

EDITORIAL

Dear shareholders,

FDE continues to implement its low-carbon, multi-energy strategy.

The latest acquisition of Greenstat in Norway strengthens our presence in this particularly attractive market for the production of green energy, enabling the Group to take its first steps in the production of low-emission hydrogen.

The acquisition of Greenstat was concluded on very good terms for FDE: the Group is paying just €675,000 per MW already in production at the 45 MW photovoltaic plant, 49% of which is owned by Greenstat. This cost per MW is significantly lower than the usual valuation for solar transactions in Europe, which is typically between €1m and €1.5m per MW installed.

Greenstat also has a portfolio of assets in production (including a stake in the 1 MW green hydrogen plant at Stord) and under development (more than 200 MW, mainly in solar and H2).

From a financial perspective, Greenstat is a debt-free company, benefiting from strong support from the Norwegian government, in particular with substantial subsidies (€30m) that Greenstat is deploying on two hydrogen production projects for maritime mobility. The aim is for the company to be profitable by 2025.

At an operational level, the restructuring is being finalized with the cost structure rationalization, the organization set up focused on the execution of solar and hydrogen projects in the portfolio and a Norwegian banking pool to support these developments.

Numerous financial and operational synergies with FDE's existing activities have been identified and should enable our local subsidiary to become a recognized independent player in the green energy sector in Norway, able to finance its growth domestically.

With this acquisition, FDE now benefits from low-carbon energy production including the key energy sources needed to achieve carbon neutrality:

- Electricity with solar power and cogeneration using mine gas as a by-product
- Gas from abandoned mine methane and Liquefied BioGas
- Hydrogen in the three key forms that are relevant to different markets:
 - Hydrogen
 - Hydrogen from gas combined with CO₂ capture and storage or utilization
 - Hydrogen produced from low-carbon electricity
- Heat from abandoned mine methane cogeneration and solar thermal energy
- Bio-CO₂ necessary for the e-fuels production

In a complex economic, geopolitical and financial environment, I am very confident in the strategy developed by FDE and in its ability to take advantage of its new opportunities.

I would like to thank you for the confidence you have shown in FDE.

Have an excellent read.



Julien Moulin
FDE President



H1 2024 RESULTS

Profitability of operations confirmed, with an EBITDA margin of 62% despite a sharp fall in energy prices

FDE posted H1 2024 sales of €17.4m (H1 2023: €21.3m), with a further improvement in electricity volumes sold over the half-year (+13%), against a backdrop of volatile energy prices.

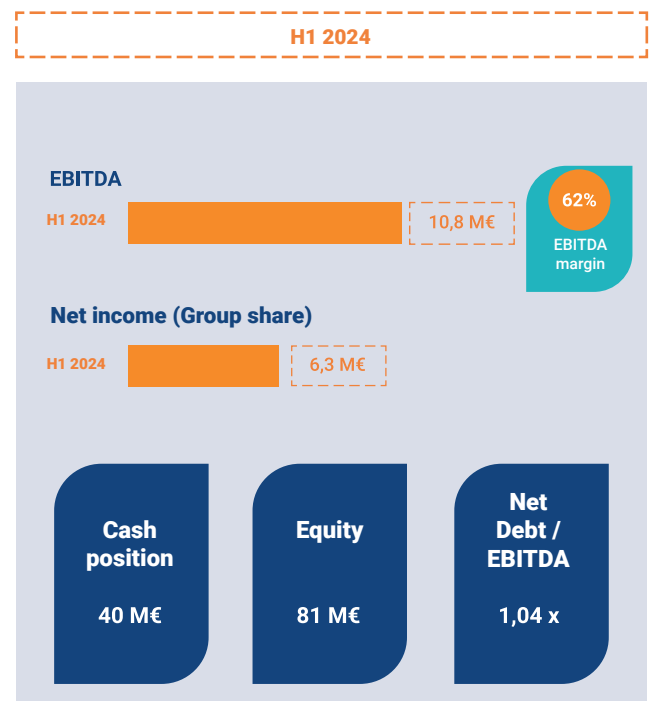
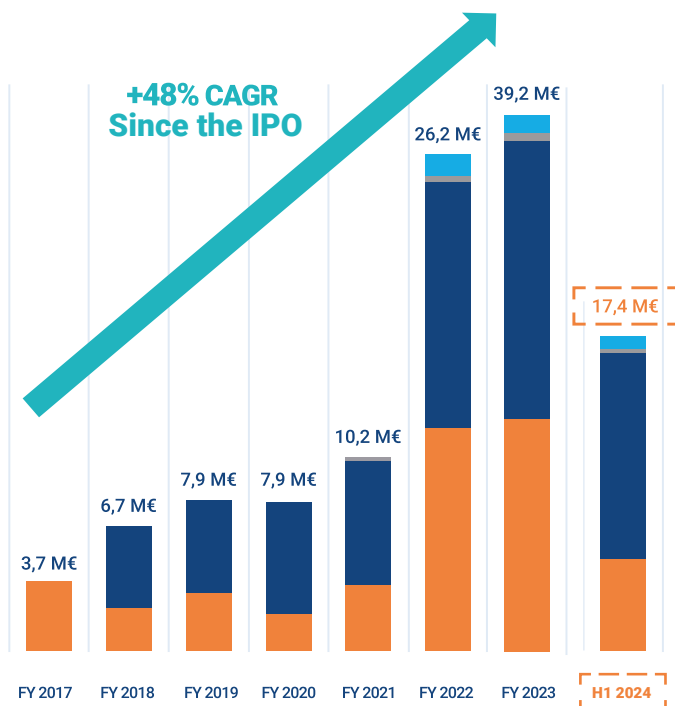
Sales of electricity generation rose slightly in the first half of 2024, to €13.1m, thanks in particular to the good performance of the cogeneration park in Hauts-de-France and Wallonia, and the increase in solar photovoltaic capacity associated with the commissioning of the 15 MW plant in Tritteling.

Over the first 6 months of FY 2024, the gas production business reported a drop in sales from €7.6m to €3.7m, mainly due to the long unavailability of the GRTgaz transmission system over the half-year until September 2023. As a reminder, the Group has two ongoing proceedings with GRTgaz for compensation for the damage suffered and loss of revenue, for an amount, not yet recognized in the accounts, of c. €8m as of 30 October 2023, the date of the latest independent estimate.

Over the first half year, EBITDA remained healthy at

€10.8m, above the Group's margin targets for the end of 2026.

In terms of cash, the Group's net cash position as at 31 December 2023 was €40.1m, an improvement of €13.5m compared with 31 December 2022, with conservative net debt of €22.7m and a **Net Debt/EBITDA ratio of 1.04 x**, enabling FDE to finance its growth strategy at a competitive cost of capital, while limiting the use of its equity.





Acquisition of Greenstat

Following the agreement signed on 16 January 2024 and further satisfactory operational and

financial due diligence, FDE has taken control of Greenstat ASA, a Norwegian green energy developer specialized in green hydrogen and solar energy.

The transaction is worth around €15.5m, consisting mainly of a capital increase of €13m to finance the projects pipeline and giving FDE a controlling interest in Greenstat of **56.35% of its share capital and voting rights.**

FDE has the option of investing for a further €30m in two tranches based on the same valuation.

FDE is now co-owner of the Stord Hydrogen pilot site, one of the first green hydrogen production plants in Norway, in operation since 2023.



Stord Hydrogen H2 site - March 2024

Greenstat has also made a commitment to ENOVA, the Norwegian Ministry of Climate and Environment's body responsible for promoting a shift towards more environmentally-friendly energy and climate technologies, and is continuing to develop **two H2 projects.**

◆ The first project, **Hydrogen Hub Agder, is 100% owned by Greenstat and involves the construction of a 20 MW H2 facility** to supply green H2 to the marine industry, with production scheduled to begin in early 2026. ENOVA is supporting the project costs through a grant of up to NOK 148,000,000, representing over 40% of the total investment.

The company therefore continues to advance its engineering work with a view to confirming a final investment decision by June 2024 and production in early 2026.

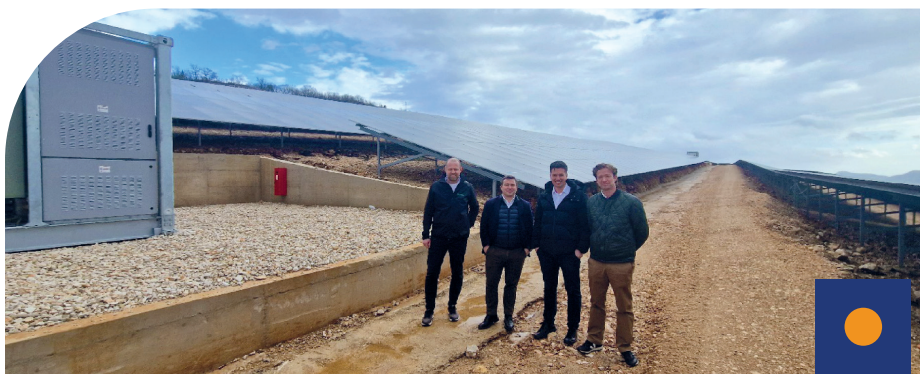
◆ The second project, **Glomfjord, is owned 33% by Greenstat and 67% by Neptun Tromsø and concerns the construction of a 20 MW green ammonia production plant** for a large fertilizer producer operating in the vicinity, with production due to start in 2027. Over 40% of the project costs, i.e. NOK 150,000,000, will be financed by a grant from ENOVA.

These two projects, which are entering the development phase, combined with the existing site already in production, make Greenstat's H2 portfolio one of the most promising in Scandinavia.



H2 Agder site - March 2024

An attractive solar portfolio under development



45 MW solar site in Petjnik - February 2024

Greenstat's experienced team of developers has built up a very interesting portfolio of solar projects in Europe.

An initial 45 MW project, 49% owned by Greenstat, has already been in operation since the second half of 2023 and is generating annual revenues of around €5.5m.

The remaining solar projects to be developed throughout 2024 exceed 50 MW, with some construction already under way.

These projects are supported by Greenstat Solar Solutions, an in-house engineering, procurement and construction (EPC) team, which provides sales and installation of production of solar energy systems.

Portrait



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My name is Viel Jaren Heitmann and I am part of the Greenstat team in Arendal, Norway.

I am a senior project manager mainly for solar projects, where I work on the development of Greenstat's solar farms currently under construction and on obtaining the necessary permits for the construction of other solar farms in Norway.

This is a relatively new activity in Norway, as our Engene solar park, which has just started construction, is only the third solar park in Norway. Greenstat is therefore very well positioned to participate in the development of this nascent sector, and is well on the way to build many more!

I joined Greenstat around the same time as FDE took control, after moving to my husband's farm in Arendal.

Previously, I was elected in my home municipality and county, Rollag: for four years, I was a member of Buskerud County Council, before being elected mayor of my hometown, Rollag. I bring with me public sector experience, particularly in planning and permitting, as well as relations with landowners, municipalities and other stakeholders. In my role as project manager, I combine this experience with my education as a civil engineer in environmental physics and renewable energy, which will be key to support these developments.

With the motivated and competent team at Greenstat, now part of the FDE group, I think I can make a significant contribution to the emergence of this solar sector in my country.

Shareholder contact

✉ ir@francaisedelenergie.fr ☎ 03 87 04 34 51
By mail : Avenue du District - 57 380 PONTPIERRE
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