half of 2023 and the resulting capital increase	52,000	€52	€3,1742 issue premium per share	€204,885.50	20,488,550	€0.01
Board of Directors' meeting of 1 February 2024	Recognition of the BSPCE exercises during the second half of 2023 and the resulting capital increase	37,000	€370	€3.1742 issue premium per share (for 34,500 shares out of the 37,000) Or €9.99 issue premium per share (for 2,500 shares out of the 37,000)	€205,255.50	20,525,550	€0.01
Board of Directors' meeting of 15 March 2024	Recognition of the BSPCE exercises since 1 January 2024 and the resulting capital increase	38,200	€382	€3.1742 issue premium per share (for 29,600 shares out of the 38,200) Or €9.99 issue premium per share	€205,637.50	20,563,750	€0.01

Transaction date(s)	Nature of transaction	Number of shares issued or cancelled	Nominal amount (€)	Issue or contribution premium (€)	Cumulative nominal amount of share capital (€)	Total number of shares outstanding	Par value (€)
				(for 8,600 shares out of the 38,200)			
Decisions of the Chairman and Chief Executive Officer of 25 March 2024	Recognition of the capital increase	3,939,394	€39,393.94	€13.19 issue premium per share	€245,031.44	24,503,144	€0.01

❖ Changes in the Company's share capital over the past three financial years

	At 31 December 2021		At 31 December 2022		At 31 December 2023		
	Number of shares	% of capital and voting rights	Number of shares	% of capital and voting rights	Number of shares	% of share capital	% of voting rights
Mathieu Lefebvre	1,730,000	8.76%	1,730,000	8.45%	1,730,000	8.43%	10.43%
Nicolas Paget	990,000	5.01%	990,000	4.83%	990,000	4.82%	5.97%
Guénaël Prince	829,900	4.20%	829,900	4.05%	829,900	4.04%	5%
Holweb SAS*	1,857,500	9.40%	2,513,495	12.27%	2,477,495	12.07%	13.06%
Total Corporate Officers	*5,407,400*	*27.37%*	6,063,395	29.60%	*6,027,395*	*29.36%*	*34.46%*
Aliad SA	2,848,729	14.42%	2,848,729	13.91%	2,848,729	13.88%	17.17%
Les Saules SARL	1,831,654	9.27%	1,831,654	8.94%	1,785,654	8.70%	10.62%
E Sale Maris (Starquest management mandate)	369,400	1.87%	369,400	1.80%	369,400	1.80%	2.23%
Tertium	898,129	4.55%	658,129	3.21%	898,129	4.38%	4.69%
FPCI Starquest Puissance 5	1,510,800	7.65%	1,510,800	7.38%	1,510,800	7.36%	9.10%
Noria Invest SRL	935,805	4.74%	540,805	2.64%	540,805	2.63%	1.63%
Vol V Impulsion (Starquest management mandate)	150,698	0.76%	150,698	0.74%	150,698	0.73%	0.91%
Swift Gaz Vert	304,001	1.54%	304,001	1.48%	304,001	1.48%	0.92%

	At 31 December 2021		At 31 December 2022		At 31 December 2023		
	Number of shares	% of capital and voting rights	Number of shares	% of capital and voting rights	Number of shares	% of share capital	% of voting rights
Total financial investors	*8,849,216*	*44.80%*	*8,214,216*	*40.10%*	*8,408,216*	*40.96%*	*47.27%*
Shares held by the Company	*9,411*	*0% voting rights*	*12,601*	*0% voting rights*	*22,568*	*0.11%*	*0%*
Total floating	*5,495,801*	*27.83%*	*6,205,739*	*30.30%*	*6,067,371*	*29.56%*	*18.29%*
TOTAL	19,752,417	100.00%	20,483,350	100.00%	20,525,550	100%	100%

** Mathieu Lefebvre, Guénaël Prince and Nicolas Paget respectively hold 37.18%, 21.26% and 12.76% of Holweb SAS.*

20.1.9 Statement of pledges of Company shares

Holweb, a shareholder of the Company, pledged the 1,148,300 Company shares it holds as collateral for a bank loan of €500,000 granted by BNP Paribas on 2 December 2020.

20.1.10 Control of the Company

At 31 December 2023, no shareholder controlled the Company within the meaning of Article L-233-3 of the French Commercial Code.

20.1.11 Change in share price - risk of price fluctuations

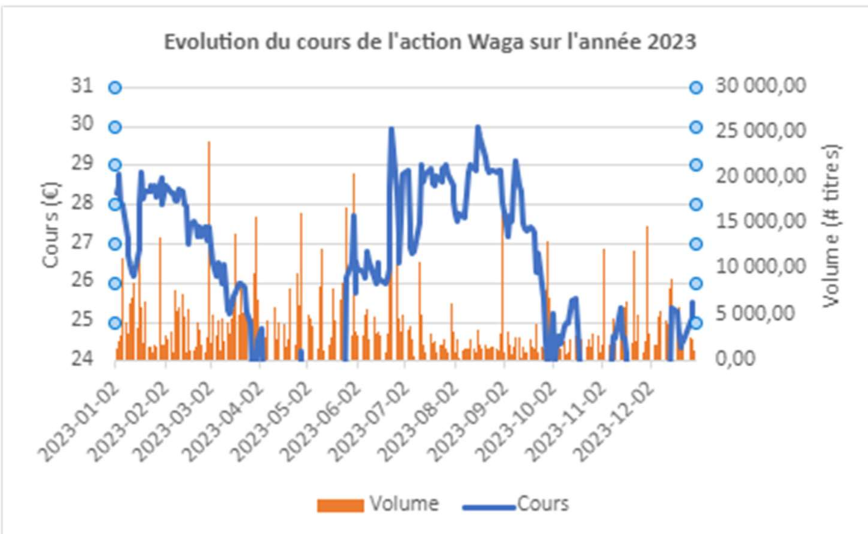
The Company's shares were admitted to trading on the regulated market of Euronext in Paris on 27 October 2021. The share price closed at €25.45 on 29 December 2023, a decrease of 3% compared to its first price on the day of its listing (€26.20). During the 2023 financial year, the share price decreased by 10% compared to 31 December 2022.

The characteristics of the change in the share over the financial year are as follows:

Share price at 30/12/2022	€28.50
+ high	€30.00

+ low	€20.05
Share price at 29/12/2023	€25.45
Total volume traded	1,002,708

The change in the share price during the 2023 financial year is as follows:



20.2 Memorandum and Articles of Association

20.2.1 Corporate purpose

The purpose of the Company is, directly or indirectly, in France and elsewhere:

- The design, construction, study, integration, deployment, operation, sale and maintenance of units with a view to:

  - produce or recover energy gases, including biogas, by developing and operating processes to produce useful energy, in particular in the form of biomethane, liquefied biomethane, methane, liquefied methane, electricity or heat;

  - recover the energy produced, whatever its form, by developing and operating processes to distribute and sell this energy;

  - as well as any services related to the activity described above;

- The creation, acquisition, rental, leasing and management of all business assets, leasing, installation and operation of all establishments, businesses, plants and workshops relating to the activity described above;

- The Company's direct or indirect participation in any financial, real estate or movable property transactions and in any commercial or industrial undertakings liable to promote its expansion or development;

- And generally any financial, commercial, industrial, civil, real estate or movable property transactions that may be directly or indirectly related to the activity described above.

20.2.2 Rights, privileges and restrictions attached to each class of shares

Form of the shares (Article 10 of the Articles of Association)

Fully paid-up shares may be in registered or bearer form, at the discretion of each shareholder, subject, however, to application of the legal provisions relating to the form of shares held by certain natural or legal persons. Shares that are not fully paid up must be in registered form.

The shares are registered in an account under the terms and conditions provided for by the legal and regulatory provisions in force.

Ownership of shares delivered in registered form results from their recording in a registered account. Ownership of bearer shares results from their recording in an account with an authorised financial intermediary.

Voting rights and rights to profits and corporate assets (Article 12 of the Articles of Association)

Each share gives the right to vote and be represented at General Meetings in accordance with legal conditions and those of the Articles of Association.

Each share entitles its holder to a share in the ownership of corporate assets, profits and liquidation surplus in proportion to the number and par value of existing shares.

Whenever it is necessary to own several shares or marketable securities in order to exercise any right whatsoever, shareholders or other holders of marketable securities are personally responsible for the grouping of the necessary number of shares or marketable securities.

The voting rights attached to the shares are proportional to the share of capital they represent and each share gives the right to one vote.

Double voting rights

From the second anniversary of the admission to trading of the Company's shares on the Euronext regulated market in Paris, in accordance with the provisions of Article L. 22-10-46 of the French Commercial Code, a double voting right is attached to all fully paid-up shares that have been registered in the name of the same shareholder for at least two years.

In the event of a capital increase through the incorporation of reserves, profits or issue premiums, this double voting right will benefit, from the time of issue, new registered shares allocated free of charge to a shareholder in respect of old shares for which said shareholder already holds this right.

Any shares converted to bearer shares or whose ownership is transferred lose the double voting rights granted pursuant to Article L. 225-123 of the French Commercial Code. Nevertheless, the transfer as a result of inheritance, liquidation of common property between spouses or *inter vivos* donation to a spouse or relative entitled to inherit does not lose the acquired rights and does not interrupt the period of time referred to above. The same applies in the event of a transfer following a merger or spin-off of a shareholder company.

The merger or spin-off of the Company has no effect on double voting rights, which may be exercised by the beneficiary company(ies), if it already benefits from such rights.

Double voting rights in third-party companies enjoyed by a company prior to its merger or spin-off are maintained, for the benefit of the merging company or the company benefiting from the spin-off or, where appropriate, for the benefit of the new company resulting from the merger or spin-off.

20.2.3 Threshold crossings

As long as the Company's shares are admitted to trading on a regulated market, in addition to the declarations of crossing of thresholds expressly provided for by the legal and regulatory provisions in force, any natural or legal person who comes to own directly or indirectly, alone or in concert, a fraction of the share capital or voting rights (calculated in accordance with the provisions of Articles L. 233-7 and L. 233-9 of the French Commercial Code and the provisions of the General Regulation of the AMF) equal to or greater than 3% of the share capital or voting rights of the Company, or any multiple of this percentage, including beyond the thresholds provided for by legal and regulatory provisions, must notify the Company of the total number of (i) shares and voting rights held, directly or indirectly, alone or in concert, (ii) securities giving future access to the Company's share capital held, directly or indirectly, alone or in concert and voting rights that may be attached thereto, and (iii) equivalent shares pursuant to Article L. 233-9, I, 1° and 4° to 8° of the French Commercial Code. This notification must be given, by registered letter with acknowledgment of receipt (or by any other equivalent means for persons residing outside France), within four trading days from the crossing of the relevant threshold.

The obligation to inform the Company also applies, within the same time limits and under the same conditions, when the shareholder's capital or voting rights holding fall below one of the aforementioned thresholds.

In the event of non-compliance with the above obligation to declare the crossing of thresholds and at the request, recorded in the minutes of the General Meeting, of one or more shareholders representing at least 5% of the share capital or voting rights, shares exceeding the fraction that should have been declared are deprived of voting rights until the expiry of a period of two years following the date of regularisation of the notification.

The Company reserves the right to inform the public and shareholders of either the information notified to it or the failure to comply with the aforementioned obligation by the person concerned.

20.2.4 Statutory provisions relating to administrative and management bodies

The description below summarises the main provisions of the Articles of Association relating to the Board of Directors, in particular its mode of operation and its powers, as they will apply at the date of this Universal Registration Document.

Board of Directors

Composition

The Company is administered by a Board of Directors composed of individuals or legal entities, the number of which is set by the Ordinary General Meeting within the limits of the law and whose composition complies with legal requirements. The maximum number of members of the Board of Directors is set at fourteen (14) members.

Directors are appointed or reappointed by the Shareholders' Ordinary General Meeting. Directors are always eligible for re-election; they may be dismissed at any time by decision of the Shareholders' General Meeting.

The term of office of Directors is three (3) years. The term of office of a Director ends at the end of the Shareholders' Ordinary General Meeting called to approve the financial statements for the previous financial year and held in the year in which the term of office of said Director expires.

By way of exception and in order to allow exclusively for the implementation or maintenance of the staggered terms of office of directors, the Ordinary General Meeting may appoint one or more directors for a term of one (1) year or two (2) years. In the event of a vacancy caused by death or resignation of one or more directors, the Board of Directors may, between two General Meetings, make provisional appointments.

Chairman of the Board of Directors

The Board of Directors elects a Chairman from among its members, who must be a natural person. It determines his or her term of office, which may not exceed that of his or her term of office as Director, and may be revoked at any time. The Board sets any compensation.

The Chairman of the Board of Directors organises and directs the work of the Board, on which he or she reports to the General Meeting. He or she ensures the proper functioning of the Company's bodies and, in particular, that the Directors are able to fulfil their duties.

The Chairman of the Board may not be over the age of 70. If the Chairman reaches this age limit during his or her term as Chairman, he or she will be automatically deemed to have resigned. However, his or her term of office will continue until the next meeting of the Board of Directors at which a successor will be appointed. Subject to this provision, the Chairman of the Board is always eligible for re-election.

Powers

The Board of Directors determines the Company's business direction and oversees its implementation. Subject to the powers expressly granted to Shareholders' Meetings and within the limits of the corporate purpose, it deals with all matters relating to the smooth running of the Company and settles matters concerning it through its decisions.

In its relations with third parties, the Company is committed even by the acts of the Board of Directors that do not relate to the corporate purpose, unless it can prove that the third party knew that the act was outside this purpose or that it could not have been unaware of this, given the circumstances, it being specified that publication of the Articles of Association alone would be insufficient to constitute this proof.

The Board of Directors carries out the controls and verifications it deems appropriate.

In addition, the Board of Directors exercises the special powers conferred on it by law.

Each Director receives all the information necessary for the performance of his or her duties and may request any documents he or she deems useful.

Committees

The Board of Directors may decide to set up committees tasked with studying issues that it or its Chairman submits to them for review. The Board of Directors sets the composition and powers of the committees, which carry out their activities under its responsibility. It sets the compensation of committee members.

General Management

The General Management of the Company is assumed, under his or her responsibility, either by the Chairman of the Board of Directors or by another natural person appointed by the Board of Directors and bearing the title of Chief Executive Officer. When the Company's General Management is assumed by the Chairman of the Board of Directors, the provisions applicable to the Chief Executive Officer are applicable to him or her.

The Chief Executive Officer represents the Company vis-à-vis third parties. He or she is vested with the broadest powers to act in all circumstances on behalf of the Company. He or she exercises such powers within the limits of the corporate purpose and subject to the powers expressly granted by law to the Shareholders' General Meetings and the Board of Directors. In its relations with third parties, the Company is committed even by the acts of the Chief Executive Officer that do not relate to the corporate purpose, unless it can prove that the third party knew that the act was outside these limits or that it could not have been unaware of this, given the circumstances, it being specified that publication of the Articles of Association alone would be insufficient to constitute this proof.

The Chief Executive Officer cannot be over the age of 70. If the Chief Executive Officer reaches this age limit, he or she will be automatically deemed to have resigned. However, his or her term of office will continue until the next meeting of the Board of Directors, at which the new Chief Executive Officer will be appointed.

When the Chief Executive Officer is a Director, his or her term of office may not exceed that of his or her term as a Director.

By simple decision taken by a majority vote of the Directors present or represented, the Board of Directors chooses between the two methods of exercising general management referred to in the first paragraph of this section.

Shareholders and third parties are informed of this choice in accordance with legal and regulatory conditions.

The choice of the Board of Directors made in this way shall remain in effect until the Board decides otherwise or, at the discretion of the Board, for the duration of the Chief Executive Officer's term of office.

When the Company's General Management is assumed by the Chairman of the Board of Directors, the provisions applicable to the Chief Executive Officer are applicable to him or her.

In accordance with the provisions of Article 706-43 of the French Code of Criminal Procedure, the Chief Executive Officer may validly delegate the power to represent the Company to any person of his or her choice in the context of any criminal proceedings that may be brought against it.

Deputy Chief Executive Officer

On the proposal of the Chief Executive Officer, the Board of Directors may appoint one or more natural persons to assist the Chief Executive Officer, in the capacity of Deputy Chief Executive Officer.

In agreement with the Chief Executive Officer, the Board of Directors determines the scope and duration of the powers granted to Deputy Chief Executive Officers. The Board of Directors sets their compensation. When a Deputy Chief Executive Officer is a Director, his or her term of office may not exceed that of his or her term as a Director.

With regard to third parties, the Deputy Chief Executive Officers have the same powers as the Chief Executive Officer; the Deputy Chief Executive Officers have the power to engage in legal proceedings.

The number of Deputy Chief Executive Officers may not exceed five.

The Deputy Chief Executive Officer(s) may be removed from office at any time by the Board of Directors, on the recommendation of the Chief Executive Officer. If such removal is decided without just cause, it may give rise to damages.

A Deputy Chief Executive Officer may not be over the age of 70. If a Deputy Chief Executive Officer in office reaches this age limit, he or she will be deemed to have automatically resigned. However, his or her term of office will continue until the next meeting of the Board of Directors, at which a new Deputy Chief Executive Officer may be appointed.

When the Chief Executive Officer ceases or is prevented from performing his or her duties, the Deputy Chief Executive Officer(s) shall retain their duties and powers, unless the Board of Directors decides otherwise, until the appointment of the new Chief Executive Officer.

20.2.5 General Meetings

Convening and holding of General Meetings

General Meetings are called and held under the conditions and forms provided for by the law and regulations in force.

When the Company wishes to use an electronic notice instead of sending notice by post, it must first obtain the agreement of the shareholders concerned, who will indicate their email address.

Meetings are held at the registered office or at any other location specified in the notice of meeting.

The right to participate in General Meetings is governed by the legal and regulatory provisions in force (*i.e.* on the date of the Articles of Association, the right to participate in General Meetings is subject to registration of shares in the name of the shareholder or of the intermediary registered on his or her behalf on the second business day preceding the meeting at midnight, Paris time, either in the registered share accounts held by the Company or in the bearer share accounts kept by the authorised intermediary).

A shareholder who chooses not to attend the meeting in person, may select one of the following three options each time under the conditions provided for by law and regulations:
- give a proxy under the conditions authorised by law and regulations,
- vote by post, or
- send a proxy to the Company without specifying a proxyholder.

The Board of Directors may organise, under the conditions provided for by the law and regulations in force, the participation and vote of shareholders in General Meetings by videoconference or by means of telecommunication allowing their identification. If the Board of Directors decides to exercise this option for a given General Meeting, this decision shall be mentioned in the notice of meeting and/or calling of the meeting. Shareholders participating in meetings by videoconference or by any of the other means of telecommunication referred to above, depending on the choice of the Board of Directors, are deemed present for the calculation of quorum and majority.

Holding of the General Meeting - Officers - Minutes

General Meetings are chaired by the Chairman of the Board of Directors or, in his or her absence, by the Chief Executive Officer, by a Deputy Chief Executive Officer if he or she is a Director, or by a Director specially appointed for this purpose by the Board. If convened by a Statutory Auditor or by a legal representative, the General Meeting is chaired by the person who has called the Meeting. Failing that, the General Meeting itself elects its Chairman.

The duties of scrutineers are performed by the two members of the General Meeting present and accepting these duties, who hold the largest number of votes. The committee appoints the secretary, who may be chosen from outside the shareholders.

An attendance sheet is kept at each General Meeting in accordance with the law.

General Meetings are held and have the powers defined by the law and regulations in force.

Copies or extracts of the minutes of the Meeting are validly certified by the Chairman of the Board of Directors, by a Director exercising the duties of Chief Executive Officer or by the secretary of the Meeting.

Ordinary and Extraordinary General Meetings exercise their respective powers in accordance with the conditions provided for by law.

20.2.6 Provision having the effect of delaying, deferring or preventing a change of control

The Company's Articles of Association do not contain any provisions delaying, deferring or preventing a change of control.

21. MATERIAL CONTRACTS

Shareholders' agreement concerning Sofiwaga Infra

Meridiam RCF and the Company have joined forces to develop, install, manage and carry out the maintenance of WAGABOX®, purification units for biogas from non-hazardous waste storage facilities (NHWSF), developed by the Company according to the biogas purification or purchase service model (a "WAGABOX® Project"). They created Sofiwaga Infra, a project company, through which WAGABOX® Projects are selected and financed, and which will be developed, built, managed and maintained by Sofiwaga Infra.

In this respect, Meridiam RCF and the Company entered into an agreement with the shareholders of Sofiwaga Infra dated 7 June 2018 in order to organise their relations within Sofiwaga Infra, as well as the conditions that they intend to respect at the time of the disposal of their stake in Sofiwaga Infra. The ownership of Sofiwaga Infra's share capital is divided as 51% of the share capital and voting rights for Meridiam RCF and 49% of the capital and voting rights for the Company. Neither party may, without the prior written consent of the other, transfer Sofiwaga Infra securities for a period of five (5) years from the date of signature of the agreement.

The two parties appoint the administrative and management bodies of Sofiwaga Infra (Chairman, Chief Executive Officers, members of the Strategy Committee) and vote in favour of the resolutions.

Under this agreement, Meridiam RCF and the Company have agreed as an initial objective that Sofiwaga Infra will invest at least € ten (10) million in the WAGABOX® Projects approved by the Strategy Committee over the course of twelve (12) months from the signing of the agreement. At the end of the first investment phase, Meridiam RCF will provides a funding budget of around € thirty (30) million over the next five (5) years, without this objective constituting any commitment whatsoever by the parties to finance these investments. In return, the Company undertakes to propose eligible WAGABOX® Projects, to develop, design and build WAGABOX® units and to ensure their operation and maintenance. Each eligible WAGABOX® Project is (i) financed by cash contributions from the associates and current account advances from Meridiam RCF and (ii) carried by Sofiwaga Infra. The Company is not required to offer all eligible WAGABOX® Projects to Sofiwaga Infra.

The two parties have agreed that no distribution of dividends (or other equity items) may be decided as long as Sofiwaga Infra is a debtor in respect of the associate current accounts granted to it. They also agreed that no distribution of dividends or other equity items or repayments of current accounts may be made to associates if this event causes Sofiwaga Infra's available cash to fall below a re-assessable threshold.

At the date of the Universal Registration Document, Sofiwaga Infra carries three (3) WAGABOX® units, which are all in operation.

Patent license and know-how communication agreement signed with Air Liquide

The Company and its subsidiaries entered into a license agreement with Air Liquide, effective 11 June 2015 for a period of six years, and extended by a first amendment dated 15 October 2019 for a period of seven years (*i.e.* for a period expiring 11 June 2022, tacitly renewable for periods of one year unless terminated by one of the parties no later than six months before the renewal date). The purpose of this agreement is the communication of Air Liquide's know-how and the granting of a non-exclusive patent license for the benefit of the Company, for the purposes of its use in the field of recovery of biogas produced from waste storage and any other energy gas. The relevant Air Liquide patent, protecting a membrane separation coupled with an absorption modulated in pressure and volatile organic compounds (and registered in the United States only), can be implemented as part of the process and WAGABOX® protected by the Company's patents. The patents concerned are presented in Chapter 5 "*Overview of activities*" of the Universal Registration Document.

This agreement initially enabled the Company to benefit from all the developments on the technology initiated by Air Liquide before 2015, and was part of a more general agreement between Air Liquide and the Company including the acquisition of a stake by Air Liquide in the Company's share capital *via* a contribution of funds on the one hand, and an industrial contribution in the form of this license agreement.

In return for the rights granted by Air Liquide, the Company paid €200,000 at the signing of the contract, €50,000 at the time of the grant of all the patents covered by the license agreement and resulting from the first filing applications, then €50,000 annually until the end of the contract.

The Company has filed its own patents to promote the new technological developments that led to the creation of the WAGABOX® unit on the one hand, and to not depend on the intellectual property filed by Air Liquide before 2015 on the other hand. As Air Liquide's US patent expires in June 2024, it was decided in agreement with Air Liquide to terminate the patent license and know-how communication agreement from June 2024.

The significant contracts entered into by Group companies outside the normal course of business over the past two years are also presented in Chapter 8 "*Cash and equity*" and Chapter 18 "*Transactions with related parties*" of the Universal Registration Document.

22. DOCUMENTS AVAILABLE

The Articles of Association, minutes of General Meetings and other corporate documents of the Company, as well as historical financial information and any assessment or statement prepared by an expert at the Group's request, which must be made available to shareholders, in accordance with applicable legislation, may be consulted, free of charge, at the Company's registered office.

Regulated information within the meaning of the provisions of the AMF General Regulation will also be available on the Group's website (www.waga-energy.com).

23. GLOSSARY

Pressure Swing Adsorption	Pressure Swing Adsorption (PSA) is a process for the separation of gas mixtures in which the adsorption of a gas by a solid at a given pressure takes place alternately with its desorption at a lower pressure.
Boilermaking	Industrial activity consisting of manufacturing equipment from sheet metals, tubes and sectional parts (tanks, containers, furniture, etc.).
Cogeneration (Combined Heat Power Engines)	Simultaneous production of electricity and heat in the same plant.
Volatile Organic Compounds (VOCs)	Substances of natural or man-made origin that are characterised by very high volatility and a capacity to spread in the environment (*e.g.* butane, toluene, ethanol, acetone, benzene, etc.)
Biomethane Purchase Agreement (BPA)	Agreement under which a biomethane producer sells all or part of its production to a buyer (or biomethane purchaser) for a set price.
Long-term Power Purchase Agreement (PPA)	Agreement under which an electricity producer sells all or part of its production to a buyer (or electricity purchaser) for a set price.
EPCC contract	*Acronym for Engineering, Procurement, Construction and Commissioning*. *I.e.* engineering, procurement or purchase, construction and installation contracts.
O&M contract	O&M: acronym for Operation and Maintenance. Industrial equipment operation and maintenance contract.
Catalytic deoxidiser	Equipment for carrying out a combustion reaction to destroy a compound (in this case oxygen), favoured through the use of a catalyst to reduce the temperature at which the reaction occurs.
Digester	Reactor in the form of a large gas-tight and thermally insulated tank where the fermentation of waste with a high organic matter content takes place.
Cryogenic distillation	Low-temperature liquefaction process for gas separation. The gas is compressed and then rapidly decompressed, which cools and liquefies it. By gradually heating this gas, which has become liquid, and by using the different boiling temperatures, its various components are separated.
Primary energy	Primary energy is all non-processed energy products, directly exploited or imported. These mainly include crude oil, oil shale, natural gas, solid mineral fuels, biomass, solar radiation, hydropower, wind energy, geothermal energy and energy from uranium fission.
Carbon dioxide equivalent (CO_2 eq.)	Metric measure used to compare the emissions of various greenhouse gases on the basis of their global warming potential (GWP), by converting the

	amounts of the various gases emitted into the equivalent amount of carbon dioxide with the same global warming potential.
Membrane filtration	Physical separation process taking place in liquid or gas phase. The aim is to purify, split or concentrate dissolved or gaseous species through a membrane.
Guarantees of Origin ("GO")	Mechanism for verifying the traceability of biomethane injected into the gas network. Each megawatt hour gives rise to the issuance of an official electronic document certifying the date, place and origin of production, the identity of the buyer and that of its end user. In France, the GO register is managed by the network operator GRDF. This system enables individual and corporate consumers to ensure that the energy they consume is renewable.
GCal	Giga calories. Unit of measurement for energy.
Non-Hazardous Waste Storage Facility (NHWSF)	A facility classified for environmental protection that eliminates non-hazardous waste by burying it in the ground.
Kilowatt (kW)	Standard unit measuring energy power, equivalent to 1,000 watts. MW = 1 million watts / 1 GW = 1 billion watts.
Energy mix	Or energy package. Distribution of the different energy sources used for energy needs in a given geographical area.
Normal meters cubed (nm^3)	Unit of measurement of a quantity of gas corresponding to the content of a volume of one cubic meter, for a gas under normal temperature and pressure conditions (0°C, 15°C or 20°C depending on the standards, and 1 atm).
Nm^3/h	Quantity of gas produced in one hour, measured in normal cubic meters.
Offtaker	Energy supplier of natural gas acquiring the biomethane produced by the Company.
Landfill operators	Private company or public institution responsible for the administration and management of landfills.
Oxidiser	Equipment for carrying out an oxidation reaction.
Catalytic oxidation	Chemical oxidation reaction promoted by the use of a catalyst. A process sometimes used to destroy oxygen in landfill gas. The gas is heated to around 400°C so that the oxygen reacts with the methane and is transformed into CO_2, H2O and other products of the reaction.
Thermal oxidation	Process consisting of heating a pollutant to a high temperature in a combustion chamber to oxidise it and make it harmless. It is used on WAGABOX units to treat volatile organic compounds (VOCs) and odorous gases.

Grid parity	Grid parity is the situation in which the price of renewable energy falls below that of the retail market. This term is used when it comes to renewable energy sources, including solar and wind power. The achievement of grid parity by an energy source is considered to be the moment when that source becomes competitive for widespread development without subsidies or government support. In general, achievement of grid parity is dependent on the characteristics of the facilities (size, geographical location, proximity to the grid, consumption profile, market price).
LCV	The LCV (lower calorific value) is a property of a fuel. It corresponds to the amount of heat released by a fuel, without including the water vapour condensing in the fumes, unlike the HCV (higher calorific value).
Membrane permeation	Process for separating gases by difference in permeability of the latter through a membrane.
Grid	All energy infrastructure facilities for the transmission of energy from production units to consumers.
EU ETS	European Union Emissions Trading System.
Skid	Mobile structure consisting of a metal frame on which equipment is integrated, and which can thus be transported to the site and connected to other equipment. Also referred to as “modules”.
European Union Emission Trading System (EU ETS)	Carbon dioxide emission rights system implemented within the European Union as part of the EU ratification of the Kyoto Protocol (2005). It sets up a limit on the gases to be emitted and a carbon market, allowing each company to buy or sell emission allowances.
Regulated purchase price (Feed-in tariff) (or mandatory purchase price)	Legal and regulatory mechanism under which the purchase price of the energy produced by a production unit is imposed on a buyer under long-term contracts.
Internal rate of return of a project	Discount rate of the cash flows of a project ensuring a zero net present value.
Natural gas flaring	The action of burning fossil gas emissions at various stages of oil and natural gas production using flares. By extension, we also talk about a flare to describe an installation for the destruction of polluted combustible gases or manufacturing failures in certain plants using this form of thermal decomposition to destroy, for example, certain odorous gases, or for landfill gases.

APPENDICES

Cross-reference table for the management report required by Articles L. 225-100 *et seq.* of the French Commercial Code

In order to facilitate the reading of this Universal Registration Document, the cross-reference table below makes it possible to identify the elements of information relating to the annual management report of the Board of Directors to be presented to the General Meeting of Shareholders approving the financial statements for each financial year, in accordance with Articles L. 225-100 *et seq.* of the French Commercial Code.

No.	Required elements	Chapter / Sections of the Universal Registration Document
1.	Situation and activity of the Group	
	1.1 Situation of the Company during the past financial year and an objective and exhaustive analysis of the development of the business, the results and the financial position of the Company and the Group, in particular its debt position, in relation to the volume and complexity of the business	Chapters 5, 7 and 8
	1.2 Key financial performance indicators	Chapters 7 and 8
	1.3 Key performance indicators of a non-financial nature relating to the specific activity of the Company and the Group, including in particular information on personnel and environment issues	Chapter 12
	1.4 Significant events that occurred between the end of the financial year and the date on which the Management Report is prepared	Chapter 19/Section 19.1/Note 4 to the consolidated financial statements and Section 19.7
	1.5 Identity of the main shareholders and holders of voting rights at General Meetings, and changes made during the financial year	Chapter 17/Section 17.1
	1.6 Existing branches	Chapter 6
	1.7 Significant shareholdings in companies with their registered office in France	Chapter 6
	1.8 Disposal of cross-shareholdings	N/A
	1.9 Foreseeable changes in the Company's and the Group's situation and future prospects	Chapters 10 and 11

No.	Required elements	Chapter / Sections of the Universal Registration Document
	1.10 Activities in the field of research and development	Chapter 7 / Section 7.1.8
	1.11 Table showing the Company's results for each of the last five financial years	Chapter 19 / Section 19.4
	1.12 Information on supplier and customer payment terms	Chapter 19 / Section 19.4
	1.13 Amount of inter-company loans granted and Statutory Auditor's statement	N/A
2.	Internal control and risk management	
	2.1 Description of the main risks and uncertainties facing the Company	Chapter 3 / Sections 3.1 to 3.5
	2.2 Information on the financial risks related to the effects of climate change and presentation of the measures taken by the Company to reduce them by implementing a low-carbon strategy in all components of its business	Chapter 3 / Section 3.5
	2.3 Main characteristics of the internal control and risk management procedures implemented by the Company and the Group for the preparation and processing of accounting and financial information	Chapter 3 / Sections 3.1 to 3.5
	2.4 Information on the objectives and policy for hedging each major category of transactions and exposure to price, credit, liquidity and cash flow risks, including the use of financial instruments	Chapter 3/Sections 3.3 Chapter 19/Section 19.1/Note 9 to the consolidated financial statements
	2.5 Anti-bribery system	Chapter 3 / Section 3.5 Chapter 12 / Section 12.4 Chapter 15 / Section 15.5
	2.6 Vigilance plan and report on its effective implementation	N/A
3.	Corporate governance report	
	a. Compensation information	
	3.1 Compensation policy for corporate officers	Chapter 14 / Section 14.1
	3.2 Compensation and benefits of any kind paid during the financial year or allocated in respect of the financial year to each corporate officer	Chapter 14 / Section 14.1.2
	3.3 Relative proportion of fixed and variable compensation	Chapter 14 / Section 14.1

No.	Required elements	Chapter / Sections of the Universal Registration Document
	3.4 Use of the option to request the return of variable compensation	N/A
	3.5 Commitments of any kind made by the Company for the benefit of its corporate officers, corresponding to elements of compensation, indemnities or benefits due or likely to be due as a result of the assumption, termination or change in their functions or subsequent to the exercise thereof	Chapter 14 / Section 14.1.2 Chapter 19 / Section 19.1 / Note 8.13 to the consolidated financial statements
	3.6 Compensation paid or allocated by a company included in the scope of consolidation within the meaning of Article L. 2333-16 of the French Commercial Code	N/A
	3.7 Ratios between the level of compensation of each Executive Corporate Officer and the average and median compensation of the Company's employees	Chapter 14 / Section 14.1
	3.8 Annual change in compensation, the Company's performance, the average compensation of the Company's employees and the aforementioned ratios over the five most recent financial years	Chapter 14 / Section 14.1
	3.9 Explanation of how the total compensation complies with the adopted compensation policy, including how it contributes to the long-term performance of the Company and how the performance criteria were applied	Chapter 14 / Section 14.1
	3.10 Method of taking into account the vote of the last Ordinary General Meeting provided for in I of Article L. 22-10-34 of the French Commercial Code	N/A
	3.11 Deviation from the procedure for implementing the compensation policy and any exceptions	N/A
	3.12 Application of the provisions of the second paragraph of Article L. 225-45 of the French Commercial Code (suspension of payment of directors' compensation in the event of non-compliance with the gender balance of the Board of Directors)	N/A
	3.13 Allocation and retention of options by corporate officers	Chapter 14 / Section 14.1 Chapter 19 / Section 19.1
	3.14 Allocation and retention of free shares to Executive Corporate Officers	N/A
	b. Governance information	

No.	Required elements	Chapter / Sections of the Universal Registration Document
	3.15 List of all offices and positions held in any company by each of the corporate officers during the financial year	Chapter 13 / Section 13.1
	3.16 Agreements entered into between an executive or a significant shareholder and a subsidiary	Chapter 18 / Section 18.1
	3.17 Summary table of current delegations granted by the General Meeting to increase share capital	Chapter 20 / Section 20.1.6
	3.18 General management procedures	Chapter 13 / Section 13.1 Chapter 20 / Section 20.2.4
	3.19 Composition, conditions of preparation and organisation of the work of the Board of Directors	Chapter 15 / Section 15.3 Chapter 20 / Section 20.2.4
	3.20 Application of the principle of balanced representation of women and men on the Board of Directors	Chapter 13 / Section 13.1
	3.21 Any limitations that the Board of Directors places on the powers of the Chief Executive Officer	N/A
	3.22 Reference to a corporate governance code and application of the principle "Comply or explain"	Chapter 15/Subsection 15.4
	3.23 Specific procedures for shareholder participation in the General Meeting	Chapter 20 / Subsection 20.2.5
	3.24 Procedure for assessing current agreements - Implementation	Chapter 18 / Section 18.1.2
	3.25 Information likely to have an impact in the event of a takeover or exchange offer: 1. Company's capital structure;	 1. Chapter 17 / Section 17.1
	2. statutory restrictions on the exercise of voting rights and share transfers, or clauses of agreements brought to the attention of the Company pursuant to Article L. 233-11 of the French Commercial Code;	2. N/A

No.	Required elements	Chapter / Sections of the Universal Registration Document
	3. direct or indirect shareholdings in the Company's share capital of which it is aware pursuant to Articles L. 233-7 and L. 233-12 of the French Commercial Code;	3. Chapter 20 / Subsection 20.2.3 Chapter 17/Sections 17.1 and 17.5
	4. list of holders of any securities with special control rights and a description thereof;	4. N/A
	5. control mechanisms provided for in any employee shareholding system, when the control rights are not exercised by the latter;	5. N/A
	6. agreements between shareholders of which the Company is aware and which may result in restrictions on the transfer of shares and the exercise of voting rights;	6. N/A
	7. rules applicable to the appointment and replacement of members of the Board of Directors and to the amendment of the Company's Articles of Association;	7. Chapter 20 / Subsection 20.2.4
	8. powers of the Board of Directors, in particular with regard to the issue or buyback of shares;	8. Chapter 20 / Subsections 20.1.4 and 20.1.6
	9. agreements entered into by the Company which are amended or terminated in the event of a change of control of the Company, unless such disclosure, other than in the event of a legal disclosure obligation, would seriously harm its interests;	9. Chapter 8 / Section 8.4
	10. agreements providing for compensation for members of the Board of Directors or employees if they resign or are dismissed without real and serious cause or if their employment ends as a result of a takeover or exchange offer.	10. N/A
4.	Shareholding and capital	
	4.1 Structure, changes in the Company's share capital and threshold crossings	Chapter 17/Section 17.1 Chapter 20 / Subsection 20.1.8 Chapter 20 / Subsection 20.2.3
	4.2 Acquisition and sale by the Company of its own shares	Chapter 20/Subsections 20.1.4 and 20.1.6
	4.3 Statement of employee shareholding as of the last day of the financial year (proportion of share capital represented)	Chapter 16 / Section 16.3

No.	Required elements	Chapter / Sections of the Universal Registration Document
	4.4 Statement of any adjustments for securities giving access to the share capital in the event of share buybacks or financial transactions	N/A
	4.5 Information on transactions by executives and related persons on the Company's shares	Chapter 20 / Section 20.1.2
	4.6 Amounts of dividends paid in respect of the three previous financial years	Chapter 19 / Section 19.5
5.	Non-Financial Performance Statement (NFPS)	Chapter 12
6.	Other information	
	6.1 Additional tax information (Articles 223 *quater* and 223 *quinquies* of the French General Tax Code)	Chapter 19 / Subsection 19.4
	6.2 Injunctions or financial penalties for anti-competitive practices (Article L. 464-2 of the French Commercial Code)	N/A

Cross-reference table for the annual financial report required by Articles L. 451-1-2 of the French Monetary and Financial Code and Article 222-3 of the General Regulation of the AMF

This Universal Registration Document also constitutes the Company's annual financial report. In order to facilitate the reading of this Universal Registration Document, the following cross-reference table identifies, in this Universal Registration Document, the information that constitutes the annual financial report to be published by listed companies in accordance with Articles L. 451-1-2 of the French Monetary and Financial Code and 222-3 of the AMF General Regulation.

No.	Required elements	Chapter / Sections of the Universal Registration Document
1.	Annual financial statements	Chapter 19 / Subsection 19.1.2
2.	Consolidated financial statements	Chapter 19 / Subsection 19.1.1
3.	Management report	See cross-reference table above
4.	Statement by the persons responsible for the annual financial report	Chapter 1 / Section 1.2
5.	Statutory Auditors' report on the company and consolidated financial statements	Chapter 19 / Subsections 19.3.1 and 19.3.2

Cross-reference table with the non-financial performance statement provided for in Article L. 225-102-1 of the French Commercial Code

Required elements	Chapter of the Universal Registration Document
Business model	Chapter 12 / Section12.1.2
Analysis of the main financial risks	Chapter 12 / Section12.1.3
Social consequences	Chapter 12 / Section12.3
Environmental consequences	Chapter 12 / Section12.2
Respect for human rights	Chapter 12 / Section12.4.1
Fight against corruption and tax evasion	Chapter 12 / Section12.4.1
Consequences on climate change of the Company's activity and the use of the goods and services it produces	Chapter 12 / Section12.2.3
Societal commitments in favour of sustainable development	Chapter 12 / Section12.2.3
Societal commitments in favour of the circular economy	Chapter 12 / Section12.2.3
Societal commitments to combat food waste	N/A
Collective agreements concluded within the Company and their impact on the Company's economic performance as well as the working conditions of employees	Chapter 12 / Section12.3.1
Actions to combat discrimination and promote diversity and measures taken in favour of people with disabilities	Chapter 12 / Section12.3.1

OTHER MANDATORY INFORMATION (AGRICULTURE AND FOOD ACT)	Chapter of the Universal Registration Document
Fight against food insecurity, respect for animal welfare, responsible, fair and sustainable food	N/A