



Local energy,
positive impact

ANNUAL FINANCIAL REPORT

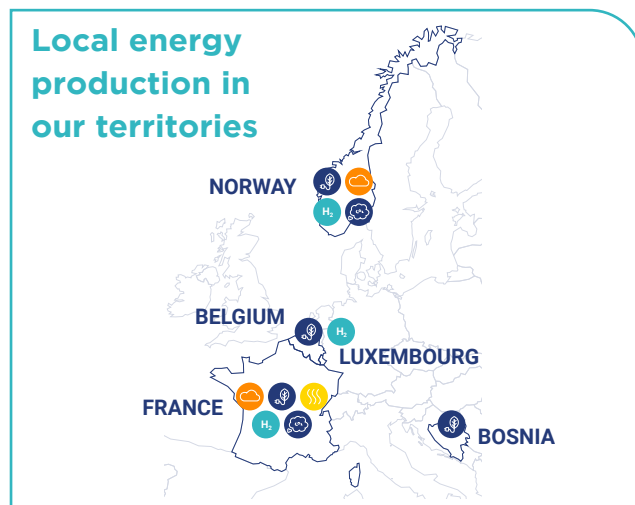
30 JUNE 2024



Propose **low-carbon energy solutions** specific to each territory.

FDE's energy solutions in production and prospecting

- ELECTRICITY
- HEAT
- GAS
- HYDROGEN
- CO₂



The group's key financials



22.5 MW OF COGENERATION CAPACITY INSTALLED IN FY 2024



MORE THAN 3.5 MILLION TONS OF CO₂ AVOIDED PER YEAR IN FY 2024 ⁽¹⁾



€31.4M REVENUES FY 2024
+36% AVERAGE ANNUAL GROWTH SINCE 2017

EBITDA

FY 2024 **-26% vs. 2023** **€19.7M**

Operating income

FY 2024 **-2% vs. 2023** **€15.9M**

Net profit⁽²⁾

FY 2024 **-19% vs. 2023** **€9.7M**

INVESTMENTS	€8.2M	EQUITY⁽²⁾	€82.5M
CASH AVAILABLE	€47.6M	NET DEBT TO EQUITY	41%



⁽¹⁾ Sources: FDE, based on the updated INERIS 2019 certification with a GWP of 82.5 (AR6 - IPCC 2021), and University of Mons, and including the Béthune site
⁽²⁾ Net group share

CONTENTS

1. DECLARATION OF RESPONSIBLE PERSON . . .	4	5.15 INFORMATION ON THE COMPANY'S SHARE CAPITAL STRUCTURE	63
2. STATUTORY AUDITORS	5	6. OTHER ASPECTS OF CORPORATE GOVERNANCE	68
2.1 LEAD STATUTORY AUDITORS	5	6.1 MANAGEMENT AND LIMITATIONS ON POWERS	68
3. GROUP FINANCIAL REPORT AND PRESENTATION	6	6.2 SHAREHOLDER PARTICIPATION AT GENERAL MEETINGS	68
3.1 BUSINESS ACTIVITY AND DEVELOPMENT OF THE COMPANY AND GROUP DURING THE PRECEDING FISCAL YEAR	6	6.3 ITEMS LIKELY TO HAVE AN IMPACT IN THE EVENT OF A PUBLIC OFFERING	70
3.2 PRESENTATION OF THE COMPANY'S FINANCIAL STATEMENTS	20	7. OTHER INFORMATION PRESENTED	71
3.3 PRESENTATION OF THE GROUP'S CONSOLIDATED FINANCIAL STATEMENTS	25	7.1 RESEARCH AND DEVELOPMENT	71
3.4 OUTLOOK	31	7.2 EMPLOYEE SHARE OWNERSHIP	71
4. CSR COMMITMENTS AND EXTRA- FINANCIAL IMPACTS	33	7.3 SUMMARY STATEMENT OF TRANSACTIONS BY DIRECTORS AND PERSONS CLOSE TO THEM	72
4.1 VISION: A PRAGMATIC APPROACH TO ENERGY ISSUES	34	7.4 APPROPRIATION OF EARNINGS	72
4.2 FDE'S CORE VALUES	34	7.5 ABSENCE OF LOANS	72
4.3 FDE AND THE SUSTAINABLE DEVELOPMENT GOALS	35	7.6 NON-TAX-DEDUCTIBLE EXPENSES	72
4.4 SUSTAINABLE FINANCING	36	7.7 TABLE OF RESULTS FOR LAST FIVE FISCAL YEARS	73
4.5 EUROPEAN TAXONOMY	38	7.8 INFORMATION ON PAYMENT TERMS	74
4.6 COMMITMENTS OF THE PARTIES INVOLVED	39	8. RISK FACTORS AND MANAGEMENT MEASURES	75
4.7 FDE'S CSR COMMITMENTS	43	8.1 GENERAL RISKS	76
5. CORPORATE GOVERNANCE	45	8.2 OPERATING RISKS	78
5.1 MIDDLENEXT CORPORATE GOVERNANCE CODE	45	8.3 ENVIRONMENTAL RISKS	79
5.2 LACK OF CONTROL OF THE COMPANY	45	8.4 FINANCIAL RISKS	80
5.3 SEPARATION OF THE FUNCTIONS OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER	45	8.5 REGULATORY AND LEGAL RISKS	82
5.4 PREPARATION AND ORGANIZATION OF BOARD MEETINGS	46	8.6 RISK PREVENTION AND MANAGEMENT	83
5.5 COMPOSITION OF THE BOARD OF DIRECTORS	47	8.7 FINANCIAL RISKS RELATED TO THE EFFECTS OF CLIMATE CHANGE	84
5.6 DIVERSITY POLICY AND REPRESENTATION ON THE BOARD OF DIRECTORS	48	9. ANNUAL FINANCIAL STATEMENTS	85
5.7 SELECTION CRITERIA FOR DIRECTORS	49	9.1 FINANCIAL STATEMENTS AND NOTES	85
5.8 INDEPENDENCE OF DIRECTORS	49	9.2 STATUTORY AUDITORS' REPORT ON THE ANNUAL FINANCIAL STATEMENTS	113
5.9 MISSION OF THE BOARD OF DIRECTORS	49	9.3 STATUTORY AUDITORS' REPORT ON REGULATED AGREEMENTS	119
5.10 ROLE OF THE BOARD CHAIRMAN	50	10. CONSOLIDATED FINANCIAL STATEMENTS	123
5.11 BOARD OF DIRECTORS' COMMITTEES	51	10.1 CONSOLIDATED FINANCIAL STATEMENTS AND NOTES	123
5.12 COMPENSATION ALLOCATED TO BOARD OF DIRECTORS MEMBERS	53	10.2 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS	174
5.13 INFORMATION ON REMUNERATION DUE OR GRANTED TO THE CORPORATE OFFICERS	54		
5.14 OTHER BENEFITS	63		



1. DECLARATION OF RESPONSIBLE PERSON

I hereby declare that, to the best of my knowledge, the financial statements for the past fiscal year 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 all the companies included in the Group's scope of consolidation, and that the management report included in this annual financial report presents a true and fair view of the development of the business, results and financial position of the Company and all the companies included in the Group's scope of consolidation, together with a description of the principal risks and uncertainties they face.

Signed in Pontpierre on November 8th, 2024

A handwritten signature in black ink, appearing to read 'Julien Moulin', written in a cursive style.

Julien MOULIN
Chairman

2. STATUTORY AUDITORS

2.1 LEAD STATUTORY AUDITORS

■ **Forvis Mazars**

Member of the Compagnie Régionale des Commissaires aux Comptes de Colmar.
Represented by Ms Laurence Fournier
1, rue des Arquebusiers, 67000 Strasbourg

Appointed by a resolution of the shareholders on November 29th, 2019, for a term of six years, expiring at the close of the Annual General Meeting to be called to approve the financial statements for the year ending June 30th, 2025.

■ **BDO Paris**

Member of the Compagnie Régionale des Commissaires aux Comptes de Paris.
Represented by Mr Sébastien Haas
43/47 avenue de la Grande Armée, 75116 Paris

Appointed by the shareholders on December 3rd, 2020, for a term of six years, expiring at the close of the Annual General Meeting to be called to approve the financial statements for the year ending June 30th, 2026.

3. GROUP FINANCIAL REPORT AND PRESENTATION

Dear Sir, Madam,

Pursuant to Articles L. 225-100, L. 233-26, and L. 232-1 of the French Commerce Code, we hereby present the Financial Report, including the Management Report of La Française de l'Énergie S.A. (hereinafter referred to as the “Company” or “FDE”) and the Group (hereinafter referred to as the “Group”) for the fiscal year from July 1st, 2023, to June 30th, 2024.

3.1 BUSINESS ACTIVITY AND DEVELOPMENT OF THE COMPANY AND GROUP DURING THE PRECEDING FISCAL YEAR

3.1.1 Group's perimeter

FDE is the Group's parent company and the head of the consolidated group.

Subsidiaries held directly and indirectly by the Company are described below. As of June 30th, 2024, none of the Company's subsidiaries were listed on a regulated or unregulated market.

Information on the Group's subsidiaries appears below:

Address and RCS number	Share capital	% held	Activity
FRENCH COMPANIES			
Cellcius SAS Avenue du District 57380 Pontpierre RCS 879 065 449	€1.000	51%	Operating company (Creutzwald solar thermal power plant)
Concorde Energy Paris EURL Avenue du District 57380 Pontpierre RCS 529 069 825	€1.000	100%	Operating company (including PER La Folie de Paris)
Cryo Pur SAS 4 rue du Vaulorin 91320 Wissous RCS 811 286 178	€1.996.544	96.1%	Holding company for the construction of biogas liquefaction plants
EG Lorraine SAS Avenue du District 57380 Pontpierre RCS 790 110 639	€868.544	100 %	Operating company
EG NPC SAS ZAL Fosse 7 62210 Avion RCS 790 090 880	€624	100%	Operating company (30 MW cogeneration units, including Avion 7)
FalkenSun SAS Avenue du District 57380 Pontpierre RCS 891 933 434	€1.000	75%	Operating company (Tritteling Solar Photovoltaic Project)

Gazonor Béthune SAS Rue du Siège Zal de la Fosse 7 62210 Avion RCS 884 370 032	€10.000	100%	Operating Company (Béthune cogeneration unit)
Gazonor Holding SAS Zal Fosse 7 62210 Avion RCS 451 506 612	€8.450.000	100%	Holding company
Gazonor SAS ZAL Fosse 7 62210 Avion RCS 381 972 439	€1.400.000	100%	Operating company (including PER and Concessions Désirée and Poissonnière)
FOREIGN COMPANIES			
Askjenergy AS Eldøyane 177 5411 Stord (Norway)	NOK 30.000	80%	Operating company (production of Renewable Natural Gas (RNG) and Bio-CO ₂ in Norway)
Biogy Solutions AS Eldøyane 177 5411 Stord (Norway)	NOK 5.000.000	80%	Holding company
Concorde Energy Inc. 1209 Orange Street, Wilmington 19801 County of New Castle Delaware (USA)	\$6.391.199	100%	Holding company
Cryo Pur Norge AS Fredrik Selmers vei 6 0663 Oslo (Norway)	NOK 30.000	100%	Holding company
DRIN - ENERGIJA d.o.o. Grude Središte 189 88344 Drinovci (Bosnia)	BAM 12.421.150	49.5%	Operating company (Petjnik Solar Photovoltaic project)
Gazonor Benelux SA Avenue Hermann Debroux 54 1160 Auderghem (Belgium)	€300.000	100%	Operating company (including Anderlues operating permit, Wallonia)
Greenhill SA Avenue Hermann Debroux 54 1160 Auderghem (Belgium)	€65.000	100%	Operating company
Greenstat AS Fantoftveien 38 5072 Bergen (Norway)	NOK 76.782.281	56.3%	Holding company (hydrogen production and solar power units in Norway and Bosnia)
LFDE International SARL 76-78 rue de Merl 2146 Luxembourg (Luxembourg)	€1.000.000	100%	Holding and operating company

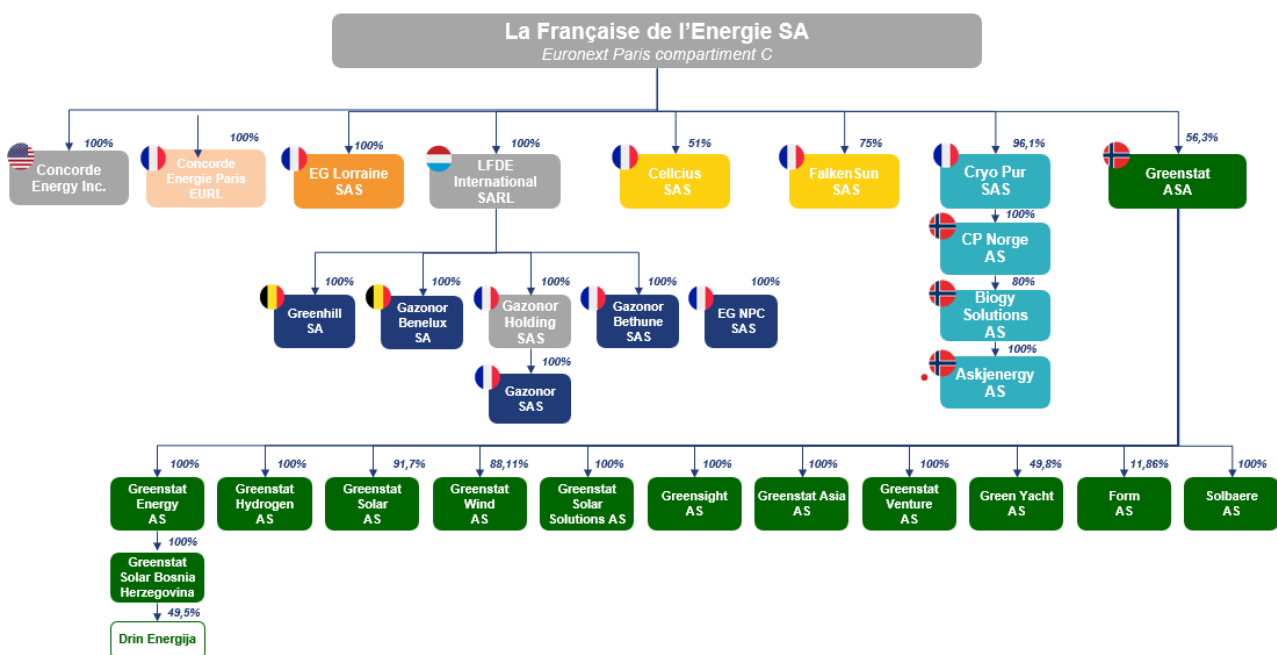
The scope of consolidation changed over this financial year compared to June 30th, 2023,

with the acquisition of Greenstat ASA, a Norwegian green energy operator specialized in solar and hydrogen (H₂) projects, and its subsidiaries.

In addition, Askjenergy, Cryo Pur's Norwegian subsidiary focused on RNG via biogas processing and liquefaction, and the associated Bio-CO₂, was incorporated during the year.

Apart from these companies, the only change in percentage interest in consolidated entities during the year concerned Cryo Pur SAS. As of June 30th, 2024, FDE held 96.1% of Cryo Pur, following a capital increase carried out during the year and the subscription by certain historical minority shareholders.

The organization chart below shows the legal structure of the Group, with the subsidiaries held directly and/or indirectly by the Company, as of June 30th, 2024.



3.1.2 Business activity and development

FDE's mission is to exploit **local resources** to help reduce the carbon footprint of energy on a **global scale**.

(i) An integrated low-carbon energy operator business model

Develop: FDE uses **local and industry expertise** to identify promising projects in **the regions where it operates**, based on key factors such as land, permits, grid capacity and nearby operating options. First-phase investments are made in collaboration with strong local players.

Build and finance: FDE uses **proven technology** and a **standardized, industrialized approach** for **large-scale deployment** (pre-assembled and shipped units) to achieve a time-to-market of 15 months from construction.

FDE finances its investments through a mix of available subsidies, equity, bank and bond financing, to achieve a target debt-to-equity ratio of between 75% and 90% per project.

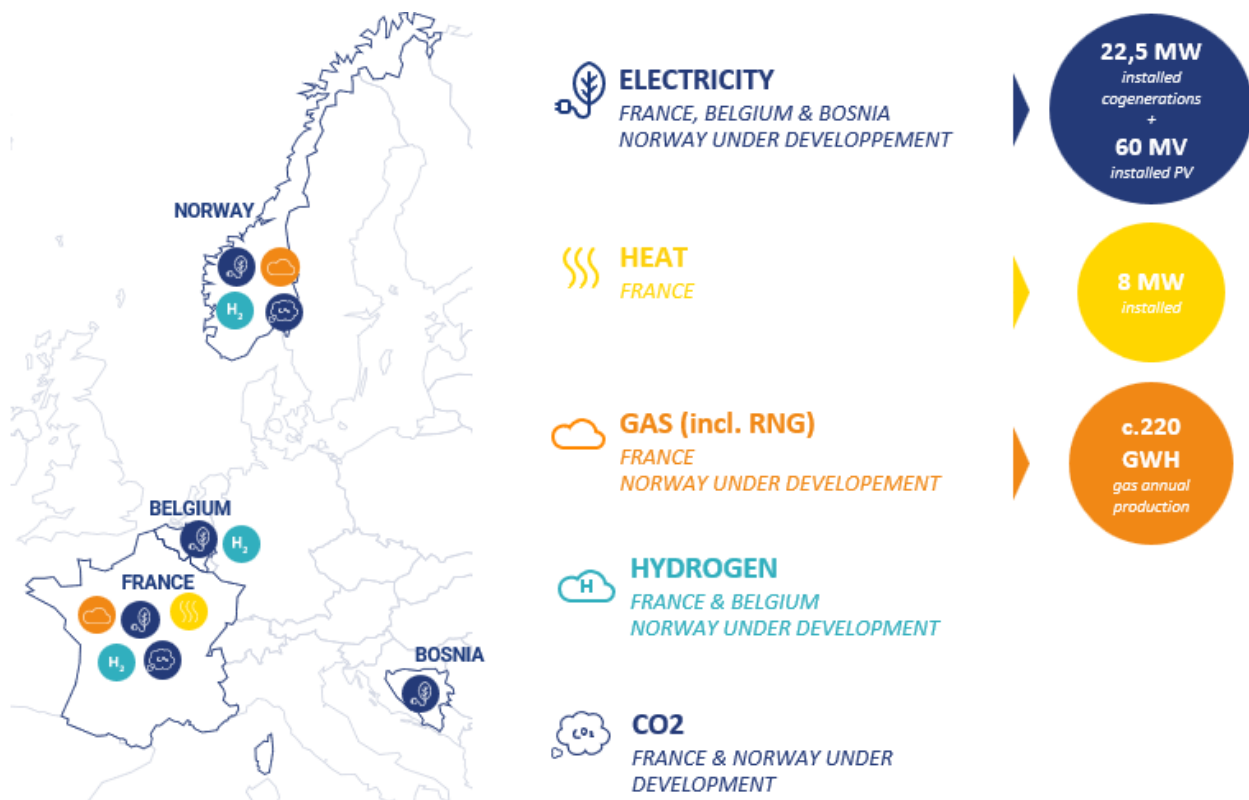
Ownership: FDE holds its assets on a long-term basis to ensure recurring cash flows but may enter into **strategic partnerships** and enable joint investments with selected shareholders (e.g. in solar energy).

Operate and optimize: FDE manages **the operation and maintenance** of its assets to leverage its expertise in **operational and cost management**. FDE also manages **purchase and sales contracts** and has access to several **energy markets for price hedging**.

(ii) Company and Group activities

FDE is an energy producer with a negative carbon footprint operating in **five countries**, producing **several of the key energies needed to reach the European Union's Net Zero target** by 2050.

The Group has **five key activities**: the production of electricity, gas, heat, low-carbon H₂ and Bio-CO₂.



FDE operates directly **nine electricity production sites** (including three solar production sites), **two heat production sites**, **two abandoned mine gas injection sites** and **one electrolysis H₂ production site**.



ELECTRICITY

FDE is positioned as a historic producer of electricity through Abandoned Mine Methane (AMM) and solar power.

(i) Abandoned Mine Methane (AMM)

FDE is Europe's leading producer of electricity from AMM, recovering the **fatal gas** that escapes from coal seams in the former mining basins in **Hauts-de-France** (with an exclusive right to operate until 2042) and **Wallonia**, in southern Belgium (with an exclusive right to operate its concession until 2038).

This gas accumulates in old coal mine tunnels and rises to the surface through old mine shafts, before escaping into the atmosphere if not recovered. This gas is mainly composed of methane, a gas with a **Global Warming Potential (GWP) 82.5 times greater than CO₂ over 20 years**, according to the latest Intergovernmental Panel on Climate Change (IPCC) assessment report (AR6) of 2021. This gas, mainly composed of methane, is captured by FDE to prevent its release into the atmosphere. Thanks to this activity, FDE contributes to avoiding more than 3.5 million tons¹ of CO₂ eq every year, with the current portfolio.

To date, the Group is the **biggest contributor to the effort to reduce the carbon footprint of the Hauts-de-France region**.

The Group uses this gas to power **15 cogeneration units**, each with a capacity of 1.5 MW, for a total **electricity production** capacity of **22.5 MW**.

(ii) Solar energy

FDE also produces electricity from solar energy, with **two production sites** equipped with photovoltaic panels in France (Tritteling) and Bosnia (Petjnik), which represents a **gross capacity of 60 MW** (33.25 MW net).



HEAT

FDE operates an integrated heat production business through **cogeneration of AMM and solar energy** to supply district heating networks.

FDE operates two main thermal power plants, in Béthune and Creutzwald, France.

Since 2021, the city of **Béthune** has had one of the largest district heating networks in France, powered by gas extracted from former mines. The waste heat from this activity is also re-injected into the heating network operated by Dalkia, enabling the equivalent of 6,500 homes to be heated.

In **Creutzwald**, FDE has been operating France's largest solar thermal power plant since 2021, in partnership with ENES Creutzwald. This facility injects the heat produced into a district heating network, supplying residential districts, as well as numerous businesses and

¹ Figures not certified at this stage; 1.4 million tons certified. Source: Inéris 2019 certification, updated with a Global Warming Potential of 82.5 (AR6 - IPCC) and including the Béthune and Avion sites (FDE extrapolation), Université Polytechnique de Mons 2022 study.

public infrastructures, in a short circuit. The project is supported by the French Environment and Energy Management Agency (Ademe) and is part of the local energy transition process.

With these two sites in Béthune and Creutzwald, FDE has a **gross installed capacity of 8 MW**.

Thanks to this diversified approach, combining AMM cogeneration and solar energy, FDE is playing a central role in reducing greenhouse gas emissions and helping local communities make the energy transition by providing sustainable electricity and heat.



FDE is also a producer of AMM and RNG.

(i) *Abandoned Mine Methane (AMM)*

FDE is one of the world's leading producers of mine gas, with operations in Belgium and France.

The Group currently manages two operational sites dedicated to AMM, representing **annual production of c. 220 GWh**.

(ii) *Renewable Natural Gas (RNG)*

Through its Cryo Pur subsidiary, FDE has developed its own technology and extended its know-how to purify and liquefy all types of gas (biogas, landfill gas, flare gas², rare gases, etc.).

Cryo Pur is specialized in the production of RNG, a gas derived from organic waste that reduces greenhouse gas (GHG) emissions in two ways: it contributes very little to GHG emissions when burned, unlike other fuels, and also avoids GHG emissions linked to the landfilling of organic waste.

Founded in 2015 by Denis Clodic, former director of the Energy and Processes Centre at Mines ParisTech and co-winner of the Nobel Peace Prize in 2007 for his contributions to the IPCC, Cryo Pur is recognized for its patented disruptive technology.

Capitalizing on 35 years of research and development and French Tech's ambassador at COP21, Cryo Pur has developed a cryogenic system combining integrated refrigeration cascades to separate and liquefy the various gas components. This process is based on **eight major families of international patents**, enabling the production of RNG and Bio-CO₂, meeting the needs of a wide range of applications. Cryo Pur's processes offer a decisive competitive advantage over traditional biogas purification technologies, such as membrane processes, thanks to their energy efficiency, lower costs and capture of the CO₂ present in biogas.

This innovation enables farmers, cooperatives, industrialists and energy providers to maximize the energy potential of their products and waste, while reducing diffuse methane and CO₂ emissions. With Cryo Pur, FDE consolidates its sustainable development strategy

² Residual gas generated during hydrocarbon extraction and processing operations. This gas is often flared to prevent its release into the atmosphere, thus helping to reduce greenhouse gas emissions.

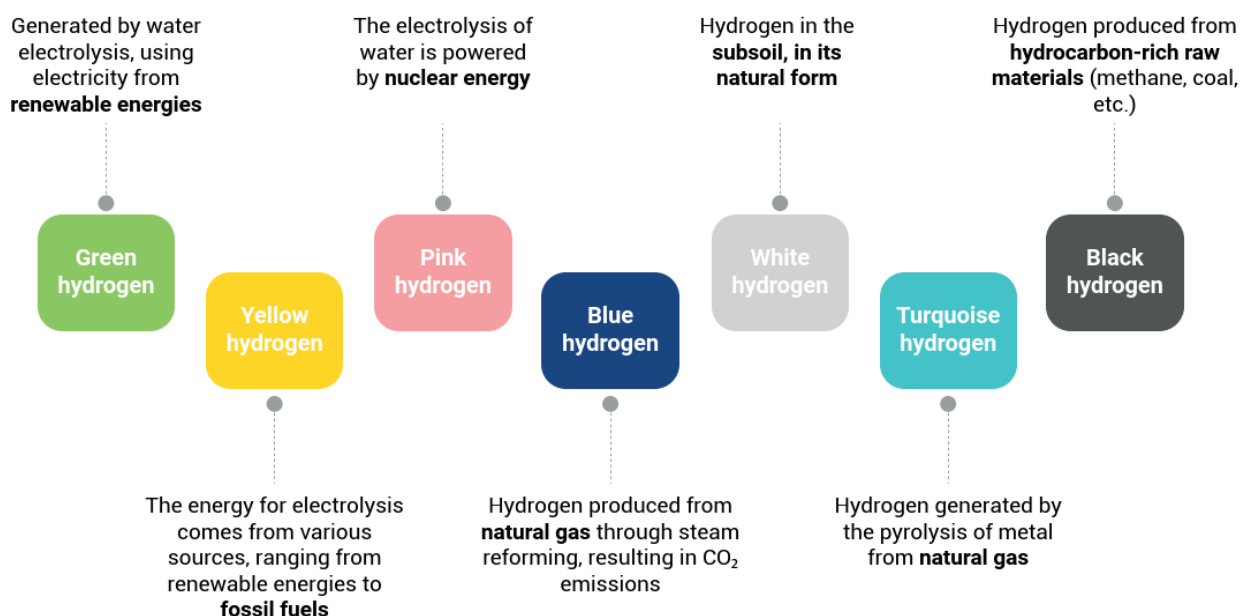
by expanding its solutions for cleaner energy production and reinforcing its role in the energy transition.

The aim is to produce between 500 and 800 GWh of **RNG from biogas and Bio-CO₂ from several strategically located sites**, mainly in Norway, by 2030.

HYDROGEN

As a pioneer in carbon-negative energy, FDE is stepping up its development of low-carbon H₂ production. Whether to revolutionize mobility with solutions such as H₂-powered buses or boats, or to use this resource transformed into SAFE for aviation or green ammonia for fertilizer production, FDE is at the forefront of these issues.

More specifically, FDE has decided to move forward on innovative blue, turquoise, white and green H₂ projects, classified according to the following typology:



(i) Green Hydrogen

Green H₂ is the production of H₂ by electrolysis, using water and electricity from renewable sources such as solar panels, wind power or hydroelectric plants.

With the acquisition of Greenstat, the Group now has, in addition to a 1 MW green H₂ production pilot site at Stord³, a pipeline of green H₂ projects in Norway, including its first low-carbon H₂ production site for the marine industry, at **Agder in Norway**, 100% owned by Greenstat.

Work on this first 20 MW phase is scheduled to start in August 2024, with delivery of the first volumes anticipated for the end of 2026. ENOVA has also confirmed its support for the first phase of the project with a grant of 148 MNOK, representing almost 40% of the total planned investment.

³ Minority interest

A second 40 MW unit will be launched at the Agder site in 2027.

(ii) *Turquoise and Blue Hydrogen*

FDE holds a gas concession in Lorraine covering an area of 191 km². This project aims to exploit gas resources in the Lorraine region, helping to diversify gas supply sources and strengthen the Group's ability to meet regional energy needs, particularly for H₂.

Turquoise H₂ can be produced from natural gas and **plasma pyrolysis**. Plasma pyrolysis is a high-temperature thermal process that breaks down methane molecules to produce H₂ and solid carbon.

As part of the "HeCO₂" consortium in Belgium, FDE and its subsidiary Gazonor Benelux are working on an industrial demonstrator using AMM from the Anderlues capture site. The gas will be compressed and transported by canister to the demonstrator (MateriaNova⁴), where it will be transformed into H₂ and carbon black (a pyrolysis co-product, mainly used in the manufacture of tires, electrodes and batteries).

H₂ turquoise is also of interest for decarbonizing Lorraine's coal gas: as part of the "HeCO₂" consortium, FDE is studying the installation of a first industrial unit in Lorraine.

Blue H₂ is produced from natural gas, using **steam-reforming** technology. FDE is currently developing a low-carbon H₂ production project in Lorraine, France, which converts gas reserves into H₂ blue, while integrating CO₂ capture and storage (CCUS) technologies. This involves burying the CO₂ permanently underground, in coal seams in adsorbed and dissolved form, to eliminate any risk of subsequent migration. In this way, the H₂ produced is considered low carbon.

(iii) *White Hydrogen*

White H₂ occurs naturally underground. It is a primary energy source that can be used directly to replace methane or to produce electricity, for example, efficiently and without CO₂ emissions.

The geosciences skills developed by FDE for its historical gas activities in France and Belgium are particularly key. In fact, natural H₂ is a more difficult resource to identify, due to the inadequacy of current tools for the separation and precise measurement of H₂ concentrations - in situ - as H₂ remains the lightest element on the planet.

FDE has discovered **significant concentrations of natural H₂** at the Folschviller well in Lorraine, as part of the Regalor research project carried out in collaboration with the Université de Lorraine and the *Centre national de la recherche scientifique* (CNRS), which quantified high levels of dissolved H₂ in the Carboniferous aquifer at various depths.

FDE has applied **for an exclusive exploration permit, known as the "Permis des Trois-Évêchés"**, to explore for natural H₂ in the Lorraine mining basin. The application covers an area of 2.254 km² in the Moselle and Meurthe-et-Moselle départements.

A pilot site has been identified to refine the evaluation of the resource and initiate production

⁴ MateriaNova is a research center specializing in the development of materials that meet the challenges of sustainability and performance in industry.

with a view to local valorization of natural H₂ in the Grand-East and even the Greater Region (Grand Est, Wallonia, Luxembourg, Saarland and Rhineland-Palatinate).

This natural H₂ exploration permit is in line with the Group's development strategy in **the H₂ ecosystem of the Greater Region**, with the aim of providing local production of ecologically and economically competitive energies to the inhabitants, industrialists and local authorities of these regions, which are major consumers of energy. This project will also benefit from the forthcoming commissioning of the MosaHYc infrastructure supported by GRTgaz and CREOS, which will enable the transport of H₂ via a 100% H₂ cross-border pipeline.



CO₂

FDE, via its subsidiary Cryo Pur, is also a major player in the management of Bio-CO₂ and the purification of industrial fumes, with advanced expertise in capture, purification and liquefaction.

Cryo Pur technology enables us to produce a very high-purity liquid Bio-CO₂, which can be sold for a wide range of applications (dry ice, greenhouses, refrigerated transport, etc.), thus improving the project's economic and environmental balance sheet. The Bio-CO₂ produced can be valorized in short circuits all along the value chain, including in the food industry.

FDE is also **implementing CO₂ capture and storage technologies**, via the production of low-carbon H₂ in Lorraine (Blue H₂) to treat the emissions generated by its activities. This system buries CO₂ permanently underground, in former coal reservoirs. This strategy contributes to the reduction of greenhouse gas emissions.

After 6 years of work in partnership with the University of Lorraine and the CNRS, with support from the Region and the French State (Pacte Etat Région), additional work by Schlumberger and nearly €5M of investment, the very significant CO₂ storage capacity has been demonstrated in the laboratory in the reservoir formed by the Lorraine coals.

(iii) Turnover and production

On June 30th, 2024, FDE **posted annual sales of €31.4M**, driven by a slight increase in the Group's power generation capacity.

Sales trend between FY 2023 and FY 2024:

Sales breakdown - In €M	June 30 th , 2024	June 30 th , 2023
Gas sales - France	7.3	12.3
Electricity sales - France	14.2	14.6
Electricity sales - Belgium	7.7	11.0
Heat sales - France	0.4	0.5
Cryo Pur sales	0.5	0.9
Greenstat sales	1.3	
Annual sales	31.4⁵	39.2

⁵ Sales would amount to €34.1M if Drin Energija, which owns Petjnik, the solar farm with an installed capacity of 45 MW (accounted for by the equity method in the financial statements to June 30th, 2024), were fully consolidated.

Despite a market price environment adjusted for the exceptional levels of 2023, **electricity generation revenues** reached **€21.9M in FY 2024**, driven by a **slight increase in electricity generation volumes** in France and Belgium (+5%) thanks to the good performance of the existing cogeneration units, despite the drop in average sales prices to €144/MWH over the year, in an energy price market down by more than 18%.

The gas production business posted sales of **€7.3M**, impacted by further **unavailability of the GRTgaz transmission network since the end of May**, against a backdrop of falling market prices over the year, with an average selling price of €38/MWH (-30%). As a reminder, the Group has **several ongoing proceedings with GRTgaz** for compensation for the damage suffered and loss of revenue, for an amount not yet accounted of **almost €8M** as of October 30th, 2023, the date of the last independent estimate made in the context of the proceedings before the commercial court.

As of June 30th, 2024, **revenues from heat sales** to Béthune and Creutzwald **amounted to €444K** (compared to June 30th, 2023: €459K).

The contribution of **Cryo Pur**, associated with previous operation and maintenance contracts for RNG and Bio-CO₂ production units, remains marginal for the year at **€474K**, pending the start-up late **2025** of the **new RNG and Bio-CO₂ production site in Stavanger, Norway**, with a **strong revenues contribution expected**.

Following the acquisition of 56.35% of Greenstat in February 2024, revenues associated with the integration of **Greenstat** amounted to **€1.3M**, and included the engineering, procurement and construction (EPC) work of the Greenstat Solar Solutions subsidiary, linked to photovoltaic projects. Greenstat's expertise will be integrated into the numerous ground-mounted photovoltaic power plant projects secured by FDE.

Sales of €2.7M from the **45 MW solar farm in Petjnik, Bosnia**, operated by **Drin Energija** which is owned at 49.5%, are not included in the total sales of €31.4M. The contribution of Drin Energija is presented under Share of profit of associates, as control over the Company as of June 30th, 2024, did not, at this stage, meet the requirements of IFRS 10.

Since 2017, our sales have grown by an average of **36% a year**. This continuous growth is based on a **solid, sustainable business model**.

(iv) EBITDA and operating result

Despite a market price environment adjusted for the exceptional levels of 2023, and a restriction on gas sales due to the unavailability of the transmission network, EBITDA **stood at €19.7M** as of June 30th, 2024 (compared to June 30th, 2023 : €26.7M), with an **EBITDA margin of 63%** (compared to June 30th, 2023: 68%), already above the Group's margin targets for the end of 2030.

In an inflationary environment, this performance is explained by the **Group's ongoing cost control**, with rising costs of goods and services, representing **23% of sales in 2024** (13% in 2023). **Administrative expenses** (excluding the recognition of free-awarded shares under IFRS and the integration of Greenstat) remained stable over the year at **€6.8M**, despite the developments inherent in the Group's growth. The integration of Greenstat resulted in additional costs of €1.3M, notably in personnel costs and other fees, which are currently being streamlined.

It should be noted that the valuation of the Research and Innovation Tax Credit for calendar year 2023 is included in operating income for a total amount of €668K.

Operating income stood at €15.9M as of June 30th, 2024 (compared to June 30th, 2023: €16.1M).

(v) Investments

During FY 2024, FDE continued its investment policy, reinforcing its unique positioning through the deployment of local, low-carbon energy solutions in France, including two cogeneration units at the Angres site, that will be commissioned once the administrative authorizations have been obtained; as well as the 100 MW RNG and Bio-CO₂ production project at Stavanger, scheduled to be commissioned by the end of 2025. Capital expenditure amounted to €9M over the fiscal year.

FDE is also completing the installation of a new 5 MW photovoltaic power plant in Engene, Norway, representing a total investment of €3.8M, with commissioning scheduled for Q4 2024. The project is being developed in partnership with Skagerak.

(vi) Cash flow and financing

The Group's net cash position on June 30th, 2024, was **€47.6M**, an improvement of almost **€4.7M** against June 30th, 2023.

This improvement was driven by sustained operating activity, thanks to additional financing (+€15.8 M) enabling FDE to maintain an active investment policy over the period.

Cash flow from operating activities was positive for the year, with operating cash flow of **€14.2M**, compared with €21.8M in 2023. This was impacted by gas and electricity prices, as well as the consolidation of Greenstat, which temporarily affected working capital requirements.

Cash flow from investing activities was negative at **€11.4M** (versus € (8.0)M on June 30th, 2023). These investment flows confirm the Group's growth, especially with the projects to expand the cogeneration unit in France, as well as the development of Cryo Pur, notably in Norway, and the acquisition of Greenstat.

Cash flow from financing activities was positive at **€1.7M**, compared with €5.1M last year, as the Group carried out a €2.7M share buyback program, while benefiting from the €10M drawdown on the new green bond for the development of its low-carbon energy portfolio, underwritten by Edmond de Rothschild Asset Management (EDRAM), and the €5.8M drawdown under the Arkéa "Impulse" loan.

In particular, the support of financial institutions will help accelerate the development of biogas and its liquefaction into RNG and Bio-CO₂ and proves the relevance of FDE's model based on energy solutions with strong environmental, economic and social impacts on its territories.

On June 30th, 2024, FDE had **net financial debt of €33.5M** at a competitive cost of capital, and a **Net Debt/EBITDA ratio of 1.7x**. The **net debt-to-equity ratio stood at 41%** (compared to 34% at end of June 2023).

This financial situation enables the Group to **finance its development**, while limiting the use of its shareholders' equity.

3.1.3 Significant events during the year

(i) Operational projects



Acquisition of a majority stake in Greenstat ASA

On February 29th, 2024, FDE announced the acquisition of a majority stake in **Greenstat ASA, a Norway-based green energy developer with a particular focus on H₂ and solar activities**. This acquisition strengthens the Group's position as a European supplier of low-carbon energy production solutions.

With its experienced team, Greenstat develops and operates renewable energy infrastructures to support the transition to low-carbon energy. The Company's strategy, based on developing projects with the best available technology and strong local roots, fits perfectly with FDE's culture and asset portfolio.

Since its creation, Greenstat has developed **a diversified and attractive portfolio**, mainly in **the H₂ and solar fields**. The main projects are entering the construction phase and will benefit from FDE's excellent experience in building and operating green energy production sites.

The acquisition builds on FDE's continued expansion in Norway since 2022 and strengthens its portfolio of low-carbon solutions, supporting its long-term growth strategy and focusing on creating shareholder value.

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



Incorporation of Askjenergy AS, FDE's new subsidiary on the Norwegian RNG and Bio-CO₂ markets

Askjenergy AS is a Norwegian company newly incorporated to carry out the **RNG and Bio-CO₂ production project in Stavanger**. The subsidiary has launched its engineering work, the contracting of inputs with local farmers and the filing of permits to prepare for the **expected start-up of production at the end of 2025** at its new site in Stavanger.

The unit will produce 100 GWh of RNG, 13,000 tons a year of liquid Bio-CO₂ and 155,000 tons of organic fertilizer and will contribute to the Group's anticipated strong revenues growth.

This subsidiary has obtained NOK 49.3M in subsidies from ENOVA, Norway's ecological transition agency, for the construction of a biogas plant in Stavanger.



Bleue Lorraine concession

On November 20th, 2023, FDE was awarded, by decree, the "Bleue Lorraine" concession, valid until January 1st, 2040, and covering an area of 191 km². This concession represents a major

step forward for the development of certified gas resources in the Lorraine region and will strengthen our ability to supply energy in short circuits from these gas reserves strategically located in the heart of Europe.

The development of this short-circuit gas will be decentralized, as close as possible to the consumer. Thanks to the proximity of our customers and future hydrogen infrastructures, the efforts made by FDE over the last few years, notably in CO₂ capture via our subsidiary Cryo Pur, and the valorization of gas resources in the form of low-carbon H₂, such as the “HeCO₂” project of the Walloon Recovery Plan, will enable these reserves to be exploited even more efficiently. As a reminder, the net asset value of this concession is estimated at €318M, based on volumes certified in 2018 by MHA (Sproule Group) and adjusted energy prices.



FDE and the “HeCO₂” consortium dedicated to low-carbon hydrogen production using Hybrid Plasmatolysis, selected by the Walloon government

FDE, through its subsidiary Gazonor Benelux, is part of the “HeCO₂” consortium, recently selected by the Walloon government to promote low-carbon H₂ in the regional energy mix by 2050. This consortium brings together leading industrial and research players such as AGC Glass Europe, GATE2, EDF Luminus, Vanheede Environment Group, the Polytechnic University of Mons (UMONS) and the Materia Nova research center.

The “HeCO₂” project aims to build a H₂ production pilot using patented Hybrid Plasmatolysis technology. This innovation makes it possible to transform various sources of methane into low-carbon H₂ and solid carbon forms (carbon black, graphite, graphene) without CO₂ emissions. Ultimately, the project calls for the construction of a plant capable of producing 15,000 tons of H₂ and 45,000 tons of solid carbonaceous materials, with a particular focus on reducing CO₂ emissions.

(ii) Financing

« Impulse » ESG loan of €5.8M with Arkéa Banque Entreprises et Institutionnels

In July 2023, Gazonor signed a €5M “Impulse” loan with Arkéa Banque Entreprises et Institutionnels. This financing aims to strengthen its business by refinancing four cogeneration units in Lens and Avion, with a total capacity of 6 MW. The funds will be used to support the Group's growth.

The ESG loan offer is based on indicators measuring the positive impact of environmental and societal transition projects. It targets 42 transition objectives, each with its own eligibility criteria. An annual review by an external third party ensures that the selection remains aligned with the transition challenges. This loan also enables the Group to benefit from a reduction in borrowing costs, despite the context of high interest rates.

Issuance of a new €60M green bond

In May 2024, FDE, through its subsidiary LFDE International, issued a €60M green bond, of which €10M has already been drawn by FDE as of June 30th, 2024. This issue, underwritten by BRIDGE, EDRAM's infrastructure debt platform, was validated in accordance with ICMA Green Bond principles by the independent expert Ethifinance.

Thanks to the Group's solid cash flow generation, the strength of FDE's balance sheet and the viability of the projects financed, this debt instrument is rated Investment Grade, offering attractive rates over a 7-year financing term. This provides FDE with a solid financial base to support its development strategy and achieve its 2030 objectives.

Share buyback program

Pursuant to the authorizations voted by shareholders at the Annual General Meeting on November 30th, 2023, FDE continued its share buyback program, thereby increasing the intrinsic value per share of FDE shares for the benefit of existing shareholders, without affecting its financing capacity for the 2030 development plan.

On June 30th, 2024, under the liquidity contract, the Company held 4,482 of its own shares, compared with 1,613 on June 30th, 2023, acquired at an average cost of €28.60 (2023: €36.64).

As part of its share buyback program, FDE repurchased 71,971 of its own shares during the year (compared with 84,000 the previous year), in accordance with the authorization granted by the Annual General Meeting of Shareholders on November 30th, 2023.

Following this operation, FDE now holds 2.98% of its share capital (including treasury shares held under its liquidity contract).

3.1.4 Significant events since the end of the fiscal year

Issuance of new €7M financing

In July 2024, taking its ESG approach a step further, FDE subscribed for the second time to a €7M impact loan from Arkéa Banque Entreprises et Institutionnels.

This "PACT Trajectoire ESG" loan is designed to support the Group's growth strategy in France and abroad, over and above its existing projects and pipeline of identified and secured projects, with the aim of becoming one of Europe's leading low-carbon energy production platforms. This "PACT Trajectoire ESG" impact loan provides for a subsidy of up to 20% on financial costs, if FDE improves its ESG performance according to predetermined criteria.

To guarantee the neutrality of our assessments, ESG performance and improvement will be evaluated annually by Ethifinance, an independent extra-financial analysis agency.

3.2 PRESENTATION OF THE COMPANY'S FINANCIAL STATEMENTS

The annual financial statements of Société FDE as of June 30th, 2024, were prepared in accordance with the rules of presentation and valuation methods, in compliance with the regulation of the French Accounting Standards Authority (*Autorité des Normes Comptables*) No. 2014-03 of June 5th, 2014 on the General Accounting Plan, as well as with subsequent regulations amending certain articles thereof. These rules and methods are identical to those of the past fiscal year.

The Company's annual financial statements for the financial ended on June 30th, 2024, including the balance sheet, income statement and notes, are presented in Section 9.1 of this report.

3.2.1 Income statement

On June 30 th , 2024	June 30 th , 2024	June 30 th , 2023
	€	€
Turnover		
Production in stock / fixed assets	808 430	188 401
Reversals of depreciation and provisions, expense transfers	6 091	302 078
Other products	1 316 811	2 178 418
Total operating income	2 131 332	2 668 897
Costs of goods and services sold	-2 428 031	-1 702 317
Taxes, duties and similar levies	-18 769	-16 973
Salaries and benefits	-963 796	-898 910
Social security costs	-526 003	-241 313
Depreciation, amortization and others	-22 767	-20 572
Provision allowances	0	0
Other expenses	-60 405	-54 391
Total operating expenses	-4 019 770	-2 934 475
Operating income	-1 888 438	-265 578
Reversals of provisions and expense transfers	0	0
Other financial income	13 711 648	69 804
Depreciation, amortization and provisions	-625 952	-122 589
Other financial expenses	-599 911	-416 010
Net financial income	12 485 785	-468 795
Extraordinary income	206 833	106 625
Extraordinary expenses	-200 267	-7 153 377
Net exceptional income	6 565	-7 046 752
Income tax	1 627 189	2 795 087
Net income	12 231 102	-4 986 038

(i) Operating income

As of June 30th, 2024, the Company recognized other income of €1.3M, compared with €2.2M in the previous year. This mainly concerns central and operational services re-invoiced to operating subsidiaries (notably Gazonor, Gazonor Bénélux, Cellcius, EG NPC, FalkenSun, LFDE Int, Cryo Pur, Cryo Pur Norge, Biogy Solutions and Greenstat), as well as development services invoiced to certain subsidiaries in connection with their new projects. No development services were invoiced during the fiscal year, compared with €1.3M on June 30th, 2023.

(ii) Operating expenses

Other purchases and external charges increased during the year, reflecting the expenses required for the Group's development and growth, and particularly the acquisition of Greenstat. The Company's personnel costs amounted to €1.5M in FY 2024 (vs. €1.1M in FY 2023), the increase being mainly due to the rise in average headcount.

(iii) Net financial income

On June 30th, 2024, net financial income mainly comprises interest expense on current account advances to subsidiaries, as well as dividend income from LFDE International.

(iv) Net exceptional income

On June 30th, 2024, exceptional items amounted to €6.6K (versus € (7)M on June 30th, 2023).

(v) Income tax

FDE recognized a net tax benefit of €1.6M for the entire tax group. On June 30th, 2024, the Company had unused tax losses carried forward from the Group amounting to €3.8M.

3.2.2 Balance sheet

On June 30 th , 2024	Gross June 30 th , 2024	Depreciation, amortization, provisions	Net June 30 th , 2024	Net June 30 th , 2023
	€	€	€	€
Concessions, patents and similar rights	76 306	60 880	15 426	32 533
Other intangible assets	37 490 417	809 211	36 681 206	36 479 153
Intangible assets in progress	25 311	0	25 311	0
Plant and equipment	35 892	21 972	13 921	15 636
Other property, plant and equipment	51 703	33 333	18 369	15 791
Property, plant and equipment in progress	353 193		353 193	68 177
Other investments	26 024 004	1 018 544	25 005 460	4 141 303
Receivables from investments	17 951 038		17 951 038	17 951 038
Other long-term investments	3 322 736	459 091	2 863 645	3 209 100
Other financial assets	11 176		11 176	4 552
Non-current assets	85 341 777	2 403 031	82 938 746	61 917 282
Stocks	1 057 623		1 057 623	249 193
Trade receivables and related accounts	1 785 615	623 825	1 161 790	1 241 352
Other receivables	4 251 533	137 282	4 114 250	6 587 904
Own shares	2 526 541	151 540	2 375 002	0
Cash and cash equivalents	2 705 034		2 705 034	207 907
Current assets	12 326 346	912 647	11 413 699	8 286 356
Prepaid expenses	296 505	0	296 505	79 659
Exchange rates differences	628	0	628	0
Total assets	97 965 256	3 315 678	94 649 578	70 283 297

(i) Non-current assets

Non-current assets amounted to €82.9M (compared with €61.9M in FY 2023), mainly due to the inclusion of Greenstat in the accounts.

Other intangible assets comprise all costs incurred in connection with the prospecting and drilling phases of exploration in Lorraine, and amount to €36.7M on June 30th, 2024.

(ii) Current assets

Inventories concern production held in stock for the Greenhill, Cryo Pur and EG NPC entities for €1.1M this financial year, compared with €249K on June 30th, 2023.

Trade receivables on June 30th, 2024, mainly comprise gross receivables of €749K and invoices to be issued to subsidiaries in connection with the re-invoicing of services of €921K.

Other receivables mainly concern the Research Tax Credit, withholding tax, the tax consolidation receivable relating to tax due by subsidiaries, recoverable VAT receivables and receivables relating to Group current accounts, with current account payables shown as liabilities.

Treasury shares on June 30th, 2024 correspond to share purchases made during the year, for a total of €2.5M.

(iii) Cash and cash equivalents

Cash and cash equivalents reached €2.7M on June 30th, 2024 (compared with €208K in the past fiscal year), a clear improvement thanks to the cash inflow from operating subsidiaries.

During the year, FDE implemented a share buyback program, resulting in the acquisition of 71,971 shares for a total amount of €2.5M, paid in full during the year. The main purpose of this share buyback program is to allocate free-awarded shares to employees under current plans. Thus, 11,664 shares have been allocated to the 2023 free-awarded share plan, while the balance is earmarked for future plans.

On June 30 th , 2024	June 30 th , 2024	June 30 th , 2023
	€	€
Share capital	5 231 885	5 182 604
Issue premium	44 002 960	44 052 241
Legal reserve	105 762	105 762
Other reserves	72 142	72 142
Retained earnings	-6 155 666	-1 169 627
Net income for the year	12 231 102	-4 986 038
Investment grants	250 000	250 000
Regulated provisions	1 800	0
Shareholders' equity	55 739 986	43 507 084
Provisions for charges	1 432 736	1 245 624
Provisions for contingencies and charges	1 432 736	1 245 624
Borrowings and other financial liabilities	34 049 981	21 541 661
Trade accounts payable	1 561 642	1 132 018
Tax and social security liabilities	521 959	1 367 878
Payables on fixed assets and related accounts	1 164 493	1 426 677
Other liabilities	176 383	2 355
Advances and deposits received on orders	0	60 000
Debts	37 474 458	25 530 588
Exchange rates differences	2 398	0
Total liabilities	94 649 578	70 283 297

(iv) Shareholders' equity

On June 30th, 2024, FDE's share capital stood at €5.232K, divided into 5,231,885 fully paid-up ordinary shares with a par value of €1.00 each.

During the year, 49,281 new shares were issued following the final allocation of free-awarded shares to the beneficiaries of the sixth plan implemented in 2021. This capital increase was carried out through the capitalization of additional paid-in capital, following the Chairman's confirmation on July 27th, 2023, of the definitive allocation of free-awarded shares to their beneficiaries.

Apart from the appropriation of retained earnings and the recognition of profit for the period, there were no other changes in shareholders' equity on June 30th, 2024.

(v) Provisions

Provisions mainly comprise rehabilitation provisions of €1.2M, down of €8K because of the annual accretion expense and changes in discounting assumptions for FY 2024. The sites concerned are still Folschviller, Tritteling, Lachambre and Pontpierre.

(vi) Debts

Borrowings and other financial liabilities rose from €21.5M on June 30th, 2023, to €34.0M, on June 30th, 2024, comprising Gazonor and LFDE International current accounts to support the Group's expansion.

3.3 PRESENTATION OF THE GROUP'S CONSOLIDATED FINANCIAL STATEMENTS

The Group's consolidated financial statements on June 30th, 2024 were prepared in accordance with International Financial Reporting Standards (IFRS), as published by the IASB and adopted by the European Union, and applicable at the balance sheet date as of June 30th, 2024.

The Group's consolidated financial statements on June 30th, 2024, are presented in Section 10.1 of this report.

3.3.1 Consolidated income statement

On June 30 th , 2024	June 30 th , 2024	June 30 th , 2023
	€	€
Turnover	31 446 065	39 226 787
Other operating income	1 338 685	1 048 358
Cost of goods and services sold	-7 349 778	-5 208 204
Other administrative and operating expenses	-9 639 899	-8 449 812
Other income/expenses	2 058 647	37 201
Share of profit of associates - operating	1 873 883	
EBITDA	19 727 603	26 654 330
Net provisions	-11 164	-541 463
Depreciation and amortization	-3 827 944	-3 126 013
Current operating income	15 888 495	22 986 854
Other non-current income and expenses		-6 854 304
Operating income	15 888 495	16 132 550
Financial income	632 361	345 994
Gross financial cost of debt	-3 068 684	-1 983 508
Other financial expenses	-214 762	-119 459
Share of profit of associates - non-operating	-1 296 036	
Profit before tax	11 941 374	14 375 577
Current and deferred taxes	-2 803 510	-2 545 320
Net income	9 137 864	11 830 256
Net income, Group share	9 721 222	11 973 094
Net income, non-controlling interests	-583 358	-142 838
<i>Earnings per share, Group share</i>		
- Basic earnings per share	1.86	2.31
- Diluted earnings per share	1.86	2.31

(i) Turnover / other operating income

Turnover includes €7.3M in gas sales, €21.9M in electricity sales (of which €7.7M in Belgium), €0.4M in heat sales, €0.5M in revenues from Cryo Pur and €1.3M in revenues from Greenstat.

As mentioned in section 3.2 of this report, revenues were mainly driven by a slight improvement in electricity sales volumes (+ 5%), thanks to the good performance of the existing cogeneration unit, despite the drop in average sales prices and the unavailability of the gas transmission network. Greenstat generated revenues of around €1.3M from photovoltaic projects.

Sales of €2.7M from the 45 MW solar farm in Petjnik, Bosnia, operated by Drin Energija, 49.5% owned, are not included in the total sales of €31.4M. Earnings from Drin Energija are included in income from associates, as control over the company on June 30th, 2024 did not, at this stage, meet the requirements of IFRS 10.

Other operating income amounted to €1.3M on June 30th, 2024, and mainly concerned the valuation of the Research Tax Credit declaration for calendar year 2023 in the amount of €668K, and re-invoicing of services relating to certain projects carried out during the year.

(ii) Operating expenses

The cost of goods and services sold amounted to €7.3M, up €2.1M due to higher electricity purchase costs (+64%) in a higher market price environment, and the impact of the Greenstat sub-group over 4 months for €0.8M. It should be noted that €979K of previous Arenh (electricity) rights had been retroceded by June 30th, 2023.

Operating administrative expenses of €9.6M included personnel costs, amounting to €5.4M on June 30th, 2024, compared with €5.0M for the past fiscal year. This increase is mainly due to the incorporation of Greenstat.

Depreciation and amortization as of June 30th, 2024, are up, with the increase in the depreciation charge for EG NPC and FalkenSun industrial facilities.

(iii) Net financial income

The Group's borrowing costs amounted to €3.1M and were mainly made up of interest charges and commissions on Group financing, notably due to the issue of the new green bond contracted with EDRAM and Gazonor's new ESG loan.

(iv) Current and deferred tax

Current and deferred taxes came to €2.8M on June 30th, 2024, up slightly on the previous fiscal year. The consolidated tax charge is made up of €1.6M in tax due under the French tax consolidation group, headed by FDE, €1.3M in tax due in Belgium and €5K in an annual contribution in Luxembourg, as well as €0.1M in positive changes in deferred taxes.

3.3.2 Consolidated balance sheet

On June 30 th , 2024	June 30 th , 2024	June 30 th , 2023
	€	€
ASSETS		
Goodwill	9 704 971	4 574 012
Exploration assets	39 100 856	38 917 911
Other intangible assets	675 830	759 784
Proven mining rights	23 752 231	23 976 139
Other property, plant and equipment	49 807 522	38 188 233
Investments in associates	8 336 653	
Non-current financial assets	1 313 761	1 810 432
Deferred tax assets	4 069 233	3 789 463
Non-current assets	136 761 056	112 015 974
Stocks	1 517 356	411 044
Accounts receivable	3 777 675	5 279 234
Other current assets	9 618 213	2 253 400
Prepaid expenses	413 310	242 275
Cash and cash equivalents	47 618 325	42 965 614
Current assets	62 944 879	51 151 567
Total assets	199 705 935	163 167 541

(i) Non-current assets

Excluding the change in exploration assets already commented on in the FDE parent company financial statements, other property, plant and equipment increased by 30%, following investments made at Avion 7 and Stavanger.

The positive goodwill recognized on June 30th, 2024, mainly concerns the acquisition of Greenstat and the recognition of €4.4M in goodwill (see note 3.1 of the notes to the consolidated financial statements).

The goodwill arising from the acquisition of control of Greenstat is analyzed as part of a Purchase Price Allocation within 12 months of the acquisition of control.

Mining rights amount to €23.8M, comprising the net value of reserves at the Hauts-de-France sites (valuation linked to the allocation of the purchase price of Gazonor by FDE) and the counterpart asset to provisions for reclamation at the Anderlues site.

(ii) Current assets

The customer balance on June 30th, 2024, comprises invoices for the month of June 2024 issued to Axpo, EDF Obligations d'Achats, Electrabel, Engie, Dalkia, SAVE and Primeo.

Other current assets mainly comprise deductible VAT receivables and social security and tax receivables.

On June 30 th , 2024	June 30 th , 2024	June 30 th , 2023
EQUITY AND LIABILITIES	€	€
Capital	5 231 885	5 182 604
Premiums	44 002 960	56 552 241
Other reserves	23 399 459	212 221
Net income, Group share	9 721 222	11 973 094
Currency translation adjustment	174 328	
Other equity items	20 043	30 866
Shareholders' equity - Group share	82 549 898	73 951 027
Non-controlling interests	7 921 982	-276 005
Consolidated shareholders' equity	90 471 879	73 675 022
Non-current financial debt	74 794 824	59 580 836
Non-current provisions	3 151 035	2 496 800
Provisions for pension liabilities	82 061	57 586
Deferred tax liabilities	6 860 681	6 670 497
Other non-current liabilities	2 153 035	1 244 595
Non-current liabilities	87 041 636	70 050 313
Current financial debt	6 354 541	8 527 884
Current provisions	724 528	685 970
Trade accounts payable	7 525 236	507 176
Fixed asset suppliers	5 392 164	5 733 056
Other current liabilities	2 195 950	3 988 119
Current liabilities	22 192 419	19 442 205
Total equity and liabilities	199 705 934	163 167 540

(iii) Shareholders' equity

Excluding net income for the year, the change in consolidated shareholders' equity is explained by the neutralization of the expense related to current free-awarded share plans for a total of €1.6M recognized as of June 30th, 2024 (compared with €1.8M in the past fiscal year), the purchase of treasury shares for €2.5M, and by the acquisition and consolidation of Greenstat during the year with a net effect including minority interests of €8.3M.

(iv) Non-current liabilities

Non-current liabilities due in more than one year mainly comprised financial debts of €74.8M, up €15.2M following the issue of the third tranche of green bonds by LFDE International and the new Arkéa loan by Gazonor.

Non-current provisions are 24% higher than in FY 2023, due to the increase in the Group's scope of consolidation.

(v) Current liabilities

Current financial debt mainly comprises the current portion of Group subsidiaries' loans, amounting to €6.4M.

Trade payables amounted to €7.5M, mainly due to the launch of the Group's first RNG and Bio-CO₂ project.

3.3.3 Consolidated cash flows

On June 30 th , 2024	June 30 th , 2024	June 30 th , 2023
	€	€
Operating activities		
Consolidated net income	9 137 864	11 830 256
Income from associates	-577 846	0
Current and deferred tax expense	2 803 510	2 545 320
Net depreciation, amortization and impairment of property, plant and equipment and intangible assets	3 827 944	9 980 316
Net additions to provisions	11 164	541 463
Capital gains/losses on asset disposals	-562 558	104 495
Change in operating working capital requirement	7 009 602	-880 392
Change in WCR - other assets and liabilities	-9 312 894	-1 314 523
Share-based compensation expense	1 592 203	1 760 875
Gross cost of debt	3 184 455	1 983 508
Tax paid	-3 182 390	-5 107 658
Other non-cash items	277 024	400 634
CASH FLOW FROM OPERATING ACTIVITIES	14 208 078	21 844 295
Investment activities		
Capitalized exploration expenses	-255 561	-244 312
Tangible and intangible investments	-8 956 263	-10 008 341
Proceeds from disposal of property, plant and equipment and intangible assets	0	24 996
Change in payables to suppliers of fixed assets	-340 891	1 752 914
Subsidies received on investment activities	86 007	471 161
Acquisition/disposal of financial assets	391 385	53 372
Acquisition of equity interests, net of cash	-2 283 931	
CASH FLOW FROM INVESTING ACTIVITIES	-11 359 255	-7 950 210
Financing activities		
Capital contributions to subsidiaries	198 753	138 016
Purchase of treasury shares	-2 675 000	-3 150 000
Issuance of borrowings (excluding expenses)	15 800 000	22 455 870
Repayment of loans and borrowings	-8 193 155	-9 221 061
Other financial liabilities	-86 071	-2 265 900
Cost of net debt: interest paid	-3 063 346	-2 630 598
Expenses paid on borrowings	-300 000	-240 000
CASH FLOWS FROM FINANCING ACTIVITIES	1 681 181	5 086 326
Exchange rate differences	122 707	0
NET CHANGE IN CASH AND CASH EQUIVALENTS	4 652 711	18 980 411
Opening cash position	42 965 614	23 985 203
CASH AND CASH EQUIVALENTS AT END OF PERIOD	47 618 325	42 965 614

Cash flow from operating activities was impacted by a fall in energy prices and the expansion of the Group's activities.

On June 30th, 2024, the Group's cash position stood at €47.6M, reinforced by continued robust operating cash flow, new borrowings, including the third tranche of green bonds.

3.4 OUTLOOK

Thanks to FDE's positioning over more than a decade as a low-carbon local energy producer, as well as the Group's recent developments in Norway and ongoing progress in France and Belgium, the **objectives for the FY 2030** are structured around three key indicators:

- (1) Strong growth to achieve **annual sales in excess of €175M**;
- (2) Continued improvement in profitability, with **EBITDA exceeding €85M**;
- (3) A stronger environmental contribution with over **20 million tons of CO₂ eq emissions avoided per year**.

FDE, present in five European countries, today produces key energies for achieving "Net Zero", including low-carbon electricity and heat from methane cogeneration of abandoned mines and solar energy, as well as RNG and low-carbon H₂.

FDE continues to develop its strategy based on the implementation of energy solutions to produce and valorize local energies in short circuits and contribute to the reduction of the carbon footprint of the territories concerned by its activity.



ELECTRICITY

FDE is continuing its organic growth with the roll-out of new low-carbon local energy solutions over the coming months. **Four additional cogeneration units** and a **new 5 MW photovoltaic power unit** in Engene, Norway, are also expected during FY 2025.

At the same time, photovoltaic power plants are being developed, with FDE having already secured the necessary land in the Grand Est, Hauts-de-France and Belgium.

All the additional cogeneration and photovoltaic power units planned as part of the development plan will reach **300 MW by the end of 2030 in five countries**.



HEAT

FDE is working on adding new thermal equipment for cogeneration. The Group plans to use the heat produced in at least five new power generation sites in France, Belgium and Norway.



GAS

Through its Cryo Pur subsidiaries in Norway, the Group is developing seven new RNG and Bio-CO₂ production projects in France and Norway, with the aim of reaching **707 GWh by the end of 2030**.

Askjenergy AS, one of Cryo Pur's subsidiaries, has launched its engineering work, contracting inputs with local farmers and registering permits to prepare for **production start-up at the end of 2025** of its new RNG and Bio-CO₂ production unit in **Stavanger**.

Combined with existing AMM production in France, the Group's objective is to reach a total production capacity of **950 GWh by 2030 in three countries**. The Group thus anticipates that revenues from these projects will constitute a major additional growth driver for FDE in the medium term..

HYDROGEN

FDE, with its subsidiary Greenstat in Norway, is positioning itself in renewable H₂ production, with two initial projects.

Hydrogen Hub Agder, 100% owned by Greenstat, has launched the construction of southern Norway's first large-scale H₂ plant, in the Fiskå industrial park, located on the seafront near the port of Kristiansand. The Agder project has been awarded an ENOVA grant of up to NOK 148M, representing over 40% of the total investment. Construction of the first phase, with a capacity of 20 MW, began in August 2024, with commissioning scheduled for the end of the second half of 2026.

A second phase is also planned at Fiskå, adding a further 40 MW of electrolyser capacity.

Glomfjord Green Ammonia (via its partner Neptune Tromsø) involves the installation of 20 MW of electrolysers to supply an existing ammonia plant with green H₂, enabling this leading manufacturer to decarbonize its fertilizer production. This project strengthens FDE's position in the production of low-carbon H₂ for industrial use.

With the "Bleue Lorraine" concession and its natural H₂ discoveries in France, FDE continues to strengthen its position in this energy sector. On November 20th, 2023, FDE was awarded, by decree, the "Bleue Lorraine" concession, valid until January 1st, 2040 and covering an area of 191 km². This concession represents a major step forward for the development of certified gas resources in the Lorraine region and will strengthen our ability to supply energy in short circuits from these gas reserves strategically located in the heart of Europe.

FDE has a pipeline of low-carbon H₂ production projects in Norway and Europe, with a target of **585 GWh of production capacity by the end of 2030 in 3 countries**. These initiatives testify to FDE's commitment to a sustainable H₂ economy, which is essential if we are to achieve our 2050 carbon neutrality targets.

CO₂

FDE, via its subsidiary Cryo Pur, focuses on projects to **capture CO₂** directly from industrial emissions and flue gases, transforming a harmful greenhouse gas into a usable resource. This CO₂ is then purified and liquefied for secure storage or industrial use, enabling emissions to be significantly reduced and process by-products to be recycled. This CO₂ can also be injected into geological storage facilities at sea in depleted gas fields, or on land in deep coals, for example.

Strategic partnerships are currently under discussion.

4. CSR COMMITMENTS AND EXTRA-FINANCIAL IMPACTS

FDE is now present in France, Belgium, Luxembourg, Norway and Bosnia-Herzegovina. Our objective for the coming years is to strengthen our international presence, by offering low-carbon energy solutions that can be rapidly deployed.

FDE conducts its activities in an ecologically, economically and socially sustainable manner.

As part of its continually reinforced Corporate Social Responsibility (CSR) policy, FDE, its employees and partners are committed to adopting a business attitude characterized by integrity and respect for the law.

In addition to environmental protection, this commitment also includes respect for and support of the Universal Declaration of Human Rights as adopted by the United Nations, labor standards as established by the International Labor Organization (ILO), a zero-tolerance policy towards corruption, fraud or money laundering, protection of data and intellectual property, compliance with all relevant laws and regulations, and good corporate citizenship in general.

FDE's various activities are at the heart of the ecological transition and critical to **achieving the 2050 carbon neutrality targets** to which the European Union and its various members have committed. It is on this set of complementary solutions that FDE is concentrating its efforts to continue strengthening the resilience of the territories concerned by its activity, while reducing the carbon footprint of the energy used in these regions.

Finally, following various workshops with stakeholders, FDE formalized its CSR commitments, including quantified targets for short- and medium-term multi-year trajectories in climate change mitigation, i.e. total emissions avoided over the year. This climate transition strategy was adopted by FDE's Annual General Meeting of Shareholders on November 30th, 2022.

Similar work is underway on adaptation to climate change, as well as on the Group's GHG emissions reduction targets, with the production of a consolidated carbon footprint for scopes 1, 2 and 3, enabling the identification and quantification of its main emissions.

The focus here is on Type 3 emissions, which generally account for the majority of a large company's climate impact, and the need for reporting from 2024 for certain companies.

FDE is also working with financial regulators on the introduction of a carbon footprint including Scope 4, which would take full account of avoided emissions to reflect the full reality of the Group's contribution to ecological transition efforts.

In addition, all FDE activities in production or under development (AMM, coal gas, solar, solar thermal, RNG, Bio-CO₂, H₂ and CO₂ sequestration) are part of the European taxonomy, which designates the European classification of economic activities with a favorable impact on the environment. Its aim is to direct investment towards the "green" activities needed to achieve the European climate objective of carbon neutrality by 2050.

4.1 VISION: A PRAGMATIC APPROACH TO ENERGY ISSUES

Climate change is a major challenge for the coming years. The consequences of this phenomenon are increasingly globalized, sparing no territory in the world. Faced with the urgency of the situation, effective and concrete solutions are being sought to limit the greenhouse gas (GHG) emissions of each of our activities.

Because of the GHG emissions it generates, the **energy sector** plays a considerable role in the coming **ecological transition**. Certain energy solutions are considered more sustainable, such as renewable energies, which will gradually replace the use of fossil fuels. However, these ideas come up against a major limitation: by taking the nature of energy as the starting point, they exclude a whole range of factors that have a major influence on the overall environmental impact of these energies.

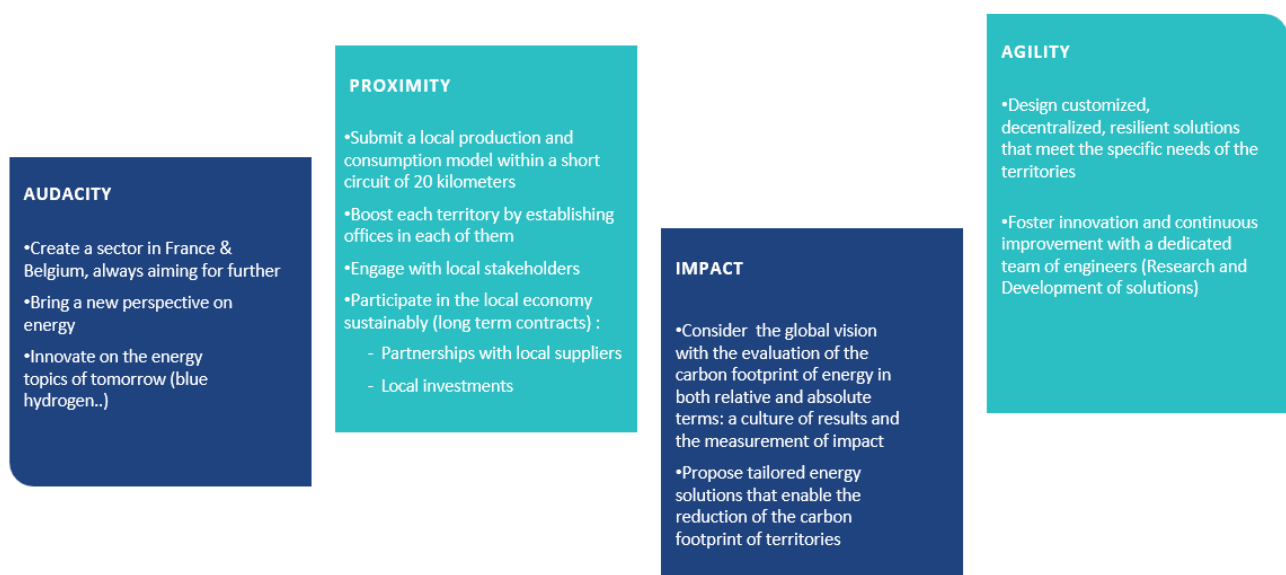
Indeed, beyond the resource itself (fossil, solar, nuclear...), **the extraction, processing, transport and storage of energy emit significant quantities of GHGs**. Thinking about the environmental impact of energy solutions over their entire life cycle - from raw material sourcing to end-of-life waste management - makes it possible to assess the activity's footprint more accurately, by integrating all the potential impacts of the activity.

The importation of energy and the mining of certain rare metals and ores (such as uranium) required for its production contribute significantly to this pollution. In fact, **energy dependence** paradoxically attenuates their positive impacts, even in the case of renewable energies. This energy dependence, observed particularly at European level, makes no sense for regions with significant local resources and quality.

Offering a **tailor-made energy solution, based on the resources available in each region, guarantees energy with a low carbon footprint**.

4.2 FDE'S CORE VALUES

FDE's values are the foundation of its commitment to a sustainable and responsible energy future:



4.3 FDE AND THE SUSTAINABLE DEVELOPMENT GOALS

While supporting all 17 "Sustainable Development Goals" (SDGs), as defined in September 2015 by the United Nations for the period 2015-2030, FDE mainly contributes to goals related to its own areas of expertise and more specifically the following goals:

ODD# 7 - Guarantee access for all to reliable, sustainable and modern energy services at an affordable cost



FDE contributes to this objective, which aims to guarantee access for all to reliable, sustainable and modern energy services, by implementing concrete initiatives. Thanks to the Béthune heating project, households benefit from green energy while reducing their annual energy bill by €400 per household.

ODD# 9 - Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation



FDE contributes to this objective of building a resilient and sustainable infrastructure by promoting solutions that combine economic performance and respect for the environment. A concrete example of this contribution is the development of an innovative system to transform biogas and CO₂ into RNG and Bio-CO₂, for which FDE holds a family of 8 international patents.

ODD# 11 - Ensure that cities and human settlements are inclusive, safe, resilient and sustainable



FDE contributes to this objective, which aims to make cities and human settlements inclusive, safe, resilient and sustainable. Short circuits and successful local integration are key elements in the development of the Group's projects. Currently, all its energy production and distribution is local, promoting local employment, energy independence and locally competitive energy.

ODD# 12 - Establish sustainable consumption and production patterns



FDE contributes to this objective, which aims to ensure sustainable consumption and production patterns. One example of this contribution is the collaboration with the public sector and communities to set up joint initiatives to promote sustainable practices in the energy sector through the development of heat networks, for example.

ODD# 13 - Take urgent action to combat climate change and its impacts



FDE is actively contributing to this objective, which aims to combat climate change and mitigate its impacts. One example of this commitment is the reduction of over 3.5 million tons of CO₂ equivalent per year, of which 1.4 million tons are certified⁶. By developing sustainable energy solutions and optimizing industrial processes, FDE plays a key role in reducing its carbon footprint.

⁶ Figures not certified at this stage, 1.4 million tons certified. Source: Inéris 2019 certification, updated with a Global Warming Potential of 82.5 (AR6 - IPCC) and including the Béthune and Avion 7 sites (FDE extrapolation), Université Polytechnique de Mons study.

ODD#17 - Partnerships to achieve the goals



FDE contributes to this objective by promoting effective partnerships between governments, the private sector and civil society. By facilitating collaboration between these players, FDE creates synergies and strategic alliances to ensure that the projects developed meet the needs of local communities while stimulating economic development.

FDE considers itself particularly well positioned to contribute to these objectives, as the Group has already demonstrated the effectiveness of its approach to sustainably reducing the carbon footprint of energy use, developing a better distributed infrastructure and providing affordable energy to local consumers to develop sustainable ecosystems.

The aim is to achieve this through investment in additional power generation capacity and other low-carbon energy solutions, without limiting the Group to specific technologies. While FDE believes that its technical and operational capabilities are relevant to capturing methane from abandoned mines and producing electricity and heat from this waste gas, they also enable the development of green heat production and green electricity generation from solar energy.

FDE's technical know-how and particular expertise in the development of energy production projects, from design to implementation, operation and maintenance, are also enabling it to confidently pursue its current expansion into RNG, **Bio-CO₂, H₂ production, as well as energy storage and sustainable, safe carbon sequestration** via the creation of carbon sinks.

4.4 SUSTAINABLE FINANCING

4.4.1 External ratings by certified players

FDE has been awarded an overall rating of **69/100**, up again from 65/100 in 2023 by rating agency Ethifinance ESG Ratings.

FDE significantly outperforms its peers, standing out among the 82 companies in the Energy sector that make up the benchmark used by Ethifinance ESG Ratings. This success testifies to our Group's unwavering commitment to social responsibility and the fight against climate change.

Ethifinance ESG Ratings is now **the leading rating agency** for French mid-sized companies, effectively measuring companies' commitment to the Environment, Social Responsibility, Governance and interactions with External Stakeholders (ESG-PPE).

Ethifinance ESG Ratings assesses the companies it covers according to a reference framework of around 140 criteria divided into 4 pillars: Environment, Social, Governance and External Stakeholders (ESG-PPE), while updating the reference framework annually in line with the results of previous years and emerging ESG risks (new questions, level of detail in responses, rating algorithms, etc.).

The evaluation process used is as follows:

- (1) Collection of publicly available ESG information over 3 years;
- (2) Data quality control;

- (3) Dialogue with the company to complete and refine the data collected;
- (4) Verification of data consistency and homogenization;
- (5) Calculate scores and publish data.

FDE's excellent overall score really highlights the Group's proactive environmental and social policy.

FDE was also awarded the **Greenfin France finance verte label** in the circular economy category for its contribution to the ecological transition through its AMM business.

As a reminder, the Greenfin France finance verte label is the benchmark public label for the "Energy and ecological transition for the climate". It specifically distinguishes investment funds that contribute to the energy and ecological transition. It is a guarantee for investors of the quality and transparency of the environmental characteristics of the funds thus discerned, and of their contribution to the energy transition and the fight against climate change.

4.4.2 Green bond financing

Green bonds offer greater transparency and traceability for investors wishing to allocate funds to green assets. In this sense, FDE is convinced that green bonds are an **effective tool for achieving the EU's climate and energy objectives by 2030**.

The Group therefore issues green bonds to finance green energy projects in line with its core business and sustainability strategy.

Since 2021, the Group issued three **green bonds** of €40M, followed by a second tranche of €20M in 2022 and then €60M in May 2024 to develop its low-carbon energy portfolio. This financing from Edmond de Rothschild Asset Management (EDRAM), one of Europe's leading energy and infrastructure investment funds, highlights the significance of FDE's positioning on decarbonized energy and the energy transition.

These financings are qualified as "Green Bonds", and the issues have therefore been assessed as compliant with the Green Bond Principles of the International Capital Market Association (ICMA) via an opinion from EthiFinance, a recognized independent expert, who issued a second "Second Party Opinion⁷" confirming **the alignment of FDE's green bond framework with the Green Bond Principles** and the framework's solid environmental credentials.

These green bonds will finance the Group's existing energy portfolio, as well as the deployment of other low-carbon projects such as H₂ and RNG in Europe.

In addition, as part of its Green Bond Framework, on June 30th, 2024, FDE confirms that the allocation of 94% of its green bond proceeds to eligible green assets, including 21% to the development of its AMM cogeneration business in France, 21% to the development of its AMM cogeneration business in Belgium, 21% to the development of its photovoltaic business in France, and 5% to the development of its RNG business. On June 30th, 2024, 14% remains available to finance the Group's development in green assets.

⁷ Available on the FDE website: www.francaisedelenergie.fr/wp-content/uploads/2021/09/LFDE-Second-Party-Opinion-EthiFinanceVF.pdf

4.5 EUROPEAN TAXONOMY

The Taxonomy Regulation (EU) 2020/852 (the "Regulation") establishes a classification system common to the European Union, the aim of which is to identify economic activities considered to be sustainable, with reference to six environmental objectives. The six environmental objectives defined in Article 9 of the Regulation are as follows:

- climate change mitigation;
- adapting to climate change;
- sustainable use and protection of aquatic and marine resources;
- the transition to a circular economy;
- pollution prevention and reduction ;
- protecting and restoring biodiversity and ecosystems.

Within the meaning of Article 3 of the Regulation, an economic activity is considered to be environmentally sustainable if it:

- contributes substantially to one or more of the environmental objectives set out in Article 9;
- does not cause significant harm to any of the environmental objectives set out in Article 9;
- is carried out in compliance with the minimum guarantees set out in article 18 of the Regulations;
- and complies with the technical review criteria established by the Commission.

Delegated Regulation (EU) 2021/2178 of July 6th, 2021, supplementing the Regulation specifies the following definitions:

- an economic activity eligible for the taxonomy ("Eligible Activity") is an economic activity described in delegated regulation (EU) 2021/2139 of June 4th, 2021, whether or not it meets some or all of the technical review criteria set out in this delegated regulation;
- an economic activity not eligible for the taxonomy is an economic activity that is not described in delegated regulation (EU) 2021/2139 of June 4th, 2021;
- an economic activity aligned with the taxonomy ("Aligned Activity") is an economic activity that meets the requirements set out in article 3 of the Regulations.

The following Group activities are specifically listed in the European Green Taxonomy and are therefore eligible under the first "Mitigation of climate change" objective:

- Photovoltaic power plant;
- Solar thermal power plant;
- RNG and Bio-CO₂ production;
- Low-carbon H₂ production;
- And CO₂.

The following activities are not listed in the first version of the European Green Taxonomy but qualify in view of their environmental benefits:

- Fatal gas capture (AMM): considered eligible given that the activity makes a contribution to the environmental objective, similar to "electricity generation from non-fossil renewable gaseous and liquid fuels", with in particular lifecycle GHG emissions from electricity

generation using AMM of less than 100 g CO₂ e/kWh and a reduction in carbon emissions with the capture of this fatal gas;

- Natural H₂;
- Gas, present in coals, recovered and valorized in short circuits;
- CO₂ capture.

It should be noted that FDE is already working on the control and measurement of the data needed to effectively meet the requirements of the new European directive on **sustainable development reporting (SDR)**.

As a reminder, in November 2022, the European Commission officially adopted the CSRD, a new directive on corporate sustainability reporting that aims to provide a more complete picture of corporate sustainability performance.

Adopted in 2023, the implementation of the CSRD (Corporate Sustainability Reporting Directive) in 2027 on 2026 data and the double materiality principle it introduces will play a key role in strengthening FDE's ESG policy.

4.6 COMMITMENTS OF THE PARTIES INVOLVED

To measure extra-financial impacts, FDE relies on its core values of excellence, trust, respect and responsibility. These apply to all our operations and to each of the communities in which we operate.

Guided by its Code of Conduct and Business Ethics, FDE meets or exceeds the requirements of all applicable laws and standards in the communities where the Group operates, through all its activities in each of its regions. In doing so, FDE is committed to being transparent and respectful towards all its stakeholders, including (investors, employees, partners, suppliers and communities, etc.).

FDE's commitment to quality towards all its stakeholders (customers, investors, subcontracting partners, elected representatives, local authorities and creditors) remains at the heart of its concerns, with **ISO 9001 certification** maintained for all the Group's operational activities in the Hauts-de-France region. This certification is the international standard for Quality Management Systems (QMS), to guarantee the quality of the product supplied and the continuous improvement of the Company's processes.

4.6.1 Working with local elected officials and residents

FDE strives to support the communities in which the Group operates using a shared value model. FDE works to develop economic and employment opportunities, build positive relationships and contribute to engaging and mutually beneficial partnerships that strengthen both the community and the Company's capacity.

Its short circuit approach and the maximization of all positive impacts linked to its projects encourages local investment and contributes to the quality of life of communities by improving social, economic, environmental and cultural aspects.

Since 2021, FDE has been supporting the town of Béthune, heating the equivalent of 6,500 homes with methane from former gas mines, which is reinjected into the town's district heating network. Similarly, it is helping the town of Avion to set up its district heating network,

which will eventually benefit from the green heat generated by the Group's cogeneration units.

The Group's projects are also subject to regulatory obligations and to public consultation to ensure that social and environmental issues are considered. Upstream, FDE undertakes to hold preliminary discussions with local elected representatives to ensure that projects are compatible with local priorities.

4.6.2 Suppliers

FDE also encourages its subcontractors, partners, suppliers and customers, via certain contractual clauses in its contracts and invitations to tender, but also via the sharing of best practices, to decarbonize these players in the Group's ecosystem.

The Company is committed to sustainable development, the circular economy and the fight against waste.

4.6.3 Human capital

FDE's commitment to men and women is rooted in its core values; the Group values and cares for its people and believes that every employee and partner deserves to be treated with respect.

The Group is committed to providing its teams with a working environment in keeping with its human values and corporate culture.

In a context of rapid growth and team building, both in France and abroad, every aspect of well-being at work - including diversity, health and training - is carefully considered. The Group's innovation and environmentally friendly business model are major assets in attracting, recruiting and retaining skilled talent with shared ambitions.

FDE recognizes the principles of the **Universal Declaration of Human Rights** and has policies in place to support these principles in its day-to-day operations, including the creation of a fair and equal workplace. The Group encourages its employees to give their best, and values the teamwork, collaboration, dialogue and innovation that lead to the creation of both a healthy workplace and added value for the Company.

FDE is committed to conducting its business in a way that **protects the health and safety of its employees, subcontractors and the public**, while reducing its impact on the environment. Its HSE culture is recognized as a model by its industry and stakeholders. Every member of the Company is responsible for the correct application of the HSE policy and has individual annual targets to maximize his or her impact on the health, safety and environment of the Group and its activities.

As part of our CSR approach, the Group places human capital at the heart of its strategy, ensuring an inclusive, equitable working environment that fosters our employees' personal and professional development, while improving working conditions.

On June 30th, 2024, the Group had **53 employees (including 17 from Greenstat)** in Europe, compared with 31, on June 30th, 2023. This 71% increase underlines the Group's growth, both in France and in Europe. Only employees in France benefit from a collective bargaining agreement.

During FY 2024, the Group maintained its **active recruitment strategy, integrating 10 new employees** on permanent contracts, i.e. 19% of the total workforce. Each new employee follows a specific career path adapted to his or her position and development within the Company.

The integration of new arrivals is a crucial stage in their commitment and loyalty. This process includes a detailed presentation of the Group, as well as meetings with the Company's team to help them share our values and corporate culture.

Aiming for equal skill levels, FDE strives to ensure balanced recruitment between men and women. On June 30th, 2024, **the proportion of women in the Group workforce was 25%**, up 5% compared to June 30th, 2023.

The Group considers **diversity to be a major asset for its development**. Its recruitment policy is based on the principles of non-discrimination, equality and inclusion. FDE is committed to respecting the particularities of each individual and to offering a working environment where each person can express themselves and act freely. The Group promotes gender diversity right from the recruitment process and throughout the employee's career.

A few indicators:

Workforce Total	June 30 th , 2024	June 30 th , 2023
Europe	53	31
<i>Of which France</i>	34	29
Total number of employees at end of year	53	31
Share of women	June 30 th , 2024	June 30 th , 2023
Share of female employees	25%	19%
Percentage of women managers	9%	6%
Pay gap	June 30 th , 2024	June 30 th , 2023
M/F pay gap	12%	7%
Age range	June 30 th , 2024	In %
20-30 years	11	21%
30-40 years	24	45%
40-50 years	14	26%
> 50 years	5	9%
Employees by nationality	June 30 th , 2024	In %
France	26	49%
Europe (excluding France)	18	34%
International	9	17%
Total number of employees at end of year	53	
Work-related accident frequency rate	June 30 th , 2024	June 30 th , 2023
Group	0.76%	0.44%

None of our employees is identified as having a disability.

4.7 FDE'S CSR COMMITMENTS

Local energy: a lever for sustainable development

The development of local energies through short circuits is an essential driver for the sustainable development of territories, facilitating an effective climate transition. This is the fundamental mission and objective of FDE: developing local resources to offer energy solutions with a positive impact, thereby reducing the carbon footprint of the energy used in the areas concerned.

Since its inception, FDE has taken a pragmatic and innovative approach to energy issues, focusing on tangible results rather than distant promises. By 2024, FDE has demonstrated its commitment by producing energy that reduces greenhouse gas emissions relative to the French energy mix. Thanks to a pragmatic approach, the Group continuously measures the environmental impact of its activities. Indeed, with 22.5 MW of installed power generation capacity, FDE has avoided more than 3.5 million tons of CO₂ eq, a record impact at its main sites in Belgium and France.

For FDE, aligning the Group's core values and daily operations with its climate ambitions is crucial for its teams and stakeholders in the regions where it operates.

A clear and measurable climate ambition

FDE's long-term objective is to maintain its status as a producer with a negative carbon footprint. Thanks to low-carbon energy solutions, in particular the capture and recovery of abandoned mine methane from former mining basins, FDE stands out as one of the few producers with a negative carbon footprint in France and Europe.

Abandoned mine methane, mainly composed of methane, has a Global Warming Potential (GWP) 82.5 times greater than CO₂ over 20 years, according to the latest IPCC report. With the current portfolio, FDE contributes to avoiding more than 3.5 million tons of CO₂ eq every year, based on the Inéris 2019 Certification, updated with a Global Warming Potential of 82.5 (AR6 - IPCC) and including the Béthune and Avion sites and the Université Polytechnique de Mons 2022 Study.

In 2024, the commitment and efforts of our employees enabled the Group to maintain a negative carbon footprint for the eighth year running.

FDE has set itself a key objective: to avoid **more than 20 million tons of CO₂ eq emissions per year by 2030, equivalent to the emissions of more than 3 million inhabitants of the European Union according to the latest World Bank statistics**. To achieve carbon neutrality, FDE is counting on a significant production of essential low-carbon energies, namely electricity, gas, H₂ and heat, combined with the development of its CO₂ capture, storage and recovery capacity.

An investment process aligned with our environmental strategy

FDE is not content with its own performance. The Group encourages its subcontractors, partners, suppliers and customers to adopt decarbonization practices, integrating these objectives into its contracts and calls for tenders. By 2030, FDE aims to measure and reduce scopes 1, 2 and 3 emissions across its entire ecosystem.

What's more, all FDE's activities, whether in production or under development (AMM, solar, RNG, H₂, CO₂, etc.), are aligned with the European goal of Net Zero by 2050, as well as with the European taxonomy, which classifies environmentally friendly economic activities. With nearly €100M of green bonds issued since 2021, the investment decision-making process incorporates the climate change impact of projects, ensuring that each initiative contributes to the climate goals of carbon neutrality by 2050.

Lastly, the main capital expenditure planned over the next few years to meet these environmental targets is €30M to set up more sites to recover abandoned mine methane in the form of electricity and heat in France and Belgium.

In addition, the Group plans to invest €50M in the construction of solar farms in Europe and Norway, €120M in the production of RNG, mainly in Norway, and €40M in the production of H₂ by electrolysis in Norway.

5. CORPORATE GOVERNANCE

Preliminary remarks

In accordance with Ordinance no. 2017-1162 of July 12th, 2017, and Decree no. 2017-1174 of July 18th, 2017, applicable to the financial year beginning on January 1st, 2017, a report on corporate governance, drawn up by the Board of Directors, has replaced the Chairman's report on internal control and risk management.

In public limited companies with a Board of Directors, the information required in this report may be presented in a specific section of the management report. This section covers all the information required in the corporate governance report.

5.1 MIDDLENEXT CORPORATE GOVERNANCE CODE

Since the listing of its shares on Euronext Paris, the Company has referred to the MiddleNext corporate governance code for mid-cap companies, as amended in 2021 (the "MiddleNext Code").

5.2 LACK OF CONTROL OF THE COMPANY

To the best of the Company's knowledge, as of June 30th, 2024, none of the Company's shareholders directly or indirectly, alone or jointly, held a controlling interest in the Company within the meaning of Articles L. 233.3 et seq. of the French Commercial Code.

5.3 SEPARATION OF THE FUNCTIONS OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER

On October 12th, 2020, the Board of Directors agreed to a further change in the Group's governance, on the proposal of its Chairman and CEO Julien Moulin. The Group, which already benefited from a Board of Directors with a majority of independent, non-executive directors, has thus implemented the permanent dissociation of the functions of Chairman on the one hand and Chief Executive Officer on the other, with the appointment of Antoine Forcinal as Chief Executive Officer.

This governance ensures that we meet the most demanding governance criteria and market best practices.

The Board of Directors' Internal Rules set out the respective powers of the Board of Directors, the Chairman and the Chief Executive Officer.

As governance is a key aspect of FDE's sound management, the Board of Directors has identified an area for improvement, namely gender parity on the Board of Directors. The aim is to implement this practice by the end of the 2025 calendar year to strengthen the Company's governance.

5.4 PREPARATION AND ORGANIZATION OF BOARD MEETINGS

5.4.1 Information and Board meetings

The Board of Directors has met five times during the year, on the following dates: July 19th, 2023, July 27th, 2023, October 18th, 2023, March 20th, 2024, and April 30th, 2024.

The average annual attendance rate of directors at meetings held during the financial year was 100%.

For each Director, the attendance rate is tabulated as follows:

DIRECTORS	ATTENDANCE RATE
Mr Julien Moulin	100%
Mr Antoine Forcinal	100%
Mr Alain Liger	100%
Mr Christophe Charlier	100%

5.4.2 Appointment and tenure of directors

Board members are appointed by the Shareholders' Meeting, on the recommendation of the Board, which in turn receives proposals from the Appointments and Remuneration Committee. Board members may be dismissed at any time by a resolution of the Annual General Meeting.

Pursuant to the Middlednext Code and Article L.225-18 of the French Commercial Code, Article 12 of the Company's Articles of Association sets the terms of office of directors at six years. This duration is consistent with the specificities of the Company's activity, which call for advanced qualifications in the energy sector and hence for sustainable cooperation.

To balance the gender representation on the Board of Directors, the Appointment and Remuneration Committee is actively engaged in selecting and appointing female candidates for the Company's Board membership positions, as the issue of gender balance in Board membership is expected to be tabled during a forthcoming General Meeting.

5.5 COMPOSITION OF THE BOARD OF DIRECTORS

On June 30th, 2024, the membership of the Board of Directors stands as follows:

First and last name (Date of birth, nationality)	Date of appointment and term of office	Positions held within the Group	Other positions held outside the Group over the past five years
Directors			
Mr Julien Moulin (Born 12/12/77, French nationality)	<u>Appointment date:</u> March 23 rd , 2016, renewed on November 30 th , 2021 <u>Term:</u> Annual General Meeting convened to approve the financial statements for the year ending June 30 th , 2027.	<ul style="list-style-type: none"> – Chairman of the Company; – Chairman, EG Lorraine SAS; – Chairman, EG NPC SAS; – Chairman, Gazonor SAS; – Director of Gazonor Benelux SA; – Representative of LFDE-International SARL as Chairman of Gazonor Holding SAS; – Chairman, Gazonor Béthune SAS; – Permanent representative of LFDE-International SARL as Director of Greenhill SA; – Chairman, Cryo Pur SAS; – President of Cryo Pur Norge AS; – Director of Biogy Solutions AS; – Director of Askjenergy AS; – Managing Director, Greenstat ASA 	<ul style="list-style-type: none"> – Director of Nextgen Energy Limited (NEL) – Director of European Gas Limited (company dissolved on July 6th, 2021)
Mr Antoine Forcinal (Born on 10/03/82, French and Canadian nationalities)	<u>Appointment as Director,</u> General Meeting of December 22 nd , 2017, Renewed on November 30 th , 2023 <u>Term:</u> Annual General Meeting convened to approve the financial statements for the year ending June 30 th , 2029.	<ul style="list-style-type: none"> – Chief Executive Officer; – Managing Director, Gazonor SAS; – Director of Gazonor Benelux; – Managing Director, Gazonor Holding; – Sole manager of LFDE International SARL; – Managing Director, Concorde Energie Paris EURL – Managing Director, Gazonor Béthune SAS; – Chairman, Cellcius SAS; – Chairman, FalkenSun SAS; – Director of Greenhill SA; – General Manager, Cryo Pur SAS; – General Manager, Cryo Pur Norge AS; – Managing Director, Biogy Solutions AS; – Managing Director of Askjenergy AS; – Chairman, Greenstat ASA 	

First and last name (Date of birth, nationality)	Date of appointment and term of office	Positions held within the Group	Other positions held outside the Group over the past five years
Independent directors			
Mr Christophe Charlier (Born on 24/04/1972, French nationality)	<u>Appointment date:</u> March 23 rd , 2016, renewed on November 30 th , 2021 <u>Term:</u> Annual General Meeting convened to approve the financial statements for the year ending June 30 th , 2027.	– Director of the Board of Directors and Chairman of the Audit and Accounts Committee	– Chairman of the Board of Directors, Pure Grass Films; – Director of Oxus Acquisition Corp; – Chairman of Renaissance Capital (until 2020)
Mr Alain Liger (born 12/02/1951, French)	<u>Appointment date:</u> March 23 rd , 2016, renewed on November 30 th , 2021 <u>Term:</u> Annual General Meeting convened to approve the financial statements for the year ending June 30 th , 2027.	– Director of the Board of Directors and Chairman of the Appointments and Remuneration Committee from March 31 st , 2022	– Narbonnais SAS (until 2020)
* Mr Julien Moulin has also been Chairman of the Company since November 2010 when it had the former corporate form of a simplified joint-stock company.			

5.6 DIVERSITY POLICY AND REPRESENTATION ON THE BOARD OF DIRECTORS

Article L.225-17 paragraph 2 of the French Commercial Code and Law no. 2019-486 (“*Plan d’Action pour la Croissance et la Transformation des Entreprises*” (Action Plan for Business Growth and Transformation)) promulgated on May 22nd, 2019 provide for a balanced gender representation on the board of directors (at least 40% of each gender) for companies with more than two hundred and fifty permanent employees for the third consecutive financial year and a net turnover or balance sheet total of at least €50M.

It is specified that a new text resulting from Ordinance no. 2020–1142 in force since 2021 now imposes on listed companies, without threshold conditions, a proportion of directors of each gender that cannot be less than 40%. Where this threshold is not fulfilled, the new regulation in force provides for suspension of payment of directors’ remuneration, and for reinstatement of such payment when the board membership is regularised, including any arrears accrued during the suspension.

Based on this new regulation, the Appointment and Remuneration Committee is actively engaged in selecting and appointing female candidates for the Company’s Board membership

positions, as the issue of gender balance in Board membership is expected to be tabled during a forthcoming General Meeting.

5.7 SELECTION CRITERIA FOR DIRECTORS

The Appointments and Compensation Committee advises the Board on the selection of candidates for re-election to the Board of Directors, based on the following criteria: management skills acquired in international French and foreign companies, familiarity with the Company and its business sector, expertise in environmental, energy, economic, financial and accounting issues, and sufficient availability.

5.8 INDEPENDENCE OF DIRECTORS

5.8.1 *Director independence criteria*

Pursuant to the Rules of Procedure of the Board, setting out the independence criteria for directors in accordance with the recommendations of the MiddleNext Code, a director is considered independent if that person:

- Is either an employee nor a corporate officer of the Company or of a Group company and has not been one during the last five years;
- Is not and has not been over the past two years in a meaningful business relationship with the company or its Group (customer, supplier, competitor, service provider, creditor, banker, etc.);
- Is not a dominant Shareholder of the Company and does not hold a significant percentage of its voting rights;
- Does not have a close family relationship with a Corporate Agent or a reference Shareholder of the Company;
- Has not been an auditor of the Company during the last six years.

These criteria are assessed and weighted by the Board, which may decide that a director, not meeting the criteria set out in the internal regulation, can still be classified as independent in light of his/her specific situation or that of the Company, in view of his/her shareholding, or for any other reason, and vice versa.

5.8.2 *Assessing independence of directors*

According to the MiddleNext Code, it is recommended that at least two board members be independent.

After hearing the opinion of the Appointment and Remuneration Committee in light of the MiddleNext Code independence criteria, the Board examined the independence of the directors and considered that two of the four members of the Board are independent, namely: Christophe Charlier and Alain Liger.

5.9 MISSION OF THE BOARD OF DIRECTORS

In accordance with the law, the Board is responsible for setting the direction of the Company's activities and overseeing implementation thereof. Subject to the powers expressly vested in the shareholders' meetings and within the scope of the Company's purpose, the Board has the power to examine all matters related to the proper functioning of the Company and to settle, through its deliberations, all matters pertaining to it.

5.10 ROLE OF THE BOARD CHAIRMAN

The Chairman of the Board organises and directs the activities of the Board and reports accordingly to the General Assembly of Shareholders. The Chairman is responsible for reporting on the organisation of the Board's activities, internal control and risk management. The Board Chairman chairs the General Meetings of Shareholders.

All in all, the Chairman oversees the proper functioning of the corporate bodies and compliance with corporate governance principles and practices, particularly with regard to committees established by the Board. He ensures that directors are able to carry out their mission and are properly informed. It takes the time needed to address issues relating to the future of the Group, particularly those pertaining to its strategy.

Pursuant to the Rules of Procedure of the Board, directors are required to promptly inform the Chairman and the Board of any situation involving a conflict of interest, including a potential conflict of interest, as well as any proposed agreement entered into by the Company in which they are or could directly or indirectly hold an interest.

The Board Chairman presides over Board meetings, prepares and coordinates the activities of same. As such, he:

- Convenes the Board to meetings, depending on the schedule of meetings agreed with the directors, and decides whether to convene the Board at any other time if necessary;
- Draws up the agenda, supervises the preparation of Board meeting documents and ensures that the information contained therein is complete;
- Ensures that certain topics are discussed by committees in preparation for Board meetings, and ultimately serve as a source of proposals for the Board;
- Directs and facilitates the Board's deliberations;
- Ensures that directors comply with the provisions of the rules of procedure of the Board and committees;
- Monitors implementation of Board decisions;
- Prepares and organises periodic evaluation of the Board in conjunction with the Appointments and Remuneration Committee.

The Chairman may promote the Company, particularly with the public authorities, key customers, investors and partners, both in France and abroad. As the Board's main interface with dominant Shareholders, the Chairman conveys Shareholders' views and concerns to the Board. The Chairman seeks to promote the values and image of the Company in all circumstances and communicates with third parties on behalf of the Board, unless a specific authority is assigned to another director.

5.11 BOARD OF DIRECTORS' COMMITTEES

5.11.1 *The Accounts and Audit Committee*

(i) **The Committee's operations and membership**

The Accounts and Audit Committee meets at the initiative of its Chairman or at the request of the Chairman of the Board to examine the interim and annual financial statements before they are submitted to the Board. The Committee met twice during the fiscal year of 2024, on October 17th, 2023, and March 19th, 2024.

The Accounts and Audit Committee comprises three to five members appointed by the Board from among the directors on the recommendation of the Remuneration and Appointments Committee. Its Chairman is appointed by the Board.

The Committee has three members, including two independent members: the Chairman of the Audit Committee, Christophe Charlier, and Alain Liger.

In accordance with Article L. 823-19 of the French Commercial Code and the internal rules of the Accounts and Audit Committee, its members must be chosen based on their financial or accounting expertise, and at least one member of the Committee must have specific accounting or financial expertise and be independent with regard to the criteria detailed in the Board's internal rules.

The attendance rate for each member of the Accounts and Audit Committee is shown in the table below:

NAME	ATTENDANCE RATE
Mr Christophe Charlier	100 %
Mr Julien Moulin	100 %
Mr Alain Liger	100 %

In discharging its mandate, the Accounts and Audit Committee conducts a regular dialogue with the Company's statutory auditors, who participate in the meetings of the Accounts and Audit Committee during the review of the half-yearly and annual financial statements prior to approval thereof by the Board of Directors.

(ii) **Committee duties**

The Committee's duties include reviewing with the statutory auditors the relevance and consistency of the accounting methods adopted for the preparation of the consolidated and parent company financial statements and formulating an opinion on the draft half-yearly and annual parent company and consolidated financial statements, as well as on CSR issues, prepared by Management before they are presented to the Board.

The Committee reviews the plan of auditors' interventions once a year, hears, if the Committee so requests, the auditors and the directors in charge of finance, accounting and treasury, supervises the procedure for the selection of auditors and issues an opinion on the amount of fees requested for the exercise of statutory audit missions.

Excluding those provided for by law or any other regulatory text, the Committee gives its prior approval for the carrying out by auditors of work other than the certification of accounts, such as acquisition audits, and ensures that these missions do not interfere with their independence and in particular that they do not fall within the scope of missions prohibited by the Commercial Code. The Committee is duly informed of the fees paid by the Company and its Group to the audit firm and the network of auditors and shall ensure that their amount or the share they represent in the turnover of the firm and the network and in relation to the fees received for the audit mission are not of a nature to jeopardise the independence of the auditors.

(iii) Committee activities

The main work carried out by the Accounts and Audit Committee during the fiscal year of June 30th, 2024, was as follows:

- Review of the Group's financial situation and 2024 audit plan (including climate and CSR issues);
- Review of the annual and half-yearly financial statements;
- Monitoring the Group's material risks by integrating climate issues;
- Review of business financing options.

5.11.2 The Appointment and Remuneration Committee

(i) The Committee's operations and composition

The Appointment and Remuneration Committee meets at the initiative of its Chairman or at the request of the Chairman of the Board. It met once during the year, on December 22nd, 2023.

According to its rules of procedure, the Appointment and Remuneration Committee has a membership of three to five persons, appointed by the Board, on the proposal of the Appointment and Remuneration Committee. The members of the Nomination and Remuneration Committee are selected from among non-executive directors. The Chairman of the Committee is appointed by the Board on the recommendation of the Appointment and Remuneration Committee.

The Committee has three members, two of whom are independent, including its Chairman.

The table below presents the attendance rate for each member of the Appointment and Remuneration Committee:

NAME	ATTENDANCE RATE
Mr Alain Liger	100 %
Mr Julien Moulin	100 %
Mr Christophe Charlier	100 %

(ii) Committee duties

The Committee is mainly responsible for reviewing and making proposals on compensation and benefits of corporate officers who are members of the Board. It proposes to the Board an overall amount for the remuneration to be allocated to the members of the Board which will be proposed to the general meeting of the Company. The Committee provides the Board with an opinion on the general policy for the award of free shares established by the Group's senior management. It makes its proposal to the Board, while explaining the reasons for and implications of its choices.

The Committee is informed about the remuneration policy of the main non-executive directors of the Company and of the other companies of the Group and examines any matter submitted to it by the Chairman on the issues referred to above, as well as to proposed capital increases reserved for employees.

The Committee may seek advice from a company specialised in executive compensation.

(iii) Committee activities

The main activities of the Appointment and Remuneration Committee during the fiscal year ended on June 30th, 2024, were as follows:

- Developing the employee free-awarded share plan;
- Consideration of shareholder votes and implementation of long-term performance-based compensation;
- Regulated agreements;
- Developing governance and searching for directors to achieve parity.

5.12 COMPENSATION ALLOCATED TO BOARD OF DIRECTORS MEMBERS

Pursuant to legal requirements, information is provided on the total amount of remuneration paid to members of the Company's governing bodies during the fiscal year ended on June 30th, 2024 (see the notes of the consolidated financial statements for further details).

Further to the advice given by the Appointments and Remuneration Committee on July 9th, 2018, following the advice already given on June 30th, 2017, the Board of Directors had decided to distribute the remuneration to be allocated to directors (formerly known as "directors' fees") among the non-executive members of the Board, as follows:

- €5,000 for each attendance at one of the Board's quarterly meetings;
- €10,000 for the Chairman of the Accounts and Audit Committee;
- €10,000 for the Chairman of the Appointments and Compensation Committee;
- €5,000 for each member of these two committees.

The breakdown of remuneration awarded to non-executive directors for the financial years ending June 30th, 2024, and June 30th, 2023 are tabulated below:

YEAR ENDED		June 30 th , 2024		June 30 th , 20243	
Non-executive directors		Amounts due	Amounts paid	Amounts due	Amounts paid
Christophe Charlier <i>Director</i>	Directors' fees	€35.000	-	€25.000	
	Other compensation				
Alain Liger <i>Director</i>	Directors' fees	€35.000	-	€25.000	
	Other compensation				

Future remuneration will be allocated in accordance with the allocation procedures defined in the Board of Directors' internal rules and like those applied in previous years.

5.13 INFORMATION ON REMUNERATION DUE OR GRANTED TO THE CORPORATE OFFICERS

This section contains the report on principles and criteria for determining, apportioning and allocating the fixed, variable and exceptional components of the total remuneration and benefits of any kind to be awarded to executive directors by virtue of their office, as laid down in Article L.225-37-2 of the Commercial Code. The General Meeting will be called to approve the remuneration principles on the basis of this report.

The payment of variable annual compensation and long-term variable compensation for executive corporate officers (Chairman and Chief Executive Officer) in respect of the 2024 financial year is subject to their approval by the General Meeting called to approve the financial statements for the fiscal year ended on June 30th, 2024.

5.13.1 General principles of remuneration

On the recommendation of the Appointment and Remuneration Committee, the Board of Directors has established the general principles of the remuneration policy for the Chairman and the executive directors and has assessed the level of achievement of the criteria for this policy.

The general principles of this remuneration policy are to attract, retain, motivate and align their interests with the creation of value for the Group, considering the Group's capital intensity, its high-tech environment, its long-term investment horizon, the challenges in terms of growth in a highly competitive environment as well as the very international nature of its business sector and the Group's vision.

The competitiveness of the remuneration policy is assessed primarily in relation to French companies of comparable size (market capitalisation and turnover) and, when relevant, in relation to comparable European companies.

The Board of Directors notes and has taken into account shareholder votes in recent years on the remuneration of executive directors.

5.13.2 Information on remuneration payable or granted to corporate officers

(i) Remuneration and all benefits in kind granted to executive directors

(1) Fixed, variable, exceptional and long-term compensation and other benefits granted to the Chairman

Mr. Julien Moulin has been a director and Chairman of the Company since 2010 and was reappointed as a director by the Annual General Meeting of Shareholders on November 30th, 2021, and reappointed as Chairman for the duration of his directorship by the Board of Directors on the same date.

In his capacity as Chairman of the Company, Mr. Julien Moulin's compensation is determined in accordance with the principles set out below.

The Chairman's remuneration comprises a fixed portion and an annual variable portion, the latter being determined based on criteria set by the Board of Directors, after consultation with the Appointments and Remuneration Committee, and regularly reviewed by the Board. All variable remuneration is paid in the form of free-awarded shares.

Remuneration awarded in respect of the last financial year is submitted to shareholders for approval at the Annual General Meeting following the end of the financial year.

Fixed salary:

The amount of fixed remuneration is determined by the Company's Board of Directors on the recommendation of the Appointments and Remuneration Committee, taking into account markets, practices and remuneration observed for similar positions in listed companies of comparable size in the sector. The Appointments and Remuneration Committee reviews the Chairman's remuneration once a year, without this review necessarily leading to a revision of the remuneration, since the Board's policy favors stability.

The gross fixed annual compensation paid to the Chairman and Chief Executive Officer amounts to €57,670.

Benefits in kind:

The Chairman benefits from supplementary health insurance in the annual amount of €12,704, as well as a monthly housing allowance of €1,800 and a monthly benefit in kind of €484.35.

Termination benefits:

The Chairman is entitled to severance pay in the event of removal from office (other than for serious misconduct or gross negligence) or non-renewal of his term of office. In accordance with the AFEP-MEDEF Code to which the Company refers, this indemnity will be equivalent to twenty-four months' remuneration (one month being defined as the sum of the average fixed monthly remuneration paid in the twelve months preceding the end of the corporate office).

Pursuant to Article L.225-42-1 of the French Commercial Code, the payment of this termination indemnity would be subject to the following performance conditions:

- The payment of half of the indemnity would depend on the stock market performance of

the Company's shares, and would only be due in the event that the average price of the Company's shares on Euronext Paris in the three months preceding Mr. Julien Moulin's dismissal exceeded 50% of the average price recorded since the Company's IPO;

- The payment of half of the indemnity would depend on the progress made by the Company in its exploration and production activities, such progress being measured and considered satisfactory if, during the six months prior to Mr. Julien Moulin's dismissal, at least one of the following events had occurred: (i) award of at least one new exclusive exploration permit or concession; (ii) commencement of gas production on at least one of the Company's sites. Julien Moulin, at least one of the following events has occurred: (i) award of at least one new exclusive exploration permit or concession; (ii) start of gas production on at least one of the Group's drilling sites; (iii) development of electricity production from Gazonor's output.

Variable remuneration:

Variable remuneration takes the form of free-awarded shares.

This remuneration policy is part of a strategy to associate managers and employees with the Company's capital, in line with the objectives of the remuneration policy established by the Board of Directors, namely respect for the corporate interest, contribution to Group strategy and sustainable development.

The allocation of free-awarded shares decided by the Board of Directors under the authorization granted to it by the Extraordinary General Meeting of Shareholders. The Board of Directors is committed to providing particularly motivating long-term remuneration for executive directors, notably the Chairman, whose recognized skills and expertise are essential to the Group.

At its meeting on July 1st, 2023, the Board of Directors noted that Mr. Julien Moulin had crossed the 10% threshold and was therefore ineligible to receive free-awarded shares under the Free-Awarded Share Plan.

As the 10% limit no longer applies following the implementation of the Value Sharing Act of November 29th, 2023 (Act no. 2023-1107), the Chairman will again be able to participate in future free-awarded shares plans.

Long-term compensation:

At present, the Chairman does not receive any compensation linked to the Company's long-term performance. The introduction of a long-term performance-linked compensation scheme is scheduled for FY 2025.

Performance will be assessed through the cumulative achievement, over a three-year period, i.e. for the fiscal years 2025 to 2027, of three key performance criteria, namely Activities Operating Income, FDE Share Value and CSR issues, this last criterion being broken down into several specific objectives such as carbon footprint, reduction in workplace accidents, volume of low-carbon energy produced or compliance with commitments to parity in governance bodies.

Exceptional compensation:

The Chairman does not receive any exceptional compensation.

Following shareholder requests made at the 2023 Annual General Meeting and in the months

that followed, to abandon the call option enabling Natroform's beneficiaries, including the Chairman, to acquire 25% of Cryo Pur's capital, in favor of remuneration at FDE level, the Board of Directors is finalizing, with the advice of an investment bank and FDE's legal counsel, the evaluation of available options in order to satisfy these requests and fully realign the interests of the executives entitled to this option and all FDE shareholders. The chosen solution will be detailed to shareholders during FY 2025.

As a reminder, at the Annual General Meeting of November 30th, 2023, shareholders approved the remuneration package for the Chairman for the past fiscal year (resolution 8) and the remuneration policy for the Chairman (resolution 10).

YEAR ENDED	June 30 th , 2024		June 30 th , 2023	
	Amounts due	Amounts paid	Amounts due	Amounts paid
Mr Julien Moulin, in his capacity as Chairman of the Company				
Fixed remuneration	€0	€57 670	€1 113	€52 775
Benefits in kind	€0	€50 916	€10 800	€5 812
Variable remuneration via free-awarded shares (granted) * (in euros)	€0		€1 404 952	
TOTAL	€0	€108 586	€1 416 865	€58 587

* The value linked to the allocation of free-awarded shares has been determined by multiplying the unit value (based on the share price on the allocation date) by the number of free-awarded shares allocated to executives.

Remuneration under the service agreement between the holding company NextGen NRJ Ltd (NEL) and LFDE International:

A service contract has been signed between LFDE International and NEL, a company owned by Mr. Julien Moulin, for the provision of specific public relations services, notably at European level, and fund-raising services within the international investment community, particularly those based in London but also in Germany and Scandinavia. The contract runs until June 30th, 2029.

This service contract remains the most favorable tool for the Group in terms of service quality/price ratio, total cost flexibility and access to all NEL resources.

The services provided by NEL are mainly of two kinds:

- Public relations services, particularly with government and European bodies, to increase knowledge of methane emissions from former coal mines in France and Europe, the impact of these fugitive gas emissions on the climate and the regulatory requirements for developing AMM capture in Europe;
- Search for external growth and financing operations, including mapping and identifying target companies for external growth and financial players who could support the development of these activities.

In return for these services, LFDE International pays NEL an annual fee of €242K, adjusted

annually for inflation.

As of June 30th, 2024, the Group recognized an expense of €242K for services invoiced by NEL, compared with €211K for the past fiscal year.

The contract also stipulates payment to NEL of an amount equal to two years' consultancy fees in the event of termination of the contract.

(2) Fixed, variable, exceptional and long-term compensation and other benefits granted to the Chief Executive Officer

Mr. Antoine Forcinal has been a director of the Company since 2017, by decision of the General Shareholders' Meeting of December 22nd, 2017, and November 30th, 2023, and Chief Executive Officer by decision of the Board of Directors of October 12th, 2020.

Under his contract as Chief Executive Officer of the Company, Antoine Forcinal's compensation is determined in accordance with the principles set out below.

The remuneration of the Chief Executive Officer comprises a fixed and a variable component, the latter being determined according to criteria set by the Board of Directors, after consultation with the Appointments and Remuneration Committee, and regularly reviewed by the Board.

All variable compensation is paid in the form of free-awarded shares.

The remuneration awarded in respect of the last financial year is submitted to shareholders for approval at the Annual General Meeting following the end of the financial year.

Fixed salary:

The amount of fixed remuneration is determined by the Company's Board of Directors on the recommendation of the Appointments and Remuneration Committee, taking into account the markets, practices and remuneration observed for similar positions in listed companies of comparable size in the sector. The Appointments and Remuneration Committee reviews the remuneration of the Chief Executive Officer once a year, without this review necessarily leading to a revision of the remuneration, since the Board's policy favors stability.

The gross fixed annual compensation of the Chief Executive Officer amounts to €369,162 (including €82,264 under the FDE mandate contract).

Benefits in kind:

The Managing Director receives an allowance of €42K per year for his office accommodation.

Termination benefits:

In the event of termination of his contract as Chief Executive Officer of the Company, the Chief Executive Officer is entitled to severance pay in the event of dismissal (except in cases of gross misconduct or gross negligence) or non-renewal of his corporate office. In accordance with the AFEP-MEDEF Code to which the Company refers, this indemnity will be equivalent to twelve months' gross fixed salary, including variable remuneration and any other financial or in-kind benefits issued by the Company over the last 12 months prior to the termination of his contract.

Variable compensation:

Variable compensation takes the form of free-awarded shares.

The Company's variable compensation policy is part of a strategy to associate managers and employees with the Company's capital, in line with the objectives of the compensation policy established by the Board of Directors, namely respect for the corporate interest, contribution to Group strategy and sustainable development.

The allocation of free-awarded shares is decided by the Board of Directors under the authorization granted to it by the Extraordinary General Meeting of Shareholders. The Board of Directors is committed to providing particularly motivating long-term remuneration for executive directors, especially the Chief Executive Officer, whose recognized skills and expertise are essential to the Group.

The Chief Executive Officer's variable compensation is capped at 200% of fixed compensation and is calculated based on two main criteria:

- The quantitative criterion of total shareholder return generated over the past financial year. This total return includes capital gains and dividends distributed and represents 80% of the Chief Executive Officer's long-term compensation package.
- The qualitative criterion is based on assessments made during individual interviews, which cover the achievement of specific objectives relating to team management, environmental impact, team and operational safety, business development and financial results.

Under the terms of the Plan Regulations, the number of shares definitively acquired will be based on the application of these criteria assessed over the previous financial year and a condition of actual presence in the Group at the end of the vesting period.

At its meeting on July 1st, 2023, the Board of Directors noted that Antoine Forcinal had met his qualitative performance targets for the past fiscal year, and therefore implemented the eighth plan, under which he was initially allocated 3,058 shares at a value of €48.3 per share as of June 30th, 2024.

Following shareholder requests made at the 2023 Annual General Meeting and in the months that followed, to abandon the call option enabling Natrofom's beneficiaries, including the Chairman, to acquire 25% of Cryo Pur's capital, in favor of remuneration at FDE level, the Board of Directors is finalizing, with the advice of an investment bank and FDE's legal counsel, the evaluation of available options in order to satisfy these requests and fully realign the interests of the executives entitled to this option and all FDE shareholders. The chosen solution will be detailed to shareholders during FY 2025.

As a reminder, at the Annual General Meeting of November 30th, 2023, shareholders adopted the remuneration package for the Chief Executive Officer for the past fiscal year, and the remuneration policy for the Chief Executive Officer.

Long-term compensation:

At this stage, the Chief Executive Officer does not benefit from any compensation linked to the Company's long-term performance. The introduction of a long-term performance-linked compensation scheme is scheduled for fiscal 2025.

Performance will be assessed through the cumulative achievement, over a three-year period, i.e. for the fiscal years 2025 to 2027, of three key performance criteria, namely Activities Operating Income, FDE Share Value and CSR issues, this last criterion being broken down into several specific objectives such as carbon footprint, reduction in workplace accidents, volume of low-carbon energy produced or compliance with commitments to parity in governance bodies.

Exceptional compensation:

The Chief Executive Officer does not receive any exceptional compensation.

The payment of long-term remuneration to the Chief Executive Officer in respect of the previous year, or in respect of the current year, is subject to approval by the Annual General Meeting.

As a reminder, at the Annual General Meeting of November 30th, 2023, shareholders adopted the remuneration package for the Chief Executive Officer for the past fiscal year (resolution 9) and the remuneration policy for the Chief Executive Officer (resolution 11).

YEAR ENDED	June 30 th , 2024		June 30 th , 2023	
	Amounts due	Amounts paid	Amounts due	Amounts paid
Mr Antoine Forcinal, as Managing Director of the Company				
Fixed remuneration	-	€327 161.64	-	€329 531
Adjustment of previous gross salaries (2021 and 2022)	-	-	-	€40 095
Benefits in kind	-	€42 000.00	-	€42 000
Variable remuneration via free-awarded shares (granted) * (in euros)	€147 701.40		€321 782	
TOTAL	€147 701.40	€369 161.64	€321 782.00	€411 626.00

* The value linked to the allocation of free-awarded shares has been determined by multiplying the unit value (based on the share price on the allocation date) by the number of free-awarded shares allocated to executives.

(3) Summary of compensation paid to executive directors

This table summarizes the compensation paid to executive directors for the years ended June 30th, 2023, and June 30th, 2024.

€	June 30 th , 2024	June 30 th , 2023
Mr Julien Moulin, in his capacity as Chairman of the Company		
Compensation due for the year	€95 882	€70 500
Valuation of multi-year variable compensation awarded during the year	-	-
Valuation of options granted during the year	-	-
Valuation of free-awarded shares granted during the year** (in thousands of euros)	€0	€1 404 952
Mr Antoine Forcinal, as Managing Director of the Company		
Compensation due for the year	€369 161.64	€411 446.00
Valuation of multi-year variable compensation awarded during the year	-	-
Valuation of options granted during the year	-	-
Valuation of free-awarded shares granted during the year** (in thousands of euros)	€147 701.40	€321 782.00
TOTAL	€612 745.17	€2 208 680.00

** The value linked to the allocation of free-awarded shares has been determined by multiplying the unit value (based on the share price on the allocation date) by the number of free-awarded shares allocated to the executives.

Executive directors received total gross compensation (including salaries, and free-awarded shares) of €612,745 as of June 30th, 2024, compared with €2,208,680 in the past fiscal year. Excluding free-awarded shares, executive directors received total gross remuneration (in salaries and free-awarded shares) of €465,044 in 2024, compared with €482,126 in 2023.

The ratios between each executive's compensation (including the impact of NEL benefits) and:

- average compensation on a full-time equivalent basis for Company employees other than corporate officers is 2.80x (2023: 3.19x) for the Chairman of the Company and 3.06x (2023: 4.67x) for the Chief Executive Officer,
- median compensation on a full-time equivalent basis for the Company's employees other than corporate officers is 7.12x (2023: 5.62x) for the Chairman of the Company and 7.78x (2023: 8.21x) for the Chief Executive Officer of the Company

The annual change over the last 5 years in the ratios between each executive's compensation and the average and median compensation respectively is as follows:

Annual change in executive compensation ratios	June 30 th , 2020	June 30 th , 2021	June 30 th , 2022	June 30 th , 2023	June 30 th , 2024
Average compensation ratio					
Chairman	3.41x	3.83x	3.35x	3.19x	2.80x
General Manager	3.92x	4.52x	4.41x	4.67x	3.06x
Median compensation ratio					
Chairman	4.76x	5.7x	5.87x	5.62x	7.12x
General Manager	5.47x	6.73x	7.73x	8,,21x	7.78x

Over the past 5 years, the annual change in the Company's performance, executive compensation and the average compensation of the Company's non-executive employees has been as follows:

Annual performance and remuneration	June 30 th , 2020	June 30 th , 2021	June 30 th , 2022	June 30 th , 2023	June 30 th , 2024
Company performance - Net income	-904 183	587 645	-239 414	-4 986 038	12 126 537
Company performance - Shareholders' equity	48 144 891	48 732 536	48 493 121	43 507 084	55 635 421
Executive compensation	463 562	606 192	575 831	645 651	707 044
Personnel expenses, excluding management	322 941	489 770	585 008	728 078	963 796
Average number of full-time employees, excluding managers	5	7	8	8	8
Average compensation of non-executive employees	64 588	72 559	74 240	88 145	120 474

Over the past 5 years, annual changes in Group performance, executive compensation and the average compensation of Group employees other than executives have been as follows:

Annual performance and remuneration	June 30 th , 2020	June 30 th , 2021	June 30 th , 2022	June 30 th , 2023	June 30 th , 2024
Group performance - Net income	47 949	292 645	7 198 984	11 830 256	8 873 133
Group performance - Shareholders' equity	54 298 670	55 274 675	63 092 925	73 675 022	94 711 792
Executive compensation	463 562	606 192	575 831	639 033	665 044
Personnel expenses, excluding management	1 188 024	1 270 061	2 382 964	2 600 344	2 268 712
Average number of full-time employees, excluding managers	14	15	26	26	46
Average compensation of non-executive employees	86 465	85 354	74 240	88 145	49 449

(ii) Remuneration and benefits of any kind granted to non-executive corporate officers

Information on these remunerations and other benefits is provided in section 5.12 of this report.

5.14 OTHER BENEFITS

None of the Group's company awarded any loans or guarantees to the Company's directors and executives.

5.15 INFORMATION ON THE COMPANY'S SHARE CAPITAL STRUCTURE

5.15.1 Breakdown of the Company's share capital as of June 30th, 2024

Pursuant to the provisions of Article L. 233-13 of the French Commercial Code, the breakdown of the Company's shareholding structure on June 30th, 2024, is presented below:

Major shareholders > 3% of capital	Number of shares	% of capital
JULIEN MOULIN	794 178	15.2%
MICHAUD FAMILY	304 386	5.8%
MULLIEZ FAMILY AND GRAS SAVOYE	257 000	4.9%
ALLIANZ	310 447	5.9%
DERFIN	258 419	4.9%
FINANCIERE ARBEVEL	161 782	3.1%
Total major shareholders	2 086 212	39.9%
Other (holding < 3% of capital)	3 145 673	60.1%
Total number of shares	5 231 885	100%

On June 30th, 2024, taking into account changes in the shareholder base and the existence of the double voting right introduced by Law 2014-384 of March 29th, 2014, known as the "Florange Law", the number of voting rights is estimated to reach 6,925,420.

5.15.2 Statutory thresholds crossed

In a letter received on June 28th, 2024, HSBC Global Asset Management (France) declared that on June 24th, 2024, it had fallen below the threshold of 1% of FDE's capital.

5.15.3 Employee free-awarded share plan

Wishing to take advantage of the many benefits of employee share ownership to align the interests of shareholders with those of employees, FDE has decided to involve its employees in its share capital through a remuneration policy that has included the allocation of free-awarded shares since 2016.

The Combined General Meeting of Shareholders on March 23rd, 2016, approved the implementation of a free-awarded share allocation plan for the benefit of all Group employees and managers. This decision was renewed by the Combined General Meetings of November 29th, 2019, November 30th, 2021, and November 30th, 2023. The total number of free-awarded shares allocated may not represent more than 5% of the Company's share capital, at a par value of one euro per share, and the final allocation of free-awarded shares to beneficiaries will take place at the end of a vesting period of at least two years from the initial allocation of free-awarded shares, and in accordance with the other conditions set out in the Plan Regulations.

Following the expiry of the delegation of authority granted by this Meeting in 2016, the

introduction of a similar plan was approved by shareholders at the Combined General Meetings of November 29th, 2019, November 30th, 2021, and November 30th, 2022, with a delegation of authority to the Board of Directors for a period of 26 months.

The first, second, third, fourth and fifth plans gave rise to final allocations in previous years.

Under the sixth plan, 49,281 shares were vested during the year, following the Chairman's acknowledgement on July 27th, 2023, that the conditions set out in the 2021 plan had been met.

At its meeting on July 1st, 2022, the Board of Directors implemented the seventh plan in accordance with the plan rules and allocated 48,736 free-awarded shares to 22 beneficiaries.

At its meeting on June 30th, 2023, the Board of Directors implemented the eighth plan in accordance with the plan regulations and allocated 11,902 free-awarded shares to 26 beneficiaries.

The breakdown of free-awarded shares granted under the 2 plans still in force on June 30th, 2024 is shown below:

Free-awarded share plans	Number of shares initially allocated	Number of shares on June 30 th , 2024	Fair value
July 1 st , 2022	48,736	48,125	51.2
June 30 th , 2023	11,902	11,664	48.3

Please note that the number of shares initially allotted as indicated above does not necessarily correspond to the number of shares that will be definitively allotted to beneficiaries, as the definitive allotment of shares is subject to attendance conditions and the submission of documents described in the Plan Regulations.

5.15.4 Delegations for capital increases

The financial delegations and authorizations applicable as of June 30th, 2024, are tabulated as follows:

Type of authorization	Date of AGM (Resolution no.)	Duration and expiration	Authorized amount (nominal or %)	Use
Delegation of authority to the Board of Directors to reduce the share capital by cancelling treasury shares	November 30 th , 2023 (Resolution n°15)	26 months	– The maximum number of shares that may be cancelled by the Company is 10% of the shares comprising the Company's share capital.	
Delegation of authority to the Board of Directors to increase the Company's capital by issuing shares and/or securities carrying rights to shares or debt securities, with pre-emptive subscription rights for existing shareholders.	November 30 th , 2023 (Resolution n°16)	26 months	– Nominal amount of capital increases limited to €2.5M – Nominal amount of debt securities limited to €50M	
Delegation of authority to the Board of Directors to issue ordinary shares and/or securities giving immediate or future entitlement to ordinary shares in the Company, without pre-emptive subscription rights for existing shareholders, in connection with a public offering.	November 30 th , 2023 (Resolution n°17)	26 months	– Nominal amount of capital increases limited to €1.7M – Nominal amount of debt securities limited to €50M	
Delegation of authority to the Board of Directors to issue ordinary shares and/or securities giving immediate or future entitlement to ordinary shares in the Company, without pre-emptive subscription rights for existing shareholders, as part of a public offering.	November 30 th , 2023 (Resolution n°18)	26 months	– Nominal amount of capital increases limited to €1.7M – Nominal amount of debt securities limited to €50M	
Delegation of authority to the Board of Directors to increase the share capital by issuing shares and/or securities giving access to the capital or entitling holders to the allotment of debt securities, without pre-emptive subscription rights for certain	November 30 th , 2023 (Resolution n°19)	18 months	– Nominal amount of capital increases limited to €1.7M – Nominal amount of debt securities limited to €50M	
Delegation of authority to the Board of Directors to increase the amount of issues carried out with or without shareholders' pre-emptive subscription rights, pursuant to the sixteenth, seventeenth, eighteenth and nineteenth resolutions)	November 30 th , 2023 (Resolution n°20)	26 months	– 15% of initial issue	

Type of authorization	Date of AGM (Resolution no.)	Duration and expiration	Authorized amount (nominal or %)	Use
Authorization to be granted to the Board of Directors to set the price of issues of ordinary shares or securities that are equity securities giving access to other equity securities or giving entitlement to the allotment of debt securities, or securities giving access to equity securities to be issued, carried out by way of a public offering	November 30 th , 2023 (Resolution n°21)	26 months	– 10% of the share capital (on the day the issue price is set by the Board of Directors), per 12-month period	
Delegation of powers to the Board of Directors to issue ordinary shares or other securities giving access to the Company's capital. Company with cancellation of shareholders' preferential subscription rights, in consideration for contributions in kind granted to the Company	November 30 th , 2023 (Resolution n°22)	26 months	– 10% of share capital (on the day the issue price is set by the Board of Directors)	
Authorization to be granted to the Board of Directors to increase the share capital by issuing shares or securities giving access to other shares of the Company or entitling their holders to the allotment of debt securities, or securities giving access to shares to be issued, without pre-emptive subscription rights for members of a savings plan.	November 30 th , 2023 (Resolution n°23)	26 months	– 2% of share capital (at the date of the Board of Directors' decision)	
Authorization for the Board of Directors to grant existing or future free-awarded shares to employees and executive directors of the Company and Group companies.	November 30 th , 2023 (Resolution n°24)	26 months	– Limited 250,000 shares with a par value of €1 each, representing less than 5% of the share capital	Decision by the Board of Directors on July 27, 2021 to adopt the 2021 free-awarded share allocation plan and delegation of powers to the Chairman to implement the plan
Delegation of authority to the Board of Directors to decide to increase the share capital by incorporation of share premiums, reserves, profits or other items that may be capitalized	November 30 th , 2023 (Resolution n°25)	26 months	– Amount limited to €2.5M	

5.15.5 FDE share performance

On June 30th, 2024, the company's shares were trading at a value of €28.6, compared with €48.3 on June 30th, 2023, in Compartment C of Euronext Paris.

5.15.6 Intervention by the Company in its own shares

As of June 30th, 2024, the Company traded in its own shares under the liquidity contract entered with TP ICAP (Europe) as an investment services provider.

As of June 30th, 2024, under the liquidity contract, the Company held 4,482 of its own shares, compared with 1,613 on June 30th, 2023, acquired at an average cost of €28.60 (2023: €36.64).

FDE bought back 71,971 of its own shares during the year, in accordance with the authorization granted by the Annual General Meeting of Shareholders on November 30th, 2023.

Following this operation, FDE now holds 2.98% of its share capital (including treasury shares held under its liquidity contract).

5.15.7 Procedures for shareholder participation in the General Meeting

These procedures are set out in Article 23 of the Company's Articles of Association.

5.15.8 Procedure for assessing agreements relating to current transactions

Work is underway to define the terms and conditions for the regular assessment of these agreements, which will be finalized on June 30th, 2024.

6. OTHER ASPECTS OF CORPORATE GOVERNANCE

6.1 MANAGEMENT AND LIMITATIONS ON POWERS

(i) Corporate governance system

It is noted that the Company has adopted the form of a public limited company with a Board of Directors by decision of the Combined General Meeting of March 23rd, 2016, prior to the Company's shares being listed on the Euronext Paris regulated market.

Under this form of company, the Board of Directors may opt for the separation of the functions of Chairman and Managing Director or for the amalgamation of these functions. As noted in the MiddleNext Code of Corporate Governance, the law does not prefer any given formula, and it is up to the Board of the Company to choose between the two systems of corporate governance according to its specific requirements.

During its meeting held on October 12th, 2020, the Board of Directors changed the Group's governance to permanently segregate the duties of Chairman from those of Chief Executive Officer. Mr Antoine Forcinal was thus appointed the Company's Chief Executive Officer, while Mr Julien Moulin remains Chairman of the Board.

(ii) Limitation of the powers of the Chief Executive Officer

The Chief Executive Officer is vested with the broadest powers to act in all circumstances on behalf of the Company. Indeed, he exercises such powers within the scope of the corporate purpose and subject to those powers expressly conferred by law to the shareholders and the Board. Together with the Chairman, he represents the Company in its interactions with third parties.

The Chief Executive Officer exercises powers within the scope laid down in the rules of procedure the Board of Directors as internal rules and regulations.

6.2 SHAREHOLDER PARTICIPATION AT GENERAL MEETINGS

(i) Convening meetings

Joint decisions are taken by shareholders during ordinary, extraordinary, special or combined general meetings depending on the kind of decisions to be taken.

General meetings are convened and deliberate under the conditions laid down by law. They are held at the registered office or at any other venue specified in the meeting notice.

(ii) Meetings participation requirements

The right to attend meetings is subject to registration of shares in the name of the shareholder or of the intermediary registered on the shareholder's behalf on the second business day prior to the meeting at midnight, Paris time, either in the registered share accounts kept by the Company or in the bearer share accounts kept by the authorised intermediary.

The entry or accounting registration of the securities in the bearer securities accounts held

by the authorised intermediary is confirmed by a certificate of participation issued by the latter, appended to the remote voting or proxy form or to the application for an admission card drawn up in the name of the shareholder or on behalf of the shareholder represented by the registered intermediary. A certificate is also issued to shareholders wishing to attend the meeting physically and who have not received their admission card on the second business day preceding the meeting at zero hours, Paris time.

(iii) *Videoconference*

By decision of the Board of Directors, shareholders may participate in a general meeting by videoconference or by means of telecommunication and remote transmission, including the Internet, under the conditions provided for by the regulations applicable at the time of its use. This decision is notified in the notice convening the meeting. In such a case, these shareholders are deemed to be present when calculating the quorum and the majority for this assembly.

(iv) *Absentee voting*

Shareholders may vote by mail or by proxy in accordance with the law and regulations. Under the conditions set by the regulations in force, shareholders may send their postal voting form about any general meeting, either in paper form or, upon decision of the Board of Directors published in the notice announcing and/or convening the meeting, by remote transmission under the conditions set out in the said notice. Notification of the appointment of the voting agent, as well as notification of the revocation of the voting authority, may be made by means of a form in paper or electronic form.

The completion and signing of electronic forms may take the form, upon prior decision by the Board of Directors, of a reliable identification process in line with the conditions laid down in the first sentence of paragraph 2 of Article 1316-4 of the Civil Code, which may comprise an identifier and a password, or any other means specified by the regulations in force. The power of attorney or vote thus expressed before the meeting by this electronic means, as well as the acknowledgement of receipt given therefrom, shall be considered as non-revocable written documents enforceable against all, it being specified that in the event of a transfer of securities occurring before the third business day preceding the meeting at zero hours, Paris time, the Company shall invalidate or modify accordingly, as the case may be, the power of attorney or vote expressed before this date and time.

(v) *Attendance sheet*

An attendance sheet is certified as accurate by the Bureau of the assembly, in accordance with applicable regulations.

(vi) *Bureau and Chair*

Meetings shall be chaired by the Chairman of the Board of Directors or, in his/her absence, by any other person elect by Board members.

The Bureau of the meeting includes the Chairman, appointed as stated above, and two scrutineers. The bureau appoints a secretary, who may be chosen from outside the Shareholders.

(vii) Minutes of proceedings

Meeting proceedings are recorded in minutes signed by the bureau members and kept in a special register in accordance with the law. Copies and extracts of such minutes shall be validly certified under the conditions laid down by law.

6.3 ITEMS LIKELY TO HAVE AN IMPACT IN THE EVENT OF A PUBLIC OFFERING

The items likely to have an impact in the event of a takeover bid are listed below:

- Shareholding structure: please refer to section 4.15.1 of the annual financial report describing the composition of the shareholder base on June 30th, 2024;
- Statutory restrictions on the exercise of voting rights and transfers of shares or clauses brought to the Company's attention: no such restrictions or clauses;
- Direct or indirect shareholdings in the Company of which the Company is aware: the Company is not aware of any such shareholdings during the year;
- List and description of holders of any securities with special control rights: the Company is not aware of the existence of any such special control rights;
- Control mechanisms provided for in any employee shareholding system, when control rights are not exercised by the latter: none;
- Shareholder agreements of which the Company is aware and which may entail restrictions on the transfer of shares and the exercise of voting rights: the Company is not aware of any such agreements;
- Rules applicable to the appointment and replacement of members of the Board of Directors and to amendments to the Articles of Association: the rules applicable in this respect are set out in the Articles of Association and comply with the law;
- Powers of the Board of Directors, in particular to issue or buy back shares: the delegations of authority granted to the Board of Directors by the Company's Shareholders' Meeting are set out in section 4.15.3 of the Annual Financial Report;
- Agreements providing for indemnities for members of the Board of Directors (Chairman and Chief Executive Officer) or employees, if they resign or are dismissed without real or serious cause, or if their employment is terminated because of a takeover bid (please refer to the section 4.13.3 of this report).

7. OTHER INFORMATION PRESENTED

7.1 RESEARCH AND DEVELOPMENT

For the calendar year 2023, FDE recognized a Research Tax Credit (CIR) of €312K and Gazonor €82K. The CIR recognized for FDE is mainly related to personnel expenses incurred on the "Bleue Lorraine" project, named after the exclusive research permit for the valorization of coal gas and H₂ present in the subsoil. Cryo Pur has recognized CIR of €275K for 2023, relating to personnel expenses incurred on various R&D programs for the development of gas purification processes, cold energy recovery, a cryogenic bench for testing nitrogen exchangers, and so on.

Some of this research work is being carried out as part of the REssources GAzières de LORraine (REGALOR) project, which has been selected as one of the flagship projects by the Grand Est Region as part of the "Pacte État Lorraine (action n°8)" regional scheme and the "Vallée des Matériaux et de l'Energie" "Compétitivité Régionale et Emploi" priority axis of the FEDER-FSE Lorraine et Massif des Vosges 2014-2020 Program. The aim of this research, carried out with the support of the Laboratoire Géorressources UMR UL-CNRS, under the cotutorship of the CNRS and the Université de Lorraine, is to accelerate the implementation of an industrial-scale demonstrator for the production of gas from coals and its valorization in short circuits.

Measurement work in the historic Folschviller well has also revealed significant in-situ concentrations of natural H₂ at several depths.

The Group is also continuing its work on natural H₂, following the discovery made on the Folsch-1A well; additional measurements on neighbouring wells will enable us to better define the source of the natural H₂, and updated 3D models of the Lorraine subsoil have enabled us to determine the location of a deep well, the main objective of which will be to test the technical and economic feasibility of producing natural H₂.

In accordance with the accounting rules applicable under current IFRS and French GAAP, the Group's exploration activities are not expensed but capitalized.

7.2 EMPLOYEE SHARE OWNERSHIP

No company savings plan has been set up for the benefit of the Company's employees. Employee share ownership is achieved through free-awarded share plan.

As of June 30th, 2024, employee share ownership calculated in accordance with Article L. 225-102 of the French Commercial Code stood at 0.86%.

7.3 SUMMARY STATEMENT OF TRANSACTIONS BY DIRECTORS AND PERSONS CLOSE TO THEM

As of June 30th, 2024, the directors and their close relations did not purchase any shares.

7.4 APPROPRIATION OF EARNINGS

In accordance with the provisions of Article 243 bis of the French General Tax Code, no dividends have been distributed in respect of the last three years.

It will be proposed to allocate the entire net income for the year as shown in the Company's financial statements on June 30th, 2024, i.e. €12.2M in full, to retained earnings. As a result, retained earnings will move from a debit balance of €6,155,666 to a credit balance of €6,075,436.

7.5 ABSENCE OF LOANS

As of June 30th, 2024, the Company did not grant any loans to companies with which it has economic ties as an ancillary part of its main business (article L.511-6, 3bis-a1.2 of the French Monetary and Financial Code).

7.6 NON-TAX-DEDUCTIBLE EXPENSES

Pursuant to the provisions of Articles 223 quater and 223 quinquies of the French General Tax Code, we inform you that the amount of the Company's expenses and charges referred to in Article 39-4 of the said Code is €7,894 on June 30th, 2024.

7.7 TABLE OF RESULTS FOR LAST FIVE FISCAL YEARS

In accordance with the provisions of Article R.225-102 of the French Commercial Code, a table showing the results of our Company for each of the last five years is attached to this report.

<i>Closing date</i>	30/06/2024	30/06/2023	30/06/2022	30/06/2021	30/06/2020
<i>Fiscal year (months)</i>	12	12	12	12	12
CAPITAL AT YEAR-END					
Share capital	5.231.885	5.182.604	5.172.813	5.163.970	5.155.890
Number of common shares	5.231.885	5.182.604	5.172.813	5.163.970	5.155.890
Number of bonds convertible into shares					
OPERATIONS AND RESULTS					
Income before tax, employee profit-sharing, depreciation, amortization and provisions	11.449.581	(7.637.964)	(1.631.864)	546.608	(1.491.189)
Income tax	1.627.189	2.795.087	2.018.836	802.001	593.057
Employee profit-sharing					
Depreciation, amortization and provisions	(845.668)	(143.161)	(626.387)	(760.964)	(6.051)
Net income	12.231.102	(4.986.038)	(239.414)	587.644	(904.183)
EARNINGS PER SHARE					
Income after tax, employee profit-sharing, before depreciation, amortization and provisions	2.44	(0.92)	0.07	0.26	(0.17)
Income after tax, employee profit-sharing, depreciation, amortization and provisions	2.34	(0.96)	(0.05)	0.11	(0.17)
Dividend per share		-	-	-	-
PERSONNEL					
Average number of employees	10	8	8	7	7
Total payroll	963.796	898.910	735.859	701.992	696.503
Social security charges	526.003	241.313	579.050	292.211	292.283

7.8 INFORMATION ON PAYMENT TERMS

Pursuant to the provisions of Articles L.441-6-1 al.1 of the French Commercial Code and D.441-6 amended by Decree 2017-350 of March 20th, 2017, the information on the payment terms of the Company's suppliers and customers is shown in the table below (amounts in €K).

	Article D. 441-4 I.-1°: Invoices <i>received</i> but not paid by the end of the financial year when due						Article D. 441-4 I.-2°: Invoices <i>issued</i> but not paid by the end of the financial year when due					
	<i>0 days (indicative)</i>	1 to 30 days	31 to 60 days	61 to 90 days	91 days and over	Total (1 day or more)	<i>0 days (indicative)</i>	1 to 30 days	31 to 60 days	61 to 90 days	91 days and over	Total (1 day or more)
(A) Late payment brackets												
Number of invoices concerned	2					42	0					0
Total amount of invoices concerned	80	263	261	100	253	877	0	0	0	0	0	0
Percentage of total purchases incl. VAT for the year	3%	9%	9%	3%	9%	30%						
Percentage of sales excluding VAT for the year											0%	
(B) Invoices excluded from (A) relating to disputed or unrecorded payables and receivables												
Number of invoices excluded	3						1					
Total amount of excluded invoices	1.163						749					
(C) Reference payment terms used (contractual or legal - article L. 441-6 or article L. 443-1 of the French Commercial Code)												
Payment periods used to calculate late payments	x Contractual lead times: lead times vary depending on the supplier, in accordance with legal provisions and regulations.						x Contractual lead times: 30 days <input type="checkbox"/> Legal lead times: <i>(specify)</i>					

This table does not include invoices not yet received or to be issued on the balance sheet date.

8. RISK FACTORS AND MANAGEMENT MEASURES

The Group operates in an ever-changing economic, technological and regulatory environment. FDE is therefore exposed to cyclical or structural risks which, should they materialise, could adversely impact its current operations, finances or development. Faced with such risks, the Group is developing internal control tools to prevent and control them.

A total absence of risk cannot be guaranteed. Thus, the Group may potentially be exposed to other non-specific risks, or risks it is unaware of, or whose potential consequences could be underestimated, or whose occurrence is not considered, at this time, as likely to have a material negative impact on the Group.

This section presents the significant Group-specific risk factors to which it deems it is exposed at the date of this report, detailed by main general, operational, financial, environmental and legal risks.

		Evaluation of importance*
GENERAL RISKS	Pandemic risk	1
	Digital risks	2
	Human resources risk	3
	Competition risk	3
	Innovation risk	2
OPERATING RISKS	Non-compliance risk	3
	Reserve risk	4
ENVIRONMENTAL RISKS	Industrial and environmental risk	2
	Climate risk	1
FINANCIAL RISKS	Price risk	2
	Counterparty risk	2
	Financial volatility risk	1
	Acquisition integration risk	3
REGULATORY, TAX AND LEGAL RISKS	Risk related to changes in the regulatory environment and public policies	4
	Litigation risks	1

* Risk assessment from 0 to 5, with 0 indicating no risk and 5 a high risk.

8.1 GENERAL RISKS

Pandemic risk:

Since the beginning of 2020, the health crisis arising from the spread of COVID-19 has clearly exacerbated a number of risk factors, including business continuity and human resource management risks. In particular, the pandemic could have impacted the ability of its partners, subcontractors and, to a lesser extent, team members, to travel to its production sites, thereby creating potentially significant delays in completion of its construction and/or maintenance work.

Management example:

The Group has established and is equipped with available business continuity plans that can be quickly implemented to ensure continuity of its electricity, gas and heat production. These plans are mainly focused on organisation of the operating teams and subcontractors that have to intervene on the Group's sites.

Digital risks:

The Group's activities depend on the reliability and security of its information systems, some of which are managed by third parties, and are vulnerable to being compromised, damaged, disrupted or shut down due to cyber-attacks (viruses, computer intrusions, etc.). If the Group and its service providers were not able to maintain the integrity of its critical information systems and sensitive data, the Group's activities and assets could be affected, services offered by the Group could be interrupted, protected intellectual property rights could be impersonated or stolen and, in some cases, personal injury, property damage or damage to the environment, as well as regulatory violations, could occur, which could have an adverse impact on the Group's financial situation and reputation and could expose the Group to legal proceedings.

Management example:

The Group has implemented customised dual security on access to its employees' Office 365 environments to reduce the risk of intrusion on online storage, emails and documents. In addition, it has separated the system managing production data from the system housing administrative data and restricted access to each network.

Human resources risk:

The Group's success largely depends on the expertise and experience of its directors and senior managers who play a key role in its day-to-day operations. If the Group fails to retain and appropriately replace these key individuals in a timely manner, its business could be seriously and adversely affected.

The Group's business also depends on its ability to attract and retain qualified personnel. The Group needs skilled personnel to provide technical and engineering services for the exploration, production and development of gas resources. For example, the Group's objectives to develop its gas assets in Lorraine require identification and retention of personnel with specialist experience in drilling and developing natural resources in France, without which the Group may be obliged to incur higher costs or delay its development.

Management example:

Having an employee shares plan for all Group employees contributes to the stability of qualified personnel. Management devotes a significant part of its time to the search for talent and to the individual development of each employee, in order to sustainably support the Group's growth.

Competition risk:

The Group operates in a demanding international business environment where there is competition among producers of Renewable Energies. FDE is engaged in power generation and may be exposed to stiff competition from large, well-established companies in this field with greater financial resources, more employees and larger facilities.

In addition, since the acquisition of Cryo Pur, the Group has also been active in the market for the transformation of gases into RNG and Bio-CO₂. However, there are other gas treatment processes which, although not achieving the same result, may be preferred by certain potential customers.

Consequently, the Group's inability to compete effectively could have a material adverse effect on its business, financial position, operating results, prospects and future operations. The main areas where the Group faces competition include:

- acquisition of exploration and production licences through competitive bidding processes or tenders managed by government authorities;
- acquisition of other companies that may hold existing licences or assets;
- use of third-party service providers whose ability to provide essential services may be limited;
- entering into commercial agreements with customers;
- sale of gas, electricity and heat; and
- hiring highly qualified professional staff.

Although the Group has an operating monopoly on its AMM capture and valorisation concessions in France and Belgium, its competitors include Infynis in the UK, Iqony and RWE in Germany for mine and coal gas, and other French renewable energy producers such as Akuo, Albioma, Innovent, Waga Energy and Verdemobil.

Management example:

The Group's entire business is protected by exclusive, long-term permits or licences, on which competitive bids have already been made. To meet the long-term commitments that the Group makes to its customers, it secures long-term leases to ensure viable deployment of its facilities.

Innovation risk:

The Group operates in a fast-changing technological environment. If alternative energy sources, such as hydroelectric, wind or solar power, become more cost-competitive thanks to technological developments, demand for traditional energy sources, such as natural gas, could decline.

In particular, the Group's competitors could move into the production phase more quickly or at a lower cost, or more generally under better financial conditions. This could lead to a reduction in growth opportunities.

The acquisition of Cryo Pur also exposes the Group to competition in the field of gas treatment and RNG generation. Thanks to processes based on 8 major families of international patents, the RNG and Bio-CO₂ obtained by Cryo Pur meet the needs of all types of application. However, new players are developing alternative solutions that could impact the Company's positioning and growth opportunities.

Management example:

FDE identifies and keeps a constant watch on innovations that could alter the sector and its applications. The acquisition of Cryo Pur demonstrates the Group's ability to position itself in innovative areas.

8.2 OPERATING RISKS

Non-compliance risk:

The Group operates its industrial facilities in a highly regulated environment, particularly on the environmental front. The Group's activities in France are governed by all the legislative and regulatory provisions resulting from the transposition into French law of European environmental protection directives and regulations. The facilities are supervised by the Prefects and the Environment, Planning and Housing Departments (DEAL), which are responsible for inspecting them. In the event of non-compliance with the regulations, irrespective of any criminal proceedings, the Prefects can impose administrative sanctions that can go as far as suspending the operation of the facilities concerned, not ruling out the possibility of proposing the outright closure of the facilities by decree taken by the Council of State.

Management example:

The Group constantly monitors compliance with the applicable laws and regulations, keeping a constant watch on the applicable regulations and carrying out specific and continuous monitoring of operation of its facilities. Despite its vigilance, the Group cannot completely exclude the risk of being confronted occasionally with a non-compliance situation, which it then endeavours to correct as soon as possible.

Reserves risk:

The Group's business, which mainly involves identification, evaluation and production of gas, depends on the analysis of geological data and evaluations describing potential or identified reserves and resources.

However, the determination of these data is a subjective process and cannot be measured accurately although it is derived from expert reports (such as Competent Person Reports), interpretations of seismic data and well test results and in some cases production history.

In addition, estimates of gas resources and reserves may require revisions or modifications based on a technical and operating environment of evolving gas prices.

The Group's actual production, sales and expenses related to its gas reserves and resources are therefore likely to differ from the estimates, and these may be material differences. Any inaccuracy in the Group's estimates of proved and probable reserves could result in reduced profitability due to lower than expected revenues or higher than expected expenses and could alter the value of its shares.

Management example:

Regarding the identification of reserves and resources, the Group relies particularly on data extracted from certificates and reports prepared by third parties, world-renowned specialists in accordance with international standards, especially the standards established by the Petroleum Resources Management System in 2007, approved by the Society of Petroleum Engineers, as well as on historical data collected by Charbonnages de France. The history of reserve certifications demonstrates the conservative nature of the volumes of reserves certified by the Group since each new certification has resulted, to date, in an increase in gas reserves, despite the volumes produced.

8.3 ENVIRONMENTAL RISKS**Industrial and environmental risk:**

The Group operates power generation facilities based on exploitation of AMM. These facilities do not require any public enquiry or an impact study on fauna or flora when submitting the DAOTM (authorisation to commence mining operations) application documents.

However, the operation of combustion facilities involves a risk of industrial accidents that may result in a more or less prolonged interruption in the operation of production equipment, or even in partial or total destruction of the facility. The Group is particularly confronted with:

- a fire hazard, and;
- risk of explosion on its facilities;

The damage incurred by the Group may be covered, beyond the applicable deductibles, by the application of its insurance programme, provided that said damage was caused by an insured event. Such incidents could also cause damage to persons, property or the environment, whereupon the Group could face claims for compensation and/or criminal proceedings.

Management example:

The Group has established procedures to minimise the risk of such incidents occurring and to reduce their potential impact on people, property and the environment. These procedures may stem from compliance with legislative and regulatory provisions specifically applicable to the Group's activity, or they may be the result of the Group's own continuous improvement initiative or of a joint risk management approach implemented with its insurers. The operational subsidiaries regularly carry out internal audits of these processes, as part of the Quality Management System implemented (ISO 9001–2015).

Climate risk:

As a producer of low-carbon energy, the Group's business model is based on considering opportunities linked to climate change, on the need to mitigate the negative impact of fossil fuels by proposing sustainable solutions. The Group thus measures the carbon footprint of all products and services.

Due to the nature of some of its activities, the Group is exposed to risks related to climatic conditions. The Group's solar business is specifically vulnerable to the risk of a prolonged decline in sunshine that could affect its results. Such uncertainty is factored into the preliminary project studies.

Management example:

Each year and before each project, the Group assesses the risks likely to impact the Group. In-depth impact studies are conducted as part of operating permit applications in order to anticipate and take into account these risks.

Regarding climate change, the strategy pursued by the Group enables it to reduce the carbon footprint of the energy used in the territories where FDE operates. As a reminder, the Group is the only carbon negative energy producer listed on the French market.

On climate change mitigation, local suppliers and service providers are preferred to reduce the carbon impact of the value chain, a QHSE plan includes consumption reduction objectives, etc.

8.4 FINANCIAL RISKS**Price risk:**

The Group's financial results are sensitive to various environmental parameters, the most significant being gas prices (in France) and electricity prices (in France and Belgium).

The prices of these energies can fluctuate significantly as a result of factors beyond the Group's control, including: - international and regional economic and political developments in natural resource-producing regions, global economic conditions and financial market conditions; - government regulations and actions; - changes in global and regional energy supply and demand due to shifts in consumer preferences, pandemics or military conflicts.

In addition to the negative effect on the Group's turnover, margins and profitability, a prolonged period with low natural gas prices may lead the Group to review its development plans, to make adjustments to the Group's published reserves, as well as to review the pricing assumptions on the basis of which the tests for impairments of assets likely to have a negative impact on the Group's results for the period in which they are recorded are carried out.

On the contrary, high gas and electricity prices allow them to increase their turnover but increase their electricity costs in return. Benefiting from ARENH rights for the supply of a large share of the electricity required to operate its facilities, the Group structurally buys less electricity than it produces, thus limiting the impact on its results.

Management example:

Management example: The Group has sales contracts at guaranteed fixed prices for part of its electricity, gas and heat production and has arranged gas and electricity price hedges for the rest of its production exposed to market prices.

However, current market prices well above the power feed-in tariff price in France open new sales models to optimize the value of revenues generated by its facilities.

Counterparty risk:

Generally, given the strength of its customers in France and Belgium, the Group has little exposure to counterparty risk.

In the context of the AMM business in France, the Group mainly sells the electricity it produces under long-term contracts with EDF OA in France under a purchase obligation. As for the gradual implementation of purchase contracts outside the regulated framework of the purchase obligations, the Group is committed to working with solid creditworthy partners.

For the rest of its activity, the Group has concluded contracts for the sale of its electricity, gas and heat with major commercial companies and leading local authorities. Nevertheless, the breakdown of the Group's relationships with these customers may have a material adverse effect on its results.

Additionally, despite the care taken in their selection, the inability of a supplier or subcontractor to deliver an agreed service because of a default, either during the construction phase of an installation or during the operating phase, could cause a delay in the industrial commissioning or unavailability of the installations, which would ultimately have a negative impact on the Group's results.

Management example:

The Group's selection of solid partners, both operationally and financially, is likely to reduce the probability of occurrence of this risk, albeit without eradicating it. The performance of each partner is assessed annually based on a multi-criteria grid, and so-called critical partners are subject to implementation of dedicated action plans, to prevent any deviation from the Group's performance criteria.

Financial volatility risk :

The Company's share price may be subject to significant volatility.

The market price of the Company's shares may be subject to significant volatility and may vary according to many factors beyond the Company's control. These factors include, in particular, the market's reaction to:

- changes in the Group's financial results, forecasts or prospects, or those of its competitors, from one period to the next;
- unfavorable changes in the political, economic or regulatory situation applicable in the countries and markets in which the Group operates; or legal or administrative proceedings concerning the Group;
- unfavorable trends in gas and electricity prices in Belgium;
- announcements concerning changes in the Company's shareholder base;
- announcements concerning changes to the Group's management team or key personnel; and
- announcements concerning the scope of the Company's assets (acquisitions, disposals).

In addition, stock markets are subject to wide fluctuations that are not always related to the results and prospects of the companies whose shares are traded on them. Significant market fluctuations as well as economic conditions could significantly affect the market price of the Company's shares and lead to a decline in the value of investments made by investors.

Management example:

While volatility remains inherent, the increase in volumes processed and the steady growth in

sales reduce this risk. In addition, the company communicates regularly on its sales, results or any other factor that could have an impact on its present or future results. In addition, the management team takes part in several investor meetings to inform the financial markets of the main points of its strategy and targets.

Acquisition integration risk:

The integration of an asset or company representing a strategic interest for the Group may not produce the effects initially expected. The Group has carried out, and may in the future carry out, acquisitions in Europe, in various energy businesses and with companies of varying sizes. The Group has acquired Greenhill SA in 2021, Cryo Pur SAS in 2022 and Greenstat in 2024.

The challenges associated with acquisitions are manifold (synergies, governance, operating methods, key employees, sufficient availability of teams, etc.) and require specific adaptation on a case-by-case basis.

If the Group were unable to integrate the acquired assets as planned, achieve the expected synergies, retain key employees of the newly acquired company, or if the Group had to bear liabilities that had not been identified or valued appropriately at the time of the transaction, the Group's financial position and reputation could be adversely affected.

Management example:

In 2016, the Group integrated the assets and staff of Gazonor, to redevelop the entire portfolio in line with the Group's strategy. The acquisition of Cryo Pur in 2022 was immediately followed by a restructuring of costs and an overhaul of the company's strategy, as it began to roll out its first RNG and Bio-CO₂ projects. The same exercise was carried out at Greenstat. The Group's know-how in industrial optimization and project management will enable Greenstat to develop its H₂ and solar project pipeline even more efficiently, by applying the operator model successfully developed by FDE for its AMM and solar activities in France and Belgium.

8.5 REGULATORY AND LEGAL RISKS

Risk from changes in the regulatory environment and public policies:

The Group operates of its entire activity in a highly regulated environment, particularly on the environmental, social and tax fronts. Changes in the regulatory environment applicable to the Group's activities may compel it to invest heavily to bring its facilities into compliance, thereby eroding the profitability of its facilities. In particular, an unfavourable change, which may be discretionary and/or retroactive, or the inappropriateness of the regulations applicable to the sale of electricity from AMM or photovoltaic sources, or the tax environment for these activities (increase in existing taxes) could affect the Group's results with respect to its current or prospective activities. Unfavourable developments in certain public policies, particularly in public policies related to climate change, could also have unfavourable impacts on the Group's ability to implement its strategy.

Management example:

With the Group's main activity being avoiding pollution, it enjoys a support mechanism in an environment where reducing the carbon footprint remains key. However, movements in electricity prices in France and Belgium are favourable, thus indicating that assets producing low-carbon energy are increasingly competitive and less and less dependent on regulatory or feed-in tariff mechanisms.

Litigation risks:

Like any company, the Group's companies may be involved in administrative, tax, legal or arbitration proceedings in carrying out their business. The main scenarios wherein such proceedings could be brought include:

- non-compliance with contractual commitments;
- non-compliance with legislative or regulatory requirements;
- appeals by third parties against permits and authorisations obtained;
- incidents or accidents in the Group's facilities leading to personal injury or property damage that may give rise to claims for compensation.

Management example:

The management of this risk revolves around applying ISO 9001 standards applied in the Hauts-de-France and Wallonia entities, the implementation by each of the Group's subsidiaries of a rigorous policy of compliance with applicable legislative and regulatory provisions, constant monitoring of how they are changing, and securing contractual documentation involving the Group. Where appropriate, the Group recognises provisions in connection with ongoing disputes, reflecting its best estimates of the potential adverse financial consequences of such disputes.

8.6 RISK PREVENTION AND MANAGEMENT**Insurance taken out by the Company**

The Company has implemented a policy of covering the main insurable risks with guarantee amounts it deems compatible with the nature of its activities at the Group level.

The main insurance policies in effect within the Group cover property damage, operating loss and machinery breakdown with Albingia, pollution liability with Axa, general and corporate officers' liability with Liberty, and cybersecurity insurance with Marsh.

General principles of internal control

The Company has implemented the legal and regulatory provisions applicable to listed companies as regards internal-control procedures and anchors its approach in complying with corporate governance principles.

Regarding financial issues, the Company has set up a comprehensive risk-management and internal-control system for the Group, the main elements of which will be:

- Identifying and controlling operational risks;
- The Group's overall risk management (at the subsidiary level);
- Monitoring the reliability of the processing of accounting and financial information;
- Controlling the cash position and rules of engagement and significant risks;
- Reporting on and global monitoring of compliance with internal-control standards and the internal-control mechanism.

In the energy sector, governments and public authorities are key contacts. The Group is operationally present in five European countries, all of which have a low level of corruption according to the index established by Transparency International in 2021. The Group

advocates zero tolerance for fraud in all its forms, particularly corruption or influence peddling.

Internal control procedures for financial and accounting reporting

Internal control over the processing of financial and accounting information seeks to ensure that the accounting and financial information within the Group complies with the relevant laws and regulations. Internal control is also intended to ensure implementation of instructions and guidelines set by General Management.

The Group's General and Financial Management activities are centralized at the Company level. The operating subsidiaries have administrative and financial services, as well as accounting support.

Only the Company can commit itself through pledges and guarantees or take on market instruments.

The Group's Financial Management has implemented an accounting plan and procedures applicable to all the Group's entities. These procedures relate to budgetary control and information reporting.

The Group's consolidated Financial Statements are prepared by the Company's teams. Each consolidated subsidiary prepares a set of accounts, restated to comply with the Group's accounting standards and based on accounting data from local information systems.

The Group continues to strengthen its internal-control system regularly, with a strong focus on team and management awareness, systematic risk reviews, and the development of effective tools tailored to meet the teams' needs, particularly an increased reliance on automated controls.

8.7 FINANCIAL RISKS RELATED TO THE EFFECTS OF CLIMATE CHANGE

The Group considers that there are no significant financial risks associated with the effects of climate change, given its business of reducing the carbon footprint of consumers and the territories in which its operations are carried out.

9. ANNUAL FINANCIAL STATEMENTS

9.1 FINANCIAL STATEMENTS AND NOTES

INCOME STATEMENT

On June 30 th , 2024	Notes	June 30 th , 2024	June 30 th , 2023
		€	€
Turnover			
Production in stock / fixed assets		808 430	188 401
Reversals of depreciation and provisions, expense transfers	2.1	6 091	302 078
Other products	2.2	1 316 811	2 178 418
Total operating income		2 131 332	2 668 897
Costs of goods and services sold	2.3	-2 428 031	-1 702 317
Taxes, duties and similar levies		-18 769	-16 973
Salaries and benefits	2.4	-963 796	-898 910
Social security costs	2.4	-526 003	-241 313
Depreciation, amortization and others	2.5	-22 767	-20 572
Provision allowances		0	0
Other expenses		-60 405	-54 391
Total operating expenses		-4 019 770	-2 934 475
Operating income		-1 888 438	-265 578
Reversals of provisions and expense transfers		0	0
Other financial income		13 711 648	69 804
Depreciation, amortization and provisions		-625 952	-122 589
Other financial expenses		-599 911	-416 010
Net financial income	2.6	12 485 785	-468 795
Extraordinary income		206 833	106 625
Extraordinary expenses		-200 267	-7 153 377
Net exceptional income	2.7	6 565	-7 046 752
Income tax	2.8	1 627 189	2 795 087
Net income		12 231 102	-4 986 038

BALANCE SHEET - ASSETS

On June 30 th , 2024	Notes	Gross June 30 th , 2024 €	Depreciation, amortization, provisions €	Net June 30 th , 2024 €	Net June 30 th , 2023 €
Concessions, patents and similar rights	3.2	76 306	60 880	15 426	32 533
Other intangible assets	3.1	37 490 417	809 211	36 681 206	36 479 153
Intangible assets in progress		25 311	0	25 311	0
Plant and equipment		35 892	21 972	13 921	15 636
Other property, plant and equipment		51 703	33 333	18 369	15 791
Property, plant and equipment in progress	3.3	353 193	0	353 193	68 177
Other investments	3.4	26 024 004	1 018 544	25 005 460	4 141 303
Receivables from investments		17 951 038	0	17 951 038	17 951 038
Other long-term investments		3 322 736	459 091	2 863 645	3 209 100
Other financial assets		11 176		11 176	4 552
Non-current assets		85 341 777	2 403 031	82 938 746	61 917 282
Stocks		1 057 623	0	1 057 623	249 193
Trade receivables and related accounts	3.5	1 785 615	623 825	1 161 790	1 241 352
Other receivables	3.5 / 4.4	4 251 533	137 282	4 114 250	6 587 904
Own shares	3.6	2 526 541	151 540	2 375 002	0
Cash and cash equivalents		2 705 034		2 705 034	207 907
Current assets		12 326 346	912 647	11 413 699	8 286 356
Prepaid expenses		296 505	0	296 505	79 659
Exchange rates differences		628	0	628	0
Total assets		97 965 256	3 315 678	94 649 578	70 283 297

BALANCE SHEET - LIABILITIES

On June 30 th , 2024	Notes	June 30 th , 2024	June 30 th , 2023
		€	€
Share capital	3.7	5 231 885	5 182 604
Issue premium	3.7	44 002 960	44 052 241
Legal reserve		105 762	105 762
Other reserves		72 142	72 142
Retained earnings		-6 155 666	-1 169 627
Net income for the year		12 231 102	-4 986 038
Investment grants		250 000	250 000
Regulated provisions		1 800	0
Shareholders' equity	3.7	55 739 986	43 507 084
Provisions for charges		1 432 736	1 245 624
Provisions for contingencies and charges	3.10	1 432 736	1 245 624
Borrowings and other financial liabilities	3.9 / 4.3	34 049 981	21 541 661
Trade accounts payable	3.5	1 561 642	1 132 018
Tax and social security liabilities	3.5	521 959	1 367 878
Payables on fixed assets and related accounts	3.5	1 164 493	1 426 677
Other liabilities	3.5	176 383	2 355
Advances and deposits received on orders		0	60 000
Debts		37 474 458	25 530 588
Exchange rates differences		2 398	0
Total liabilities		94 649 578	70 283 297

NOTES TO THE FINANCIAL STATEMENTS

Notes to the balance sheet before distribution of profit for the year ended June 30th, 2024, totaling €94.6M, and to the income statement for the year, showing an operating loss of € (1.9) M and net income of €12.2M.

These financial statements were approved by the Company's Board of Directors on November 7th, 2024. They will be submitted for shareholder approval at the Annual General Meeting to be held on December 18th, 2024.

1. ACCOUNTING RULES, METHODS AND PRINCIPLES

1.1. General principles and going concern

The financial statements for the year ended June 30th, 2024, have been prepared in accordance with Autorité des Normes Comptables (ANC) regulation no. 2014-03 of June 5th, 2014, relating to the General Chart of Accounts, as well as subsequent regulations amending certain articles thereof.

The general accounting conventions have been applied with due respect for the principle of prudence, in accordance with the underlying assumptions:

- operating continuity,
- consistency of accounting methods,
- exercise independence.

The basic method used for valuing items recorded in the accounts is the historical cost method. Valuation and presentation methods have not been changed from the previous year.

Business continuity

When preparing the annual financial statements, management assesses the Company's ability to continue as a going concern.

In particular, the Company's senior management regularly reviews its financing options to ensure that it can continue to operate as a going concern, taking into account its investment decisions and forecast cash flows, including those from cash advances and income from re-invoicing by other Group companies.

The Company's operating expenses are covered by intercompany transfers from operating subsidiaries and ongoing loans. On June 30th, 2024, the Company's cash position was positive at €2.7M. As of June 30th, 2024, the Group's cash position was positive at €47.6M.

For the year ending on June 30th, 2025, the Company's management forecasts a positive operating cash flow due to cash and dividend inflows from its subsidiaries. In the year ended June 30th, 2024, the Company was therefore able to count on inter-company payments, shareholders reimbursements and dividends from its subsidiaries.

On the basis of this information and forecasts, the Company considers that it has the capacity to continue its business over FY 2025, to meet its cash requirements and to settle

the portion of its balance sheet debts falling due within 12 months or, where these are the subject of litigation, that they will not fall due for payment during the same period.

The Company's financial statements for the year ended on June 30th, 2024, have therefore been prepared on a going concern basis.

1.2. Accounting rules and methods

A/ Intangible assets - exploration assets

The Company applies the provisions of ANC regulation 2017-03 of November 3rd, 2017, and article R.123-188 of the French Commercial Code, which stipulates that mining exploration costs treated as development costs may be capitalized as intangible assets. The starting point of the corresponding amortization schedule may be deferred until the end of the research.

This accounting method covers exploration expenditure as well as expenditure to assess the technical feasibility and capacity of extraction to generate probable future economic benefits.

Study and analysis costs, as well as all costs incurred prior to obtaining mining titles, are expensed immediately. Geological and geophysical costs, including seismic prospecting, are expensed as incurred.

In the event of discovery, unproven mining rights are transferred to proven mining rights, at net book value, as soon as proven reserves are recorded, and are reclassified from intangible assets to property, plant and equipment.

Exploration drilling is accounted for and tested for impairment on an individual basis as follows:

- the cost of exploration leading to the discovery of proved reserves is capitalized and subsequently amortized using the unit-of-production method, based on proved reserves developed;
- exploration costs are temporarily capitalized, pending determination of whether they have led to the discovery of proven reserves, when the following two conditions are met:
 - the well has uncovered a sufficient volume of gas to justify putting it into production, if necessary, assuming that the necessary production investments are made,
 - the Company is making sufficient progress in determining the reserves and the technical and economic viability of the project. This progress is assessed based on criteria such as additional exploration work (wells, seismic work or significant studies) in progress or included in a firm program, the completion of development studies, and taking into account the fact that the Company may be awaiting government or third-party authorization for a proposed project, or the availability of transportation or processing capacity at an existing facility.

Exploration assets are tested for impairment whenever there is an indication that they may be impaired (negative change in reserves, significant change in legislation, major technological developments, technical inability to operate the well concerned, etc.), at the boundaries of cash-generating units (CGUs), defined for the Company as hydrocarbon fields or groups of fields that are homogeneous and consistent in terms of production, processing and disposal

of these hydrocarbons. For the Company, on June 30th, 2024, these CGUs cover the various PERs (exclusive exploration permits) currently held.

B/ Other fixed assets

Property, plant and equipment are carried in the balance sheet at acquisition cost, less depreciation and any impairment losses. No borrowing costs have been capitalized in relation to these property, plant and equipment.

These assets are depreciated on a straight-line basis over their estimated useful life and any residual value. The useful lives are as follows:

Industrial machinery and equipment	5 to 10 years
Transport equipment	4 to 5 years
Office equipment and furniture	3 to 5 years

Apart from a finance lease on an office and warehouse complex at Pontpierre, no finance leases with assets in service have been identified as of June 30th, 2024, as the Company is only involved in leases on low-value underlying assets or in leases considered as operating leases: vehicles, copiers, etc.

C/ Investments securities

The gross value of investments in associates is based on their acquisition cost. These assets are written down to market value or value in use. Value in use is estimated based on several criteria, the main ones being the value of shareholders' equity, the projection of future cash flows or the valuation of the asset based on reasonable operating forecasts.

Acquisition costs are expensed as incurred.

An impairment loss of 100% of the gross value of the shares in the subsidiary EG Lorraine, i.e. €869,000, has been booked in view of the company's prospects over the foreseeable future and its expected earnings and cash flows.

The shares in the Concorde Energy Inc. subsidiary, with a gross book value of €150,000, have also been written down to 100% since the year ended June 30th, 2022.

The shares in the Cryo Pur subsidiary, acquired in 2022, have a gross book value of €9,320,000.

The shares in the Greenstat subsidiary, acquired in 2024, have a gross book value of €15,683,000.

D/ Other financial assets

Other non-current financial assets are carried out at cost, less any impairment loss, mainly in respect of their value in use.

Other long-term investments comprise shares held by TC ICAP (EUROPE) as part of the management of the liquidity contract entered into by FDE since March 15th, 2019 and

renewing the contract signed on June 22nd, 2017.

On June 30th, 2024, an amount of €173K was recorded under non-current financial assets, while €23K was recorded under cash and cash equivalents (€59K and €128K respectively for the previous year). Gains and losses on the disposal of each market transaction are recognized in the financial statements under exceptional items, for a net capital gain of €8K for the year ended June 30th, 2024 (€42K capital gain for the previous year).

Also included in this category are treasury shares held by FDE related to its share buyback program, for which there is no explicit allocation to a precise and specific purpose. Treasury shares bought back for allocation to an employee free-awarded share plan are recorded under current assets.

An impairment loss is recognized if the fair value, based on the average share price at year-end, is lower than the historical value. On June 30th, 2024, a provision of €45K was booked in respect of the liquidity contract to bring this amount down to its net value.

An impairment loss of €415K was recognized on the gross value of treasury shares classified under other financial assets, and of €152K for those classified under current assets.

E/ Operating receivables and payables

As receivables and payables are valued at their nominal value, a depreciation of receivables is applied when a risk of non-recovery exists at the end of the financial year.

Fixed asset liabilities include liabilities related to investments as well as liabilities related to exploration costs as described in paragraph A/ of this section of the notes.

F/ Accrued expenses

Debt issuance costs are capitalised as accrued expenses and amortised over the term of the loans concerned.

G/ Foreign currency transactions

Transactions in foreign currencies other than the entity's functional currency are translated at the applicable exchange rate on the transaction date. At the end of the financial year, assets, liabilities and cash are converted at the closing rate and the resulting exchange difference is recorded under translation adjustments.

Unrealised losses are recorded as a provision for risks.

Pursuant to Regulation 2015-05 on forward financial instruments and hedging transactions, the Company recognises its foreign exchange gains and losses, for those relating to commercial transactions, in other operating income and expenses and no longer in financial income or expense since FY 2018.

H/ Free-awarded shares awarded

On June 30th, 2024, two plans approved by the Company's Board of Directors were still in force, with the beneficiaries designated as Company's employees and officers.

No expense is recorded in the Company's financial statements for the entire vesting period. However, the employer's contribution due on the acquisition of free-awarded shares is recognized on a straight-line basis over this period. On June 30th, 2024, this contribution amounted to a liability of €25.8K.

It should be noted that a sixth plan expired during the FY 2024, the Chairman of the Company having recorded on July 27th, 2023, the definitive allocation of 49,281 free-awarded shares to the beneficiaries of this plan implemented by the Board of Directors. The employer's contribution remaining to be paid in respect of this sixth plan on June 30th, 2024, amounts to €100K, maturing in less than 1 year.

I/ Corporate tax

As of July 1st, 2018, a new tax consolidation was set up with FDE as the head company of the tax consolidation, and Gazonor Holding, Gazonor, EG Lorraine and EG NPC in the scope of consolidation.

The indirect subsidiary Gazonor Béthune joined the scope of consolidation on July 1st, 2020, and Cryo Pur on July 1st, 2022.

Under this tax consolidation, each company calculates its tax as if it were independent and pays its tax to the head company. A tax is then calculated at the level of the integrated tax group.

J/ Provisions

The Company sets and assesses its provisions pursuant to Regulation CRC 2000-06 on liabilities, which are earmarked to cover risks and expenses that are likely to arise from events that are in progress or have occurred, and that are clearly defined in terms of purpose, but unclear with respect to implementation, timing or amount. These include inter alia compensation estimated by the Company and its advice in respect of disputes, litigation and claims by third parties.

(i) Site restoration and dismantling costs

Future site restoration costs arising from a legal, regulatory, contractual or constructive obligation are covered by provisions based on a reasonable estimate during the year in which the obligation arises.

As a counterpart to this provision, site restoration costs are capitalised and included in the value of the underlying asset and depreciated over the useful life of that asset.

The restoration and dismantling provisions recognised in the Company's accounts on June 30th, 2024, cover exploration sites that have been drilled or are currently being drilled in the Lorraine region.

Considering the date of fulfilment of these restoration obligations, the amounts recorded have been discounted and the effects thereof recorded as financial result for the portion relating to the effect of discounting. The inflation rate applied on June 30th, 2024, is the 15-year Euro zone swap inflation rate (2.31%), while the discount rate is the reference Ibbotson Corp AA 10+ market rate (3.61%).

(ii) Retirement commitments

For defined benefit plans and for retirement benefit obligations, commitments are valued using the projected unit credit actuarial method, taking into account actuarial assumptions such as salary increases, retirement age, mortality, staff turnover and the discount rate.

The discounted obligation in respect of retirement indemnities is not recognized by the Company but is disclosed in the notes to the financial statements.

On June 30th, 2024, the Company had not recorded any hedging asset to cover such commitments.

(iii) Other provisions

Other provisions mainly include litigation involving the Company at the balance sheet date. A provision is only recognized in the event of the existence of a cause of action on June 30th, 2024, a probable outflow of resources representing economic benefits and a reliable estimate of the obligation.

The estimated provision is considered based on the most probable value, i.e. an assessment based on the value of the last judgment rendered or the estimate made by lawyers or legal advisers in the case of ongoing litigation.

2. NOTES TO THE INCOME STATEMENT

2.1. Reversal of depreciation and provisions, expense transfers

Reversal of depreciation, provisions - expense transfers	June 30 th , 2024	June 30 th , 2023
	€	€
Reversal of provision for impairment	0	294 320
Capitalized debt issuance costs	0	0
Transfer of payroll costs	6 091	5 812
Other	0	1 946
Total reversals and expense transfers	6 091	302 078

The reversal of €6K relates to transfers of payroll costs to subsidiaries, associated with free-awarded shares plans granted to employees of the subsidiaries concerned.

2.2. Other products

Breakdown of other income	June 30 th , 2024	June 30 th , 2023
	€	€
Services	1 090 931	885 968
Technical development services	225 880	1 292 450
Total other products	1 316 811	2 178 418

On June 30th, 2024, the Company recognized other income of €1.3M, compared with €2.2M in the previous year. As was the case in FY 2023, this relates in part to central and operational services re-invoiced to its operating subsidiaries, mainly personnel and structural costs incurred by FDE for the benefit of its subsidiaries. This re-invoicing is carried out based on actual costs booked, with the application of a 5% mark-up corresponding to an arm's length remuneration.

The decrease between FY 2023 and FY 2024 is mainly due to development costs invoiced on projects in FY 2023.

2.3. Costs of goods and services sold

The most significant items included in other purchases and external charges are presented below for the years ended on June 30th, 2024, and 2023:

Costs of goods and services sold	June 30 th , 2024	June 30 th , 2023
	€	€
Movable and immovable leases	103 136	87 929
Research and studies	129 227	63 946
Accounting and legal fees - Consultants	362 844	231 140
CAC fees	208 567	156 008
Communication	88 481	61 998
Travel	163 127	91 354
Commissions and other intermediaries	385 374	330 045
Banking services and commissions	17 627	20 195
Other expenses	969 647	659 701
Total costs of goods and services sold	2 428 031	1 702 317

Other external purchases and expenses increased during the year, due to the overheads and fees required to support the Group's development and growth, particularly in connection with the acquisition of Greenstat in 2024.

2.4. Personnel expenses

The Company's personnel costs amounted to €1,411K in FY 2024 (€1,140K in FY 2023). This increase is mainly due to the increase in headcount between the two years (15 on June 30th, 2024 vs. 10 on June 30th, 2023) to support the Group's development.

Workforce

Workforce	June 30 th , 2024	June 30 th , 2023
Executives and managers	12	8
Workers and employees	3	2
Total number of employees at end of year	15	10

Remuneration of key executives

As of June 30th, 2024, two people can be assimilated to this category, Mr. Julien Moulin, Chairman, and Mr. Antoine Forcinal, Chief Executive Officer. Remuneration paid to the main executives breaks down as follows:

Remuneration of key executives	June 30 th , 2024	June 30 th , 2023
Fixed and variable remuneration	131 355	218 835
Directors' fees	0	0
Total remuneration	131 355	218 835

The above figures include remuneration paid to executives by other Group companies and re-invoiced to FDE, after deduction of amounts re-invoiced to subsidiaries.

2.5. Depreciation, amortization and others

FDE booked €22.8K in depreciation over the year, compared with €20.6K on June 30th, 2023. No charges to provisions were recorded during the year.

2.6. Net financial income

The components of net financial income are as follows:

Financial result	June 30 th , 2024	June 30 th , 2023
		€
Provisions for investments in subsidiaries and affiliates	-625 952	-122 589
Interest expense	-599 911	-416 010
Other financial income/expense	13 711 648	69 804
Total financial result	12 485 785	-468 795

As of June 30th, 2024, the Company's net financial expense comprised interest on current account advances to subsidiaries, allocations to financial assets, notably treasury shares recognized under financial fixed assets and current assets depending on their purpose, and above all dividend payments from its subsidiary LFDE International.

2.7. Net exceptional income

As of June 30th, 2024, exceptional income was positive at €6.6K due to the change in the liquidity contract explained above. The impact of the share buyback program linked to the 2023 plan is included in non-recurring income, with a neutral effect: a provision of €195K was set aside to cover the acquisition cost, recorded as personnel costs, offset by non-recurring expense transfers for FDE employees, and the remainder of the provision by non-recurring income receivable from our subsidiaries).

As of June 30th, 2023, exceptional items included the scrapping of the Diebling well in Lorraine, for historical costs of €6.8M between 2005 and 2007, following the definitive cessation of mining work on this shaft.

2.8. Income tax

The company recognized net tax income of €1.6M for the entire tax consolidation group.

As of June 30th, 2024, the Company had unrecognized tax loss carryforwards of €3.8M.

The Research Tax Credit for calendar year 2023 recognized in the FY 2024 financial statements amounts to €312K.

Breakdown of total income tax charge

Income tax	June 30 th , 2024	June 30 th , 2023
	€	€
Income tax	2 903 852	-1 977 378
Tax consolidation	-1 588 647	4 532 839
Research tax credit	311 984	239 626
Total income tax	1 627 189	2 795 087

3. NOTES TO THE BALANCE SHEET

3.1. Exploration assets - Intangible assets

As explained in the accounting policies, expenditure recognized under other intangible assets comprises all costs incurred in the prospecting and drilling phases of exploration.

The change in these exploration assets mainly relates to work carried out on sites in the Lorraine basin (Bleue Lorraine permit), in particular on the Lachambre site, including the costs required to file the Bleue Lorraine concession application made on November 28th, 2018, with the Ministry of Ecological and Solidarity Transition and the Ministry of the Economy and Finance.

As of June 30th, 2024, the gross value of these exploration costs amounted to €37.49M, including site restoration costs of €1,594K based on calculations still relating to the four sites concerned, Folschviller, Tritteling, Lachambre and Pontpierre. Its update has been calculated up to 2040, the reference limit year following the Hulot law enacted in December 2017, on the following basis:

- Discount rate (Ibbox Corp AA 10+): 3.61% (3.60% in 2023)
- Inflation rate (Eurozone 15-year swap): 2.31% (2.58% in 2023)

A legal analysis has been carried out in conjunction with the Company's lawyers as of June 30th, 2024, covering the status of each permit for which exploration costs have been booked. The Company's management also assessed the results of drilling and the qualification of reserves at year-end.

No new impairment was recognized at the close of the 2024 financial year, but a write-off of the Diebling well in Lorraine, for historical costs of €6.8M incurred between 2005 and 2007, following the definitive cessation of mining work on this shaft, was recognized in the previous year.

Changes in gross and net values between June 30th, 2023, and June 30th, 2024, are as follows:

Changes - gross value	June 30 th , 2023	acquisitions	disposals	other	June 30 th , 2024
	€	€	€	€	€
Assets - PER Bleue Lorraine	35 337 300	255 561			35 592 861
Assets - other PER	303 573				303 573
Provision for repairs	1 593 983				1 593 983
Total - gross value	37 234 856	255 561	0	0	37 490 417
Changes in depreciation, amortization and impairment	June 30 th , 2023	Allowance Deprec.	Allowance Impairment	Reversals	June 30 th , 2024
	€	€	€	€	€
Assets - PER Bleue Lorraine	-				-
Assets - other PER	-303 573				-303 573
Provision for repairs	-452 130	-53 507			-505 637
Total - depreciation and amortization	-755 704	-53 507	0	0	-809 211
Total - net value	36 479 152				36 681 206

For each exclusive exploration permit or concession, excluding the provision for restoration, the exploration assets are composed as follows:

Permits / concessions	By-laws	June 30 th , 2024	June 30 th , 2023
		€	€
Bleue Lorraine (i)	<i>Concession granted</i>	35 592 861	35 337 300
Total exploration assets (net value)		35 592 861	35 337 300

- (i) As the third period of the **Bleue Lorraine** exclusive research permit ("PER") expires on November 30th, 2018, FDE applied for a concession on November 26th, 2018, valid until January 1st, 2040. The area requested is 191 km², including 6 communes in its entirety and 34 communes in part.

An implicit decision to reject the Bleue Lorraine concession application was issued on June 11th, 2022. A petition contesting the implicit rejection of the Bleue Lorraine concession application was filed with the Strasbourg Administrative Court on July 12th, 2022, after which FDE launched a suspensive injunction to force the Minister responsible for mines to produce his observations as soon as possible (with a fine of €5,000 per day).

By order dated April 26th, 2023, the Minister responsible for mines rejected the Bleue Lorraine concession application. FDE lodged a petition reiterating the points already raised and responding to the reasons put forward by the authorities for rejecting the Bleue Lorraine concession application.

In a decision dated July 4th, 2023, the Administrative Court ruled that FDE had sufficiently justified its technical capacity to extract the stratum gas and demonstrated the

exploitable nature of the deposit. The court therefore annulled the order of April 26th, 2023, and ordered the French government to grant FDE the Bleue Lorraine concession within three months, subject to a penalty of €500 per day of delay.

The Bleue Lorraine concession was awarded to FDE by ministerial decree on November 20th, 2023. The French government has appealed against its own ministerial decree, having been dismissed by the administrative court and ordered, under fines, to publish the decree granting the concession to FDE. This appeal does not have suspensive effect, and the procedure is ongoing.

3.2. Concessions, patents and similar rights

Changes - gross value	June 30 th , 2023	acquisitions	disposals	other	June 30 th , 2024
	€	€	€	€	€
Sage X3 software	70 270				70 270
Other intangible assets	6 036				6 036
Total - gross value	76 306	0	0	0	76 306
Changes in depreciation, amortization and impairment	June 30 th , 2023	Allowance Deprec.	Allowance Impairment	Reversals	June 30 th , 2024
	€	€	€	€	€
Sage X3 software	-39 422	-17 106			-56 528
Other intangible assets	-4 352				-4 352
Total - depreciation and amortization	-43 774	-17 106	0	0	-60 880
Total - net value	32 532				15 426

3.3. Property, plant and equipment – Tangible assets

Tangible fixed assets mainly comprise small equipment and tools, vehicles, furniture and IT equipment.

Changes in the gross and net values of these assets are shown below:

Changes - gross value	June 30 th ,	acquisitions	disposals	other	June 30 th ,
	2023				2024
	€	€	€	€	€
Construction	13 775				13 775
Industrial plant and equipment	22 117				22 117
Other property, plant and equipment	45 015	6 687			51 702
Assets under construction	68 177	285 016			353 193
Total - gross value	149 085	291 703	0	0	440 788
Changes in depreciation, amortization and impairment	June 30 th ,	Allowance	Allowance	Reversals	June 30 th ,
	2023	Deprec.	Impairment		2024
	€	€	€	€	€
Construction	-1 203	-1 715			-4 063
Industrial plant and equipment	-18 759				-17 909
Other property, plant and equipment	-29 225	-4 108			-33 333
Assets under construction					
Total - depreciation and amortization	-49 481	-4 108	0	0	-55 305
Total - net value	99 603	287 595	0	0	385 483

3.4. Financial assets - Subsidiaries and affiliates

Other equity interests comprise shares held by FDE only in subsidiaries included in the consolidated financial statements published by the Company. See table of subsidiaries and affiliates below.

Subsidiaries and affiliates (in €K)	EG Lorraine	Concorde Energy Inc.	Cellcius	FalkenSun	LFDE International	Cryo Pur	Concorde Energie Paris	Greenstat
Capital	869	6 391	1	1	1 000	1 997	1	12 681
Shareholders' equity other than capital	-909	-5 007	-196	-1 939	1 335	-789	-100	6 417
Net income	-6	-	-86	-965	11 982	-449	-11	-515
Sales figures	0	0	134	706	15 141	474	0	1 311
Percentage of capital held	100%	100%	51%	75%	100%	96%	100%	56%
Gross book value of securities	869	150	1	1	0	9 320	1	15 683
Net book value of securities	0	0	1	1	0	9 320	1	15 683
Loans and advances granted	38	0	23	57	-1 399	1	99	0

Receivables from equity interests for LFDE International relate to a current account, most of the balance of which is valued at its acquisition value when the Transcor / Gazonor group was acquired in June 2016.

The gross value of investments held rose sharply with the acquisition of Greenstat ASA and its subsidiaries, a Norwegian green energy operator specializing in solar and H₂ projects. This transaction was carried out for a total of €15.7M, excluding expenses, of which €13.3M was for a capital increase, resulting in a holding of around 56% of the capital on February 29th, 2024.

3.5. Trade receivables and related accounts

Other receivables mainly concern the Research Tax Credit, the tax consolidation receivable relating to the tax due by subsidiaries, recoverable VAT receivables and receivables relating to Group current accounts, current account payables being shown as liabilities.

All the trade payables and other liabilities shown below are due within one year of June 30th, 2024, excluding the €7K employer's contribution on free-awarded shares. Of this balance, however, an amount of €699K is in dispute with Entrepose Drilling.

Statement of receivables and payables - June 30th, 2024

	At 1 year	1 to 5 years	Over 5 years	Total
	€	€	€	€
Receivables from investments			17 951 038	17 951 038
Other long-term investments			11 176	11 176
Accounts receivable	1 785 615			1 785 615
Other receivables	4 251 533			4 251 533
Totals - maturity of receivables	6 037 148		17 962 214	23 999 362

Statement of receivables and payables - June 30th, 2024

	At 1 year	1 to 5 years	Over 5 years	Total
	€	€	€	€
Borrowings and other financial liabilities	34 049 981			34 049 981
Trade payables - operations and fixed assets	2 726 134			2 726 134
Tax and social security liabilities - Other liabilities	691 239	7 103		698 342
Totals - Debt maturities	37 467 355	7 103		37 474 458

3.6. Own shares

During the year, FDE acquired 71,971 shares for a total of €2,675K, €2,526K as marketable securities and the remainder under a liquidity contract. Part of this purchase will be allocated to future plans, and an impairment loss of €152K was recorded at the end of the year, calculated on the basis of the average share price over the last month.

Changes - gross value	June 30 th , 2023	acquisitions	disposals	others	June 30 th , 2024
	€	€	€	€	€
Treasury shares plan 2023		411 104			411 104
Treasury stock – Other		2 115 437			2 115 437
Total - gross value	0	2 526 541			2 526 541
Changes in depreciation and provisions	June 30 th , 2023	Allowance Deprec.	Allowance Impairment	Reversals	June 30 th , 2024
	€	€	€	€	€
Treasury stock – Other		-151 540			-151 540
Total depreciation and provisions	0	-151 540	0	0	-151 540
Total - net value	0				2 375 002

3.7. Capital and shareholders' equity

Breakdown of share capital

As of June 30th, 2024, FDE's share capital stood at €5,231K, divided into 5,231,885 fully paid-up ordinary shares with a par value of €1.00 each.

During the year, 49,281 new shares were issued following the final allocation of free-awarded shares to the beneficiaries of the sixth plan implemented in 2021. This capital increase was carried out through the capitalization of additional paid-in capital, following the Chairman's acknowledgement on July 27th, 2023, that the free-awarded shares had been definitively allocated to their beneficiaries.

No other share capital transactions have taken place since July 1st, 2023.

Changes in shareholders' equity

Changes in shareholders' equity	Value on June 30 th , 2023	Result 2024	Appropriation of 2023 net income	Dividends	Other changes	Value on June 30 th , 2024
			€	€	€	€
Share capital	5 182 604				49 281	5 231 885
Additional paid-in capital	44 052 241				-49 281	44 002 960
Legal reserve	105 762					105 762
Other reserves	72 142					72 142
Retained earnings	-1 169 627		-4 986 038			-6 155 666
Net income for the year	-4 986 038	12 231 102	4 986 038			12 231 102
Investment grants	250 000					250 000
Regulated provisions					1 800	1 800
Total	43 507 084	12 231 102	-	-	1 800	55 739 986

3.8. Share-based payments / employee free-awarded shares

The General Meeting held on March 23rd, 2016 had authorised the Board of Directors to proceed with allocation of free-awarded shares to the Group's employees and corporate officers, within the limit of 5% of share capital, a delegation renewed by the General Meeting of November 29th, 2019, and again at the Shareholders' General Meeting of November 30th, 2021, under the same conditions. The distribution of employee free-awarded shares must be made through a capital increase by way of incorporation of reserves or premiums.

The first, second, third, fourth and fifth plans gave rise to final allocations in previous years.

Under the sixth plan, 49,281 shares were vested during the year, following the Chairman's acknowledgement on July 27th, 2023, that the conditions set out in the 2021 plan had been met.

At its meeting on July 1st, 2022, the Board of Directors implemented the seventh plan in accordance with the plan rules and allocated 48,736 free-awarded shares to 22 beneficiaries.

At its meeting on June 30th, 2023, the Board of Directors implemented the eighth plan in accordance with the plan regulations and allocated 11,902 free-awarded shares to 26 beneficiaries.

The breakdown of free-awarded shares granted under the two plans still in force on June 30th, 2024 is shown below:

Free-awarded share plans	Number of shares initially allocated	Number of shares on June 30 th , 2024	Fair value
July 1 st , 2022	48,736	48,125	51.2
June 30 th , 2023	11,902	11,664	48.3

These free-awarded shares will be definitively allocated to the beneficiaries within two years of their initial allocation date, provided that the beneficiaries retain their position within the Group during this period, and that the other conditions determined within the framework of this free-awarded share plan are met.

In accordance with current accounting standards, no expense is recognized in respect of these plans, only the employer's contribution to the definitive acquisition of the shares by the beneficiary is provided for on a straight-line basis over two years.

3.9. Borrowings and financial debts

Considering the current accounts, the loans and financial debts are broken down as follows:

Borrowings and other financial liabilities	June 30 th , 2024	June 30 th , 2023
	€	€
Current accounts (Gazonor)	10 066 092	9 230 127
Current accounts (EG NPC)	0	784 738
Current accounts (LFDE International)	23 983 889	11 526 795
Financial debt due in less than one year	34 049 981	21 541 661
Total financial debts	34 049 981	21 541 661

Lastly, in October 2019, the Company signed a leasing agreement with LCL bank for a land and an office and warehouse complex in the Faulquemont commune, which was commissioned in December 2020.

This contract is for 12-year term from its effective date, at an interest rate of approximately 2.4% and a €94K purchase option exercisable at the end of the contract.

3.10. Provisions

Provisions	June 30 th ,				June 30 th ,
	2023	Allowances	Reversals	Other	2024
	€	€	€	€	€
Other regulated provisions	0	195 148			195 148
Provision for repairs	1 245 624	44 842		-53 507	1 236 960
Provision for exchange losses	0	628			628
Total provisions	1 245 624	240 618	0	-53 507	1 432 736

The provision for restoration concerns the four sites in Lorraine where drilling operations have been carried out. It is determined on technical appraisals and external estimates. As no new technical or regulatory obligations arose in FY 2024, the change in the provision is solely due to the accretion of €44K and a change in discounting assumptions of €54K offset by a reduction in the underlying assets.

This provision was calculated using a 3.61% discount rate and a 2.31% inflation rate.

The provision of €195K corresponds to treasury shares intended for allocation to employees under specific plans.

4. OTHER INFORMATION

4.1. Lease commitments

Real estate leases

FDE is involved in lease contracts for land and plots of land in the Lorraine region, concluded with individual owners for very long periods (maximum term 2091) with the possibility of termination.

Annual rental payments under these contracts amount to €40K for the 2024 financial year, with corresponding commitments of €2,428K over the entire possible lease term, with no significant change compared with last year.

Equipment leases

During its business, FDE manages part of its equipment via operating leases. These contracts mainly concern the leasing of vehicles and copiers, the amounts of which are not material.

4.2. Leasing commitments

A property lease was signed on October 21st, 2019, between FDE and Finamur by notarial deed, covering a total investment of €940K to build a complex of offices and warehouses on the Pontpierre / Faulquemont business area, which was completed in November 2020.

The lease has a maturity of 12 years, with the option for FDE to exercise the purchase option early at the end of the 7-year lease period, at a price of €94K.

Lease payments by maturity - June 30 th , 2024	At 1 year	1 to 5 years	Over 5 years	Total
	€	€	€	€
Lease rentals	67 514	290 193	334 020	691 726
Totals - maturity of receivables	67 514	290 193	334 020	691 726

The lease took effect during FY 2021.

4.3. Other commitments

Financial commitments on permits

The table below describes the financial commitments entered into by the Company in respect of two main permits currently held by the Company, with investments and exploration costs booked to June 30th, 2024:

Commitments on Exclusive Exploration Permits (PER)	Initial financial commitments	Net realized investments	Residual commitments
	€	€	€
Bleue Lorraine	7 700 000	35 592 861	none

Each exploration permit granted to the Company includes financial commitments in terms of exploration expenditure to be incurred over the duration of the permit. In addition, it is important to note that the expenses booked for the Bleue Lorraine PER also concern studies on well architectures, the quality and resistance of drilling equipment and tools, and the characteristics of Lorraine coals, which may be useful for the Bleue Lorraine Sud PER.

Retirement commitments

Retirement benefit obligations - balance sheet	June 30 th , 2024
Provision for pension commitments June 30 th , 2024	19 443
Provision for retirement commitments June 30 th , 2023	12 587
Change in provision for the year 2024	6 856

The actuarial assumptions used to estimate pension commitments on June 30th, 2024, are as follows, since all the Company's employees, excluding corporate officers, are subject to French social legislation:

- Starting age: 65 years
- Salary increase: 2%
- Discount rate: 3,61%
- Turnover rate: 5%
- Mortality table: TGH05/TGF05

The discount rate increased from 3.6% to 3.61% between June 30th, 2023, and June 30th, 2024.

No hedging assets had been set up by the Company at the balance sheet date.

Financial commitments on loans

On October 22nd, 2019, Gazonor took out a loan with Bpifrance Financement for a nominal amount of €1,340K to refinance the costs incurred in acquiring the three Siemens electric motors installed at the Avion site. The loan has a maturity of 6 years, with straight-line monthly repayments, and a fixed interest rate of 1.5% per annum.

FDE has given a joint and several guarantee of €1,340K for the duration of the loan.

The equity loans of €5.5M taken out by Gazonor Béthune SAS, and €3.3M taken out by EG NPC SAS benefit from the FDE guarantee.

4.4. Related parties

During its business, FDE entered into a number of transactions with persons or entities considered to be related parties in the year ended June 30th, 2024. The amounts arising from these transactions and recognized in the financial statements are presented below:

Transactions with related parties	June 30 th , 2024	June 30 th , 2023
	€	€
Equity interests (gross value)	26 024 004	5 159 847
Receivables from investments	17 951 038	17 951 038
Current account assets	217 378	3 062 511
Tax consolidation	2 547 351	2 508 131
Trade receivables - gross value	748 590	945 201
Trade receivables - Unbilled revenue	1 037 025	1 042 565
Related parties - assets	48 525 386	30 669 293
Current account liabilities (Gazonor, EG NPC, LFDE Int)	34 049 981	21 541 661
Related parties - liabilities	34 049 981	21 541 661
Services	1 090 931	885 968
Technical development services	223 339	1 281 334
Related parties - operating income/expenses	2 167 301	2 167 301
Interest income on current accounts	13 706 559	69 335
Interest expense on current accounts	-552 089	-359 098
Annual interest on NEL loan	0	0
Annual interest on EGL loan	0	0
Related parties - financial result	13 154 470	-289 763

Relations with related parties

- (i) A management fee agreement had been signed on January 16th, 2018, between FDE and Gazonor, so that the former would re-invoice salary and structure costs to the latter. For the 2019 financial year, amendment No. 2 was signed between these two companies so that the re-invoicing of these services would be based on allocation keys according to the time spent by each Company employee and the costs actually booked over the financial year.
- (ii) An agreement providing for the same calculation bases for the re-invoicing of services was signed between the Company and its indirect subsidiary Gazonor Benelux on April 23rd, 2019, a subsidiary whose operational activity began at the end of April 2019 with the start-up of production at its Anderlues site.
- (iii) Similar agreements have been signed with Cellcius, FalkenSun, Gazonor Béthune, EG NPC, Cryo Pur and Greenstat.
- (iv) A development fee agreement has been signed with Gazonor Benelux and Gazonor Béthune respectively to cover the development services provided by FDE for the technical support required for the design of the Anderlues 1 and 2, Béthune and EG NPC projects (including preliminary engineering studies, authorizations, etc.), construction and commissioning of projects in compliance with applicable legal and regulatory requirements.

- (v) A similar agreement with FalkenSun was signed in March 2023 to cover the development services provided by FDE for the technical support needed to design the Tritteling photovoltaic project, its construction and commissioning in compliance with applicable legal and regulatory requirements.

The gross expense in respect of remuneration to be allocated to the members of the Remuneration and Audit Committees and the Board of Directors amounted to €60K for the financial year ended June 30th, 2024, as an adjustment to the fees paid in the previous year. Executive remuneration is presented in section 2.3 of these notes.

4.5. Auditors' fees

The auditors' fees paid by the Company include the following items:

Auditors' fees	June 30 th , 2024	June 30 th , 2023
	€	€
Certification of accounts - Française de l'Energie	130 500	143 500
Other engagements	0	7 700
Total Auditors' fees	130 500	151 200

4.6. Ongoing litigation and legal proceedings

As of the date of preparation of the consolidated financial statements for the year ended June 30th, 2024, the Company is involved in various disputes and proceedings:

(i) ENTREPOSE DRILLING dispute

A dispute between La Française de l'Energie (FDE) and the company Arverne Drilling SAS (formerly Entrepose Drilling SAS) concerns the drilling services invoiced by this company for the Lachambre drilling campaign in late 2016 and early 2017. FDE considers that the deficiencies of the drilling equipment used by Arverne Drilling did not enable it to achieve the objectives set for this drilling and that these deficiencies delayed FDE's drilling campaign and caused it significant prejudice which justifies the suspension of payment of the last invoices relating to this drilling.

Arverne Drilling contests FDE's position and has initiated summary proceedings to obtain payment of these invoices as well as compensation for termination of the contract signed with FDE, arguing that FDE had taken the initiative in breaking the contract. The total amount claimed was €3,040,879 exclusive of tax. FDE contested this fact, imputing the termination of this contract to Arverne Drilling itself. On September 8th, 2017, the Paris Commercial Court, ruling in summary proceedings, ordered FDE to pay Arverne Drilling the sum of €983,820 exclusive of tax, a decision that has been enforced.

Arverne Drilling has brought an action on the merits before the Paris Commercial Court for the invoices whose payment was rejected by the Court ruling in summary proceedings, relating to a balance of invoices of €2,067,104 exclusive of tax. FDE, for its part, has lodged a counterclaim for compensation for damage caused by deficiencies in the drilling services provided by Arverne Drilling and the latter's wrongful termination of the contract binding it to FDE.

FDE, on the basis of a report by expert Mr. Pierre Gié produced on February 7th, 2019, has thus requested compensation in the amount of €6,337,029 as well as the return of sums already paid under the initial contract (i.e. €1,183,562 paid in execution of the summary order of September 8th, 2017, and €1,380,748 paid in settlement of invoices under the resolved contract).

Entrepose Drilling's liability insurer, HDI Global SE, contested FDE's conclusions, notably via an expert report by Erget. In December 2019, FDE filed a writ of compulsory execution against Entrepose Group, the parent company of Arverne Drilling, to obtain its guarantee for its former subsidiary.

The Paris Commercial Court handed down its decision on October 1st, 2021, partially granted Arverne Drilling's claims (which were for €2,067,104 excluding taxes) and ordered FDE to pay €865K (plus interest at the legal rate since May 2018).

FDE appealed this judgment to the Paris Court of Appeal. The case was heard on May 25th, 2023, and the Paris Court of Appeal ordered FDE to pay the sum of €263,184 to Arverne Drilling.

FDE paid this sum to Arverne Drilling, and on November 22nd, 2023, FDE lodged an appeal in cassation. On March 22nd, 2024, FDE's legal counsel filed an amplifying brief in support of FDE's request for cassation. The proceedings are continuing, and FDE is awaiting written submissions from Arverne Drilling's counsel.

(ii) XERYS dispute

Following the acquisition of Cryo Pur on December 31st, 2021 from Xerys investment funds, FDE raised various management difficulties and anomalies at Xerys , refusing to pay the purchase price of €2,000,000.

On February 11th, 2022, Xerys summoned FDE for payment of the price and on February 28th, 2022, FDE summoned Xerys for annulment of the sale / compensation for fraud.

In a summary order issued on April 15th, 2020, the Paris Commercial Court granted Xerys' request. FDE complied with this decision and paid the sale price of the Xerys entities in April 2022.

The substantive proceedings brought by FDE against Xerys before the Paris Commercial Court continued. The case was pleaded before the Paris Commercial Court in November 2023 and a decision was handed down on January 12th, 2024, dismissing FDE's claim.

FDE has appealed against this judgment, and the appeal procedure is underway. The parties have exchanged written submissions, but no hearing date has yet been set.

4.7. Post balance sheet events

In July 2024, FDE subscribed to a €7M impact loan with Arkéa Banque Entreprises et Institutionnels.

This "PACT Trajectoire ESG" impact loan provides for a subsidy of up to 20% on financial costs, if FDE improves its ESG performance according to predetermined criteria.

To guarantee the neutrality of our evaluations, ESG performance and improvement will be assessed annually by EthiFinance, an independent extra-financial analysis agency.

9.2 STATUTORY AUDITORS' REPORT ON THE ANNUAL FINANCIAL STATEMENTS



1, rue des Arquebusiers
67080 Strasbourg Cedex



43-47, avenue de la Grande Armée
75116 Paris

LA FRANCAISE DE L'ENERGIE

Rapport des commissaires aux comptes sur les comptes annuels

Exercice clos le 30 juin 2024

Forvis Mazars
Société anonyme d'expertise comptable et de commissariat aux comptes à
conseil d'administration
Capital de 400 000 euros - RCS Strasbourg 348 600 990

BDO Paris
Société de Commissariat aux comptes inscrite sur la liste
nationale des Commissaires aux comptes, rattachée à la
CRCC de Paris
Capital de 3 000 000 euros – RCS Paris 480 307 131

LA FRANCAISE DE L'ENERGIE

Société anonyme
RCS : 501 152 193 R.C.S. Metz

Rapport des commissaires aux comptes sur les comptes annuels

Exercice clos le 30 juin 2024

A l'assemblée générale de la société LA FRANCAISE DE L'ENERGIE,

Opinion

En exécution de la mission qui nous a été confiée par l'assemblée générale, nous avons effectué l'audit des comptes annuels de la société LA FRANCAISE DE L'ENERGIE relatifs à l'exercice clos le 30 juin 2024, tels qu'ils sont joints au présent rapport.

Nous certifions que les comptes annuels sont, au regard des règles et principes comptables français, réguliers et sincères et donnent une image fidèle du résultat des opérations de l'exercice écoulé ainsi que de la situation financière et du patrimoine de la société à la fin de cet exercice.

Fondement de l'opinion**Référentiel d'audit**

Nous avons effectué notre audit selon les normes d'exercice professionnel applicables en France. Nous estimons que les éléments que nous avons collectés sont suffisants et appropriés pour fonder notre opinion.

Les responsabilités qui nous incombent en vertu de ces normes sont indiquées dans la partie « Responsabilités des commissaires aux comptes relatives à l'audit des comptes annuels » du présent rapport.

Indépendance

Nous avons réalisé notre mission d'audit dans le respect des règles d'indépendance prévues par le code de commerce et par le code de déontologie de la profession de commissaire aux comptes, sur la période du 1^{er} juillet 2023 à la date d'émission de notre rapport, et notamment nous n'avons pas fourni de services interdits par l'article 5, paragraphe 1, du règlement (UE) n° 537/2014.

Justification des appréciations

En application des dispositions des articles L.821-53 et R.821-180 du code de commerce relatives à la justification de nos appréciations, nous portons à votre connaissance les appréciations suivantes qui, selon notre jugement professionnel, ont été les plus importantes pour l'audit des comptes annuels de l'exercice.

Les appréciations ainsi portées s'inscrivent dans le contexte de l'audit des comptes annuels pris dans leur ensemble et de la formation de notre opinion exprimée ci-avant. Nous n'exprimons pas d'opinion sur des éléments de ces comptes annuels pris isolément.

- **Evaluation des actifs d'exploration**

Description du risque

Comme indiqué dans le paragraphe A « Immobilisations incorporelles – actifs d'exploration » de la note « 1.2 Règles et méthodes comptables » de l'annexe aux comptes annuels, les immobilisations incorporelles sont constituées essentiellement des coûts de prospection valorisés au coût historique.

En particulier, les coûts d'exploration comptabilisés en immobilisations incorporelles s'élèvent au 30 juin 2024 à une valeur nette de 36 681 K€ et font l'objet de tests de dépréciation sur une base individuelle, permis par permis.

Nous avons considéré l'évaluation des actifs d'exploration comme un point clé de l'audit en raison de leur importance significative dans les comptes, et des estimations et jugements nécessaires (notamment le volume de gaz et la viabilité technique et économique de chaque projet) pour conduire les tests de dépréciation.

Procédures d'audit mises en œuvre en réponse à ce risque

Nos travaux ont consisté à examiner les indicateurs de perte de valeur des actifs d'exploration comptabilisés à l'actif du bilan.

Nous avons ainsi :

- mené des entretiens au cours de l'exercice avec la direction de la société et obtenu son appréciation sur la qualification des réserves sur la base du rapport de certification qui avait été établi par MHA Petroleum Consultants portant sur les réserves de gaz ;
- pris connaissance de l'analyse juridique effectuée par les avocats de la société portant sur le statut de chaque permis pour lequel des coûts d'exploration ont été comptabilisés ;
- analysé avec la direction de la société les conséquences des différentes décisions judiciaires rendues au cours de la période, leur impact sur la valeur des actifs et les arguments permettant de justifier le maintien de la valeur des actifs.

- **Evaluation des titres de participation et créances envers les filiales**

Description du risque

Comme indiqué dans la note « 3.4 Immobilisations financières – Filiales et Participations » et « 4.4 Parties liées » de l'annexe aux comptes annuels, les titres de participation figurent au bilan au 30 juin 2024 pour un montant de 25 005 K€ nets et les créances rattachées pour 17 951 K€.

Les titres de participation sont évalués à leur coût d'acquisition et dépréciés pour être ramenés à leur valeur d'utilité selon les modalités décrites dans la note 1.2.C de l'annexe. Les créances sont évaluées à leur valeur nominale et dépréciées lorsqu'un risque de recouvrement existe (note 1.2.E de l'annexe).

Nous avons considéré l'évaluation des titres de participation et créances envers les filiales comme un point clé de l'audit en raison de leur importance significative dans les comptes, et des estimations et jugements nécessaires pour conduire les tests de dépréciation.

Procédures d'audit mises en œuvre en réponse à ce risque

Pour apprécier le caractère raisonnable de la valorisation des titres de participation et créances envers les filiales, nous avons ainsi :

- pris connaissance de la méthode de détermination de la valeur d'utilité retenue par la Direction ;
- vérifié la cohérence d'ensemble des hypothèses utilisées et l'exactitude des calculs arithmétiques réalisés ;
- vérifié, pour les données historiques utilisées que les capitaux propres retenus concordent avec les comptes des entités qui ont fait l'objet d'un audit ou de procédures analytiques ;

- mené des entretiens avec la direction du groupe afin de comprendre les principales hypothèses opérationnelles retenues (revenus et coûts opérationnels futurs) pour le calcul des valeurs d'utilité ;
- apprécié le caractère raisonnable des hypothèses retenues, notamment le taux d'actualisation et le taux de croissance à long terme, compte tenu de l'environnement économique et des spécificités propres au secteur d'activité des filiales.

Vérifications spécifiques

Nous avons également procédé, conformément aux normes d'exercice professionnel applicables en France, aux vérifications spécifiques prévues par les textes légaux et réglementaires.

Informations données dans le rapport de gestion et dans les autres documents sur la situation financière et les comptes annuels adressés aux actionnaires

Nous n'avons pas d'observation à formuler sur la sincérité et la concordance avec les comptes annuels des informations données dans le rapport de gestion du conseil d'administration et dans les autres documents sur la situation financière et les comptes annuels adressés aux actionnaires.

Nous attestons de la sincérité et de la concordance avec les comptes annuels des informations relatives aux délais de paiement mentionnées à l'article D.441-6 du code de commerce.

Informations relatives au gouvernement d'entreprise

Nous attestons de l'existence, dans la section du rapport de gestion du conseil d'administration consacrée au gouvernement d'entreprise, des informations requises par l'article L.225-37-4 du code de commerce.

Concernant les informations fournies en application des dispositions de l'article L.22-10-9 du code de commerce sur les rémunérations et avantages versés ou attribués aux mandataires sociaux ainsi que sur les engagements consentis en leur faveur, nous avons vérifié leur concordance avec les comptes ou avec les données ayant servi à l'établissement de ces comptes et, le cas échéant, avec les éléments recueillis par votre société auprès des entreprises contrôlées par elle qui sont comprises dans le périmètre de consolidation. Sur la base de ces travaux, nous attestons l'exactitude et la sincérité de ces informations.

Concernant les informations relatives aux éléments que votre société a considéré susceptibles d'avoir une incidence en cas d'offre publique d'achat ou d'échange, fournies en application des dispositions de l'article L.22-10-11 du code de commerce, nous avons vérifié leur conformité avec les documents dont elles sont issues et qui nous ont été communiqués. Sur la base de ces travaux, nous n'avons pas d'observations à formuler sur ces informations.

Autres informations

En application de la loi, nous nous sommes assurés que les diverses informations relatives aux prises de participation et de contrôle et à l'identité des détenteurs du capital ou des droits de vote vous ont été communiquées dans le rapport de gestion.

Autres vérifications ou informations prévues par les textes légaux et réglementaires

- **Format de présentation des comptes annuels destinés à être inclus dans le rapport financier annuel**

Nous avons également procédé, conformément à la norme d'exercice professionnel sur les diligences du commissaire aux comptes relatives aux comptes annuels et consolidés présentés selon le format d'information

électronique unique européen, à la vérification du respect de ce format défini par le règlement européen délégué n° 2019/815 du 17 décembre 2018 dans la présentation des comptes annuels destinés à être inclus dans le rapport financier annuel mentionné au I de l'article L. 451-1-2 du code monétaire et financier, établis sous la responsabilité du directeur général.

Sur la base de nos travaux, nous concluons que la présentation des comptes annuels destinés à être inclus dans le rapport financier annuel respecte, dans tous ses aspects significatifs, le format d'information électronique unique européen.

Il ne nous appartient pas de vérifier que les comptes annuels qui seront effectivement inclus par votre société dans le rapport financier annuel déposé auprès de l'AMF correspondent à ceux sur lesquels nous avons réalisé nos travaux.

- **Désignation des commissaires aux comptes**

Nous avons été nommés commissaires aux comptes de la société La Française de l'Energie par décision des actionnaires du 29 novembre 2019 pour le cabinet Forvis Mazars et du 3 décembre 2020 pour le cabinet BDO Paris.

Au 30 juin 2024, le cabinet Forvis Mazars était dans la cinquième année de sa mission sans interruption et le cabinet BDO Paris dans la quatrième année.

Responsabilités de la direction et des personnes constituant le gouvernement d'entreprise relatives aux comptes annuels

Il appartient à la direction d'établir des comptes annuels présentant une image fidèle conformément aux règles et principes comptables français ainsi que de mettre en place le contrôle interne qu'elle estime nécessaire à l'établissement de comptes annuels ne comportant pas d'anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs.

Lors de l'établissement des comptes annuels, il incombe à la direction d'évaluer la capacité de la société à poursuivre son exploitation, de présenter dans ces comptes, le cas échéant, les informations nécessaires relatives à la continuité d'exploitation et d'appliquer la convention comptable de continuité d'exploitation, sauf s'il est prévu de liquider la société ou de cesser son activité.

Les comptes annuels ont été arrêtés par le conseil d'administration.

Responsabilités des commissaires aux comptes relatives à l'audit des comptes annuels

Il nous appartient d'établir un rapport sur les comptes annuels. Notre objectif est d'obtenir l'assurance raisonnable que les comptes annuels pris dans leur ensemble ne comportent pas d'anomalies significatives. L'assurance raisonnable correspond à un niveau élevé d'assurance, sans toutefois garantir qu'un audit réalisé conformément aux normes d'exercice professionnel permet de systématiquement détecter toute anomalie significative. Les anomalies peuvent provenir de fraudes ou résulter d'erreurs et sont considérées comme significatives lorsque l'on peut raisonnablement s'attendre à ce qu'elles puissent, prises individuellement ou en cumulé, influencer les décisions économiques que les utilisateurs des comptes prennent en se fondant sur ceux-ci.

Comme précisé par l'article L.821-55 du code de commerce, notre mission de certification des comptes ne consiste pas à garantir la viabilité ou la qualité de la gestion de votre société.

Dans le cadre d'un audit réalisé conformément aux normes d'exercice professionnel applicables en France, le commissaire aux comptes exerce son jugement professionnel tout au long de cet audit.

En outre :

- il identifie et évalue les risques que les comptes annuels comportent des anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs, définit et met en œuvre des procédures d'audit face à ces risques, et recueille des éléments qu'il estime suffisants et appropriés pour fonder son opinion. Le risque de non-détection d'une anomalie significative provenant d'une fraude est plus élevé que celui d'une anomalie significative résultant d'une erreur, car la fraude peut impliquer la collusion, la falsification, les omissions volontaires, les fausses déclarations ou le contournement du contrôle interne ;
- il prend connaissance du contrôle interne pertinent pour l'audit afin de définir des procédures d'audit appropriées en la circonstance, et non dans le but d'exprimer une opinion sur l'efficacité du contrôle interne ;
- il apprécie le caractère approprié des méthodes comptables retenues et le caractère raisonnable des estimations comptables faites par la direction, ainsi que les informations les concernant fournies dans les comptes annuels ;
- il apprécie le caractère approprié de l'application par la direction de la convention comptable de continuité d'exploitation et, selon les éléments collectés, l'existence ou non d'une incertitude significative liée à des événements ou à des circonstances susceptibles de mettre en cause la capacité de la société à poursuivre son exploitation. Cette appréciation s'appuie sur les éléments collectés jusqu'à la date de son rapport, étant toutefois rappelé que des circonstances ou événements ultérieurs pourraient mettre en cause la continuité d'exploitation. S'il conclut à l'existence d'une incertitude significative, il attire l'attention des lecteurs de son rapport sur les informations fournies dans les comptes annuels au sujet de cette incertitude ou, si ces informations ne sont pas fournies ou ne sont pas pertinentes, il formule une certification avec réserve ou un refus de certifier ;
- il apprécie la présentation d'ensemble des comptes annuels et évalue si les comptes annuels reflètent les opérations et événements sous-jacents de manière à en donner une image fidèle.

Les Commissaires aux comptes

Forvis Mazars

Strasbourg, le 8 novembre 2024



Laurence FOURNIER

Associée

BDO Paris

Paris, le 8 novembre 2024



Sébastien HAAS

Associé

9.3 STATUTORY AUDITORS' REPORT ON REGULATED AGREEMENTS



1, rue des Arquebusiers
67080 Strasbourg Cedex



43-47, avenue de la Grande Armée
75116 Paris

La Française De l'Energie

Rapport spécial des commissaires aux comptes sur les conventions réglementées

Assemblée générale d'approbation des comptes
de l'exercice clos 30 juin 2024

Forvis Mazars
Société anonyme d'expertise comptable et de commissariat aux
comptes à conseil d'administration
Capital de 400 000 euros - RCS Strasbourg 348 600 990

BDO Paris
Société de Commissariat aux comptes inscrite sur la liste nationale des
Commissaires aux comptes, rattachée à la CRCC de Paris
Capital de 3 000 000 euros – RCS Paris 480 307 131

La Française De l'Energie

Société anonyme

RCS : METZ 501 152 193

Rapport spécial des commissaires aux comptes sur les conventions réglementées

Assemblée générale d'approbation des comptes
de l'exercice clos 30 juin 2024

A l'assemblée générale de la société La Française De l'Energie,

En notre qualité de commissaires aux comptes de votre société, nous vous présentons notre rapport sur les conventions réglementées.

Il nous appartient de vous communiquer, sur la base des informations qui nous ont été données, les caractéristiques, les modalités essentielles ainsi que les motifs justifiant de l'intérêt pour la société des conventions dont nous avons été avisés ou que nous aurions découvertes à l'occasion de notre mission, sans avoir à nous prononcer sur leur utilité et leur bien-fondé ni à rechercher l'existence d'autres conventions. Il vous appartient, selon les termes de l'article R.225-31 du code de commerce, d'apprécier l'intérêt qui s'attachait à la conclusion de ces conventions en vue de leur approbation.

Par ailleurs, il nous appartient, le cas échéant, de vous communiquer les informations prévues à l'article R.225-31 du code de commerce relatives à l'exécution, au cours de l'exercice écoulé, des conventions déjà approuvées par l'assemblée générale.

Nous avons mis en œuvre les diligences que nous avons estimé nécessaires au regard de la doctrine professionnelle de la Compagnie nationale des commissaires aux comptes relative à cette mission. Ces diligences ont consisté à vérifier la concordance des informations qui nous ont été données avec les documents de base dont elles sont issues.

Conventions soumises à l'approbation de l'assemblée générale

Conventions autorisées et conclues au cours de l'exercice écoulé

Nous vous informons qu'il ne nous a été donné avis d'aucune nouvelle convention autorisée et conclue au cours de l'exercice écoulé à soumettre à l'approbation de l'assemblée générale en application des dispositions de l'article L.225-40 du code de commerce.

Conventions déjà approuvées par l'assemblée générale

Conventions approuvées au cours de l'exercice écoulé

Nous avons par ailleurs été informés de l'exécution, au cours de l'exercice écoulé, des conventions suivantes, déjà approuvées par l'assemblée générale.

- **Entre les sociétés LFDE International et NextGen NRJ Limited**

Administrateurs, dirigeants ou actionnaires concernés : Monsieur Julien MOULIN

Un contrat de prestations de services a été conclu en date du 30 juin 2016 entre la société LFDE International et la société NextGen NRJ Limited consistant en la fourniture de services spécifiques de relations publiques, notamment au niveau européen, et de recherche de financements au sein de la communauté des investisseurs internationaux, notamment ceux basés à Londres. Les services fournis visent :

- Les prestations de relations publiques, le prestataire s'engageant à faire la promotion des activités du groupe La Française de l'Energie notamment auprès des instances de l'Union européenne en charge des dossiers concernant l'énergie ;
- Les prestations de recherche d'opérations de croissance externe et de financements, le prestataire s'engageant notamment à mettre au service du groupe son expertise financière pour la préparation de futures acquisitions et à promouvoir le groupe auprès des banques, fonds d'investissements et family offices.

Les conditions de rémunération de ces prestations sont les suivantes :

- Versement d'honoraires mensuels d'un montant de 10 000 € hors taxes au titre des relations publiques, soit 120 000 € hors taxes annuels ;
- Rémunération spécifique et discrétionnaire pouvant être recommandée par le Comité des Rémunérations en contrepartie des services ponctuels d'assistance dans les levées de fonds.

Ce contrat avait fait l'objet d'un premier avenant conclu en date du 23 octobre 2020 avec effet au 1er octobre 2020. Les dispositions du contrat initial restaient inchangées à l'exception du montant des honoraires mensuels passant à 15 833,33 € hors taxes, soit 190 000 € hors taxes annuels.

Ce contrat a fait l'objet d'un second avenant conclu en date du 12 mai 2023 avec effet au 1er janvier 2023 jusqu'au 30 juin 2029 et autorisé par le Conseil d'administration en date du 12 mai 2023. L'avenant modifie les modalités de résiliation et le montant des honoraires mensuels qui passent à 20 166,67 € hors taxes, soit 242 000 € hors taxes annuels. Les autres dispositions du contrat initial restent inchangées.

Cette convention a été effective du 1er juillet 2023 au 30 juin 2024.

Le montant comptabilisé en charges par LFDE International au titre de cet avenant pour l'exercice écoulé s'élève à 242 000 € hors taxes.

La charge supportée par LFDE International a été répercutée à votre société à hauteur de 76 230 € hors taxes.

Les Commissaires aux comptes

Mazars

Strasbourg, le 8 novembre 2024



Laurence Fournier
Associé

BDO

Paris, le le 8 novembre 2024



Sébastien HAAS
Associé

10. CONSOLIDATED FINANCIAL STATEMENTS

10.1 CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

CONSOLIDATED INCOME STATEMENT

On June 30 th , 2024	Notes	June 30 th , 2024	June 30 th , 2023
		€	€
Turnover	2.1	31 446 065	39 226 787
Other operating income	2.2	1 338 685	1 048 358
Cost of goods and services sold	2.3	-7 349 778	-5 208 204
Other administrative and operating expenses	2.3 / 2.4	-9 639 899	-8 449 812
Other income/expenses	2.5	2 058 647	37 201
Share of profit of associates - operating		1 873 883	
EBITDA		19 727 603	26 654 330
Net provisions	2.6	-11 164	-541 463
Depreciation and amortization	2.6	-3 827 944	-3 126 013
Current operating income		15 888 495	22 986 854
Other non-current income and expenses	2.7		-6 854 304
Operating income		15 888 495	16 132 550
Financial income	2.8	632 361	345 994
Gross financial cost of debt	2.8	-3 068 684	-1 983 508
Other financial expenses	2.8	-214 762	-119 459
Share of profit of associates - non-operating		-1 296 036	
Profit before tax		11 941 374	14 375 577
Current and deferred taxes	2.9	-2 803 510	-2 545 320
Net income		9 137 864	11 830 256
Net income, Group share		9 721 222	11 973 094
Net income, non-controlling interests		-583 358	-142 838
<i>Earnings per share, Group share</i>			
- <i>Basic earnings per share</i>		1.86	2.31
- <i>Diluted earnings per share</i>		1.86	2.31

STATEMENT OF COMPREHENSIVE INCOME

On June 30 th , 2024	June 30 th , 2024	June 30 th , 2023
	€	€
Net income	9 137 864	11 830 256
-	-	-
Items subsequently transferable to income	-	-
Actuarial gains and losses on pension plans	-14 431	6 684
Tax effect	3 608	-1 671
Items not subsequently transferable to income	-10 823	5 013
Overall result	9 127 041	11 835 269
Comprehensive income, Group share	9 485 550	11 978 107
Comprehensive income, non-controlling interests	-583 358	-142 838
<i>Earnings per share, Group share</i>		
- <i>Basic earnings per share</i>	1.86	2.31
- <i>Diluted earnings per share</i>	1.86	2.31

CONSOLIDATED BALANCE SHEET

On June 30 th , 2024	Notes	June 30 th , 2024	June 30 th , 2023
		€	€
ASSETS			
Goodwill	3.1	9 704 971	4 574 012
Exploration assets	3.2	39 100 856	38 917 911
Other intangible assets	3.3	675 830	759 784
Proven mining rights	3.4	23 752 231	23 976 139
Other property, plant and equipment	3.5	49 807 522	38 188 233
Investments in associates		8 336 653	
Non-current financial assets	3.6	1 313 761	1 810 432
Deferred tax assets	2.9	4 069 233	3 789 463
Non-current assets		136 761 056	112 015 974
Stocks	3.7	1 517 356	411 044
Accounts receivable	3.8	3 777 675	5 279 234
Other current assets	3.8	9 618 213	2 253 400
Prepaid expenses	3.8	413 310	242 275
Cash and cash equivalents	3.9	47 618 325	42 965 614
Current assets		62 944 879	51 151 567
Total assets		199 705 935	163 167 541
EQUITY AND LIABILITIES			
Capital	3.10	5 231 885	5 182 604
Premiums	3.10	44 002 960	56 552 241
Other reserves		23 399 459	212 221
Net income, Group share		9 721 222	11 973 094
Exchange rate differences		174 328	
Other equity items		20 043	30 866
Shareholders' equity - Group share		82 549 898	73 951 027
Non-controlling interests		7 921 982	-276 005
Consolidated shareholders' equity		90 471 879	73 675 022
Non-current financial debt	3.12	74 794 824	59 580 836
Non-current provisions	3.14	3 151 035	2 496 800
Provisions for pension liabilities	3.14	82 061	57 586
Deferred tax liabilities	2.9	6 860 681	6 670 497
Other non-current liabilities		2 153 035	1 244 595
Non-current liabilities		87 041 636	70 050 313
Current financial debt	3.12	6 354 541	8 527 884
Current provisions	3.14	724 528	685 970
Trade accounts payable	3.13	7 525 236	507 176
Fixed asset suppliers		5 392 164	5 733 056
Other current liabilities	3.13	2 195 950	3 988 119
Current liabilities		22 192 419	19 442 205
Total equity and liabilities		199 705 934	163 167 540

CONSOLIDATED CASH FLOW STATEMENT

On June 30 th , 2024	Notes	June 30 th , 2024	June 30 th , 2023
		€	€
Operating activities			
Consolidated net income		9 137 864	11 830 256
Income from associates		-577 846	
Current and deferred tax expense	2.9	2 803 510	2 545 320
Net depreciation, amortization and impairment of property, plant and equipment and intangible assets		3 827 944	9 980 316
Net additions to provisions		11 164	541 463
Capital gains/losses on asset disposals		-562 558	104 495
Change in operating working capital requirement	4.1	7 009 602	-880 392
Change in WCR - other assets and liabilities	4.1	-9 312 894	-1 314 523
Share-based compensation expense		1 592 203	1 760 875
Gross cost of debt	2.8	3 184 455	1 983 508
Tax paid		-3 182 390	-5 107 658
Other non-cash items		277 024	400 634
CASH FLOW FROM OPERATING ACTIVITIES		14 208 078	21 844 295
Investment activities			
Capitalized exploration expenses	3.2	-255 561	-244 312
Tangible and intangible investments	3.3 / 3.5	-8 956 263	-10 008 341
Proceeds from disposal of property, plant and equipment and intangible assets		0	24 996
Change in payables to suppliers of fixed assets		-340 891	1 752 914
Subsidies received on investment activities		86 007	471 161
Acquisition/disposal of financial assets		391 385	53 372
Acquisition of equity interests, net of cash		-2 283 931	
CASH FLOW FROM INVESTING ACTIVITIES		-11 359 255	-7 950 210
Financing activities			
Capital contributions to subsidiaries		198 753	138 016
Purchase of treasury shares		-2 675 000	-3 150 000
Issuance of borrowings (excluding expenses)	3.12	15 800 000	22 455 870
Repayment of loans and borrowings	3.12	-8 193 155	-9 221 061
Other financial liabilities	3.12	-86 071	-2 265 900
Cost of net debt: interest paid		-3 063 346	-2 630 598
Expenses paid on borrowings		-300 000	-240 000
CASH FLOWS FROM FINANCING ACTIVITIES		1 681 181	5 086 326
Exchange rates differences		122 707	
NET CHANGE IN CASH AND CASH EQUIVALENTS		4 652 711	18 980 411
Opening gross cash position		42 965 614	23 985 203
CASH AND CASH EQUIVALENTS AT END OF PERIOD		47 618 325	42 965 614

Cash and cash equivalents at the end of the year, as shown in the consolidated cash flow statement, comprise bank accounts net of overdrafts, cash in hand and the portion of cash and cash equivalents arising from the liquidity contract set up by the Group.

The line "Acquisition of equity interests net of cash" includes only the impact of the takeover of Greenstat, i.e. the investment made by FDE Group less the cash contributed by Greenstat on its opening balance sheet.

CHANGES IN CONSOLIDATED EQUITY

	Actions		Capital	Free-awarded shares	Other equity items	Net income and other reserves - Group share	Total shareholder's equity - Group share	Non-controlling interests	Total shareholder's equity
	Number	Nominal value							
On June 30 th , 2024		€	€	€	€	€			
On June 30th, 2022	5 172 813	1	5 172 813	44 062 032	25 853	14 064 395	63 325 093	-232 168	63 092 925
Net income						11 973 094	11 973 094	-142 838	11 830 256
Other comprehensive income					5 013		5 013		5 013
Free-awarded share plan						1 760 875	1 760 875		1 760 875
Own shares						-3 150 000	-3 150 000		-3 150 000
Other changes						36 952	36 952	99 001	135 953
Capital increase (free-awarded shares)	9 791	1	9 791	-9 791			0		0
On June 30th, 2023	5 182 604	1	5 182 604	44 052 241	30 866	24 685 316	73 951 027	-276 005	73 675 022
Net income						9 721 222	9 721 222	-583 358	9 137 864
Other comprehensive income					-10 823		-10 823		-10 823
Free-awarded share plan						1 592 203	1 592 203		1 592 203
Own shares						-2 526 541	-2 526 541		-2 526 541
Other changes (including translation adjustments)						117 984	117 984	-46 158	71 826
Capital increase (free-awarded shares)	49 281	1	49 281	-49 281			0		0
Capital increase (subsidiaries)						-54 782	-54 782	265 221	210 439
Greenstat acquisition						-240 392	-240 392	8 562 282	8 321 890
On June 30th, 2024	5 231 885	1	5 231 885	44 002 960	20 043	33 295 010	82 549 897	7 921 982	90 471 879

The €16.8M change in shareholders' equity in FY 2024 is mainly due to the acquisition and **consolidation of Greenstat during the year for €8.3M**, the purchase of treasury shares for €2.5M and the approval by the Chairman on July 27th, 2023, of the final allocation of free-awarded shares to the beneficiaries of the fifth plan implemented in 2021 by the Board of Directors under the delegation granted by the General Meetings of November 29th, 2019, November 30th, 2021 and November 30th, 2023.

Following the fulfillment of all the conditions of presence and at the end of the vesting period provided for in the plan regulations, 49,281 shares were thus allocated, with a capital increase by incorporation of additional paid-in capital.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. ACCOUNTING RULES, METHODS AND PRINCIPLES

1.1. General principles and basis of preparation of the consolidated financial statements

On November 7th, 2024, the Board of Directors approved the consolidated financial statements of Groupe FDE S.A. for the year ended June 30th, 2024. They will be submitted to shareholders for approval at the Annual General Meeting to be held on December 18th, 2024.

FDE S.A. is the parent company, domiciled and registered in France, of the Group's consolidated entity on June 30th, 2024, the scope of which is presented in note 4.11 of these notes to the consolidated financial statements. The company's registered office is at Avenue du District 57 380 Pontpierre. The Group's main activities involve the production of low-carbon energy solutions specific to each territory. The Group operates mainly in France, Belgium, Luxembourg, Norway and Bosnia.

The scope of consolidation changed this year compared with June 30th, 2023, as the Norwegian companies Askjenergy AS (via its French subsidiary Cryo Pur) and Greenstat AS joined the scope of consolidation during the fiscal year. The purpose of these companies, incorporated under Norwegian law, is to develop Cryo Pur's operating activities in Norway by setting up RNG and Bio-CO₂ production units, as well as solar energy and low-carbon H₂.

Apart from these companies, the only change in percentage interest in consolidated entities during the year concerned Cryo Pur SAS. On June 30th, 2024, FDE held 96.1% of Cryo Pur, following a capital increase carried out during the year and the subsequent subscription of some of the minority shareholders.

Only Drin Energija is not fully consolidated in the Greenstat scope. All Group companies close their accounts on June 30th, 2024.

The consolidated financial statements for the year ended June 30th, 2024, have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the IASB and adopted by the European Union.

The Group's consolidated financial statements are presented in euros, which is the functional currency of the parent company and its subsidiaries, excluding Concorde Energy Inc (US dollars), which had no operations during the year ended June 30th, 2024, and the previous year, and excluding Cryo Pur Norge AS, Biogy Solutions AS, Askjenergy AS and Greenstat AS (Norwegian kroner).

The new mandatory amendments published in the Official Journal of the European Union have been taken into account, but have no impact on the Group's consolidated financial statements on June 30th, 2024:

- Amendments to IFRS 3: Updating the reference to the conceptual framework;
- Amendments to IAS 16: Revenue generated before its intended use;
- Amendments to IAS 37: Costs to be taken into account when determining whether a contract is onerous;
- Annual improvements: Annual standards improvement process - 2018- 2020 cycle.

Lastly, the Group has not early adopted any standards or amendments in its consolidated financial statements on June 30th, 2024.

The preparation of financial statements in accordance with IFRS requires the Group's senior management to make estimates, assumptions and judgments that affect the information presented in the condensed consolidated financial statements and accompanying notes, in particular the assets, liabilities and contingent liabilities recognized or disclosed at the balance sheet date, and the income and expenses recognized for the period.

These estimates, assumptions and judgments are based on experience and other factors considered reasonable at the date of preparation of the financial statements. They are reviewed on a regular basis by the Group's senior management and may therefore be revised significantly in the event of a change in circumstances or following new information. Some of these estimates, assumptions and judgments may have a material impact on the information presented, and actual results may differ from the amounts included in the consolidated financial statements and accompanying notes.

The application of these estimates, assumptions and judgments in the preparation of the consolidated financial statements and notes for the year ended June 30th, 2024 mainly concerns the application of the going concern assumption, the successful efforts method for oil exploration activities, the impairment of assets and the determination of their recoverable amount, provisions for site restoration, the recognition of deferred tax assets and liabilities, and the measurement of share-based payments.

1.2. Accounting policies

A/ Consolidation principles

In accordance with the provisions of IFRS 10, the Group uses the full consolidation method when the following three conditions are cumulatively met to demonstrate control:

- Holding power over the entity
- Exposure or rights to variable returns on the entity
- The ability to use power to impact yields.

Intercompany transactions, assets and liabilities and internal profits are eliminated.

Investments in joint ventures are accounted for using the equity method, as are investments in associates over which the Group exercises significant influence, where this can be demonstrated.

B/ Business continuity

When preparing the consolidated financial statements, Group management assesses the Group's ability to continue as a going concern.

In particular, the Group's senior management regularly reviews its financing options to ensure that it remains a going concern, considering the maturity of its various assets and liabilities and its forecast cash flows, including those from gas, electricity and heat sales.

Operating cash flow generated by the Group for the FY 2024 amounted to €14.2M, compared

with €21.8M for the previous fiscal year, due to lower gas prices in France and electricity prices in Belgium. On June 30th, 2024, the Group's cash position was positive at €47.6M given the loans taken out during the year.

Management's forecasts and estimates of the Group's ability to continue as a going concern are based in particular on the following factors: continued production of gas, electricity and heat in the Hauts-de-France and Grand-Est regions, and of electricity in Belgium, according to our plans and assumptions (trends in gas and electricity prices, quantity and quality of volumes produced on site, capacity to inject into the networks), control over general and administrative expenses, and completion of the maintenance operations and major overhauls required to keep our facilities running smoothly, particularly the cogeneration units installed in the Hauts-de-France and Wallonia regions.

The Group has already secured the necessary financing for the significant investment projects it plans to launch over the next twelve months, notably via the three green bond issues granted by Edmond de Rothschild Asset Management (EDRAM) on September 15th, 2021 for an amount of €25M, fully subscribed, on September 30th, 2022 for €20M, also fully subscribed, and on May 1st, 2024 for €60M, of which €10M subscribed on June 30th, 2024.

The Group's forecasts up to the end of June 2025 show that it will generate sufficient cash flow to ensure the continuation of its activities.

Based on these data and forecasts, the Group considers that it has the capacity to continue operating in fiscal 2025 and, more generally, over the next 12 months, to meet its cash requirements and settle its balance sheet liabilities.

The Group's consolidated financial statements on June 30th, 2024 have been prepared on a going concern basis.

[C/ Sectoral information](#)

Sectoral information presented in the Group's consolidated financial statements is based on internal reporting used by General Management to assess performance and allocate resources to the various segments.

For analysis and decision-making purposes, the Group's activities are grouped into four operating segments, each characterized by a different model in terms of gas exploitation and valorization on the one hand, and solar exploitation on the other. On June 30th, 2024, these operating segments are as follows, covering the geographical areas in which the Group currently operates:

- Exploitation and valorization of AMM (Pas-de-Calais - Hauts de France / Anderlues -Wallonie): capture of gas present in mines and valorization in the form of gas, electricity or heat;
- Solar operation (Moselle-Grand Est, Norway, Bosnia): recovery in the form of heat and electricity;
- Exploitation and valorization of coal gas and H₂ (Moselle -Grand Est): prospecting, certification of coal gas reserves and recovery of this gas for valorization into gas and/or H₂ in short circuits;
- Other sectors: includes Cryo Pur, which develops and operates biogas purification and liquefaction units to produce RNG and Bio-CO₂ and Greenstat's H₂ business.

[D/ Turnover recognition](#)

Sales are recognized when a performance obligation is fulfilled by the transfer of a good or service to the customer, this transfer being deemed to have occurred when the Group is no longer involved in the management or effective control of the goods or services transferred.

Performance obligations are identified at inception and determined based on contractual terms and usual commercial practice, after identifying contracts falling within the scope of IFRS 15. Transaction prices are allocated to each performance obligation in proportion to their separate selling price.

Sales of gas, electricity and heat are recorded according to the contractual terms with the Group's main customers, Axpo, EDF Obligations d'Achats, Electrabel, Engie, Dalkia, SAVE and Primeo.

[E/ Business combinations and goodwill](#)

Business combinations are accounted for using the acquisition method. This method requires the Group to recognize identifiable assets and liabilities at their fair value.

The purchase price allocation is finalized within a maximum of one year from the acquisition date.

The acquirer must recognize positive goodwill as an asset on the balance sheet at the acquisition date, measured as the excess of:

- the consideration transferred, the amount of non-controlling interests and, in a business combination achieved in stages, the acquisition-date fair value of the acquirer's previously held interest in the acquiree;
- in relation to the acquisition-date fair value of identifiable assets acquired and liabilities assumed.

Goodwill recognized in the balance sheet has been determined using the partial goodwill method.

If the consideration transferred is less than the fair value of the identifiable assets acquired and liabilities assumed, an additional analysis is performed to identify and measure the identifiable assets and liabilities. Following this additional analysis, negative goodwill is recognized directly in the income statement.

[F/ Conversion methods](#)

Transactions carried out in foreign currencies other than the entity's functional currency are translated at the exchange rate prevailing on the transaction date. At year-end, monetary assets and liabilities are translated at the closing rate, and the resulting exchange difference is recorded in the income statement.

[G/ Liquidity contract](#)

As part of FDE's listing on the Euronext Paris market, Compartment C, a liquidity contract has been set up to limit the intra-day volatility of its shares. This liquidity contract, which

complies with the AFEI (Association Française des Entreprises d'Investissement) Code of Ethics, was initially signed on June 15th, 2016, with Aurel BCG for the provision of cash in the amount of €350K, to be divided between a liquidity account and a securities account.

On June 22nd, 2017, this liquidity contract was transferred from Aurel BGC to Midcap Partners (Louis Capital Markets) and then to TC ICAP (EUROPE), the new investment services provider. The contract was renewed on March 15th, 2019, under the same operating conditions. On June 30th, 2024, the cash portion of this contract amounted to €23K, compared with €128K in the previous year.

On June 30th, 2024, FDE held a share buyback contract with a cash balance of €148K at year-end.

H/ Share-based payment

A personnel expense is recognized for services remunerated by benefits granted to employees in the form of share-based payments. The purchase cost of shares and share equivalents is measured by reference to their fair value at the date on which the equity instruments are granted.

In the case of stock options reserved for employees, or free-awarded shares that may be granted to employees, this fair value is recorded under personnel costs, with a corresponding entry under shareholders' equity as soon as the rights are granted to the employee and spread over the vesting period of these shares for all free-awarded share plans in force within the Group at year-end 2024.

The fair value of stock options, free-awarded shares and share equivalents is determined notably based on the share price, the exercise price and life of the option, the current price of the underlying shares, the expected volatility of the share price, and the risk-free interest rate for the life of the option, taking into account the absence of dividends over the vesting period.

I/ Current and deferred taxes

The tax charge for the period includes current tax and the change in deferred tax since the previous balance sheet date. The Group calculates its income taxes in accordance with the tax laws in force in the countries where results are taxable, notably France and Belgium.

Temporary differences between the consolidated values of assets and liabilities, and those resulting from the application of tax regulations, give rise to the recognition of deferred taxes.

The tax rate used to calculate deferred taxes is the one known at the balance sheet date and applicable to the periods in which the assets will be realized or the liabilities settled: the effects of changes in tax rates are recorded in the period in which the decision to change the tax rate is taken, in the income statement except when they relate to transactions recognized directly in equity. No changes in interest rates were recorded in 2024.

Tax savings arising from tax loss carryforwards are recorded as deferred tax assets. All such deferred tax assets are written down if they are deemed unrecoverable, with only the amount whose use is probable being recognized as an asset on the balance sheet. On June 30th, 2024, unrecognized tax losses amounted to €48.4M, including €5.6M for LFDE

International (Luxembourg), €2.8M for Greenhill (Belgium), €26.7M for Cryo Pur and €13.3M for Greenstat.

J/ Exploration expenditure

Expenses recognized as exploration assets in the consolidated balance sheet comprise all costs incurred during the prospecting and drilling phases of exploration. Study and analysis costs, as well as all costs incurred prior to obtaining mining titles, are expensed immediately. Geological and geophysical costs, including seismic prospecting, are also expensed as incurred.

The Group applies IFRS 6 on the recognition of exploration expenditure. Underground production rights and assets are recognized using the *successful efforts* method.

Exploration drilling is accounted for and tested for impairment on an individual basis as follows:

- The cost of exploration drilling leading to the discovery of proved reserves is capitalized and subsequently amortized using the unit-of-production method, based on proved reserves developed;
- Pending determination of whether they have led to the discovery of proven reserves, exploration costs are capitalized when both of the following conditions are met:
 - The well has revealed a sufficient volume of gas to justify, if necessary, putting it into production, assuming that the investments required for production are made,
 - The Group is making sufficient progress in determining the reserves and the technical and economic viability of the project. This progress is assessed on the basis of criteria such as additional exploration work (wells, seismic work or significant studies) in progress or included in a firm program, the completion of development studies, and taking into account the fact that the Group may be awaiting government or third-party authorization for a proposed project, or the availability of transportation or processing capacity at an existing facility.

Exploration costs that do not meet these conditions are expensed.

K/ Property, plant and equipment

Property, plant and equipment include acquired proven mining reserves.

Property, plant and equipment are recorded in the balance sheet at acquisition cost, less depreciation and any impairment losses recognized in accordance with IAS 16. For significant assets, notably those relating to motors and compressors used by the subsidiaries Gazonor, EG NPC and Gazonor Benelux to generate green electricity, the components have been identified and depreciated over their respective useful lives.

Proven mining rights are amortized using the unit-of-production method based on proven and probable reserves.

Other property, plant and equipment are depreciated on a straight-line basis over their estimated useful life and any residual value. The useful lives are as follows:

Buildings	10 to 20 years
Fixtures and fittings	5 years
Technical installations	10 to 15 years
Site development	25 years old
Industrial machinery and equipment	5 to 10 years
Transport equipment	4 to 5 years
Office equipment and furniture	3 to 5 years

L/ Impairment of fixed assets

The recoverable amount of property, plant and equipment and intangible assets is tested as soon as there is any indication of impairment, and at least once a year in the case of goodwill and intangible assets with indefinite useful lives.

Mining rights and exploration assets, recognized as intangible assets, are tested for impairment at the boundaries of cash-generating units (CGUs), defined for the Group as hydrocarbon fields or groups of fields that are homogeneous and consistent in terms of production, processing and disposal of these hydrocarbons. For the Group, these CGUs overlap the various PERs currently held on June 30th, 2024.

The value in use of a CGU is determined by reference to the value of the discounted future cash flows expected from these assets, based on the economic assumptions and operating conditions forecast by Group management. The discount rate reflects the rate of return expected by investors in the business concerned, and the risk premium specific to that business.

The main operating assumptions on which the Group bases its impairment tests on exploration assets and mining rights are as follows:

- Sales volumes estimated based on production capacities, notably for electrical (number of cogeneration units installed) and gas installations. Production capacity has been defined and an "availability" coefficient has been added, considering, for example, maintenance periods or unscheduled shutdowns.
- Sales prices according to current contracts and indexation formulas where applicable. For electricity, these may be long-term fixed prices or market prices, averaged over the Group's various production sites.
- Electricity purchase price, defined by considering the portion covered or not by ARENH rights.

Lastly, the Group's impairment indicators are of several types:

- Changes in gas prices, whether actual or future, notably based on the PEG Nord index used as a contractual reference.
- Changes in underground gas reserves based on updated independent reserve reports.
- Site shutdowns or curtailments due to management decisions or regulatory constraints.

M/ Leases

The Group accounts for all its leases, i.e. those which confer on the lessee the right to control the use of a specific asset, according to a model in which an asset is recognized in the balance sheet for the right to use the leased assets, with a corresponding liability for the associated rental obligations.

The accounting measurement of these items in the balance sheet depends on the following factors:

- The estimated duration of each contract. The determination of this term corresponds to the non-cancellable term, plus the intervals covered by any extension option that the lessee is reasonably certain of exercising, and any termination option that the lessee is reasonably certain of not exercising;
 - The combination of fixed and variable components of contractual payments;
 - Determining the marginal borrowing rate when the rate implicit in the contract is not easily determinable.

The Group has chosen to use the two exemptions offered by the standard on leases, namely contracts with a term of less than 12 months and contracts where the replacement value of the underlying asset is less than €5K.

Furthermore, leases on land and plots of land are excluded from the scope of IFRS 16, as they correspond to leases entered in the context of exploration for mining, oil or natural gas resources.

N/ Inventories

On June 30th, 2024, inventories mainly comprise spare parts and lubricants used by Gazonor sites, and solar panels used for Greenstat's solar energy installations. The latter are valued at cost or acquisition cost, plus incidental purchase expenses, which may not exceed their realizable value.

Inventory movements are valued using the "first in - first out" method.

A write-down is recognized when the net realizable value of these inventories is less than their cost or acquisition cost.

An impairment loss of €132K was recorded on June 30th, 2024 (compared to €106K on June 30th, 2023).

O/ Financial assets and liabilities

Fair value (or market value) corresponds, for assets, to the selling price that would be obtained in the event of disposal and, for liabilities, to the amount that would be paid to transfer them, these hypothetical transactions being concluded under normal trading conditions.

The Group uses derivative financial instruments to manage its exposure to commodity price fluctuation risks. At this stage, these financial instruments are accounted for by recognizing changes in the fair value of derivatives in profit or loss or in other comprehensive income and appear in the balance sheet under the headings corresponding to their nature, as the

Group does not at this stage meet the criteria for IFRS 9.

Specifically, the Group sets the selling prices of a portion of the expected gas and electricity volumes, via derivatives subscribed by LFDE International. As the criteria for hedge accounting within the meaning of IFRS 9 were not met on June 30th, 2024, the change in fair value of these derivatives was recognized in other operating income and expenses.

(i) Loans and financial receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market and are neither held for trading nor available for sale. These assets are initially recognized at fair value, and subsequently at amortized cost using the effective interest method. For short-term receivables with no stated interest rate, fair value is equivalent to the original invoice amount. These assets are tested for impairment whenever there is an indication that they may be impaired. An impairment loss is recognized if the carrying amount exceeds the estimated recoverable amount. Receivables from equity interests, other loans and receivables and trade receivables are included in this category. They are shown under other financial assets and trade receivables.

(ii) Assets held to maturity

Assets held-to-maturity are financial assets, other than loans and receivables, with fixed or determinable payments that the Group intends and can hold to maturity. These assets are initially recognized at fair value, and subsequently at amortized cost using the effective interest method. They are tested for impairment whenever there is an indication that they may be impaired. An impairment loss is recognized if the carrying amount exceeds the estimated recoverable amount. Held-to-maturity investments are included in other financial assets.

(iii) Non-derivative financial liabilities

Non-derivative financial liabilities are initially recognized at fair value, adjusted for transaction costs and premiums directly attributable to their issue. After initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

The main non-derivative financial liabilities include:

- Bonds;
- Accrued interest not yet due;
- Borrowings and bank overdrafts;
- Financial liabilities relating to securitized receivables for which the Group bears the credit risk;
- Trade payables.

The fair value of the debt component of a convertible bond is determined using a market interest rate applied to an equivalent non-convertible bond. This amount is recognized as a liability on the basis of its amortized cost until the debt is extinguished on conversion or maturity of the bonds. The remainder of the issue proceeds is allocated to the conversion option and recognized in equity or debt, depending on whether or not the conversion option constitutes an equity instrument, net of tax.

(iv) Factoring contract

A factoring contract was set up in January 2018 by the Gazonor entity. This is analyzed as a recourse contract, with substantially all the risks and rewards associated with the receivables retained.

At year-end 2024, receivables assigned but not yet settled by the end customer are presented under trade receivables, with the counterpart entry recorded under current financial debt.

(v) Debt issuance costs and non-conversion premium

Issue costs directly attributable to the issuance of a financial liability are deducted from the initial fair value of the debt and mechanically spread over the life of the debt using the effective interest rate method. An amount of €974.7K has thus been deducted from financial liabilities on June 30th, 2024.

The non-conversion premium relating to the bond issue is also spread over the term of the loan and recognized as a liability using the effective interest rate method. This premium has been calculated on the basis of the loan's contractual terms and the most probable calculation assumption on June 30th, 2024.

P/ Current and non-current provisions

A provision is recognized when the Group has a present legal or constructive obligation because of a past event, and it is probable that the obligation will result in an outflow of resources that can be reliably estimated. The amount provided corresponds to the best possible estimate of the obligation.

Provisions include commitments of uncertain timing or amount arising from environmental risks, regulatory and tax risks, litigation and other risks or charges.

(i) Site restoration and dismantling costs

Future site restoration costs arising from legal, regulatory, contractual or implicit obligations are provided for based on a reasonable estimate, in the year in which the obligation arises. In return for this provision, site restoration costs are capitalized as part of the value of the underlying asset and amortized over the asset's useful life.

The provisions for reclamation and dismantling recognized in the Group's financial statements on June 30th, 2024, concern exploration sites where drilling has been carried out in the past or is currently underway in the Lorraine region, as well as sites used by Gazonor, Gazonor Béthune and EG NPC in the Hauts-de-France region and Gazonor Benelux in Wallonia for the production of gas and green electricity.

Given the timing of these restoration obligations, the amounts recorded have been discounted to present value. The inflation rate used on June 30th, 2024, is the Eurozone 15-year swap inflation rate (2.31% vs. 2.58% for the previous fiscal year), while the discount rate is the Ibbotson Corp AA 10+ benchmark market rate (3.61% vs. 3.60% on June 30th, 2023), based on independent data from Willis Towers.

(ii) Retirement commitments

According to applicable laws and practices, the Group participates in pension, welfare, medical expense and end-of-career indemnity plans, the benefits of which depend on various factors such as seniority, salaries and payments made to compulsory general schemes.

For defined-contribution plans, expenses correspond to contributions paid to external organizations that handle administrative and financial management. These schemes release the employer from any subsequent obligation, with the organization responsible for paying the amounts due to employees (basic Social Security old-age pension scheme, supplementary pension schemes, defined-contribution pension funds).

These contributions are expensed as incurred, with no liability recognized in the balance sheet.

For defined-benefit plans and retirement benefit obligations, commitments are valued using the projected unit credit actuarial method, taking into account actuarial assumptions such as salary increases, retirement age, mortality, staff turnover and the discount rate.

The service cost is recognized in operating income, while the interest cost is recognized in financial income for the year. In accordance with IAS 19, actuarial gains and losses arising notably from changes in discount rates and demographic changes are recognized in other equity.

As of June 30th, 2024, the Group had not set up any plan assets to cover these pension obligations.

(iii) Other provisions

Other current and non-current provisions correspond mainly to litigation in which the Group is involved at the balance sheet date. A provision is recognized only if a triggering event exists on June 30th, 2024, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and if the amount of the obligation can be reliably estimated.

Provisions are estimated on the basis of the most probable value, i.e. an assessment based on the value of the latest judgment rendered, or the estimate made by lawyers or legal advisors in the case of ongoing litigation.

Q/ Investment grants

In accordance with the two possible accounting treatments under IAS 20, investment grants are recognized as a deduction from the gross value of the assets to which they relate.

The grant awarded by the Grand-Est Region for a research program centered around the valorization of Lorraine coal gas in short circuits, in partnership with the University of Lorraine, has been classified under "other non-current liabilities" since 2018 for €250 K, pending definition of the fair breakdown of the eligible expenses it covers, between exploration investments and personnel costs.

An ADEME grant of €1,304K was notified on November 29th, 2019, to Cellcius, and will be

released progressively on the basis of expenses incurred for the construction of a solar thermal field in the commune of Creutzwald (Moselle). Eligible expenditure for this project amounts to €2,363K, of which €1,239K had been recognized by the Group in respect of this subsidy at the closing date of these consolidated financial statements. This subsidy was deducted from capitalized costs at the balance sheet date.

European aid from the ERDF-ESF program (European Regional Development Fund - European Social Fund) was awarded to Gazonor for €2.8M on October 24th, 2019, and accompanying the installation of 20 new cogeneration units on concessions currently held by the Group in Hauts-de-France, in order to recover AMM in short circuits and thus eliminate all firedamp emissions in the area's former mining basin. Eligible expenses for this project amount to €3,676K, compared with €9,190K for the previous year, following the signature of an amendment reducing the number of cogeneration units to 8 instead of 20, due to the end date of the subsidy campaign (December 31st, 2023). The amount of the subsidy allocated has therefore risen to €1.1M.

This was fully recognized in the consolidated financial statements on June 30th, 2024, as eligible investments in the Béthune and Avion 7, Angres and Rouvignies projects had been submitted by this date.

R/ Earnings per share

<u>On June 30th, 2024</u>	<u>Earnings per share</u>	<u>Diluted earnings per share</u>
	€	€
Net income, Group share	9 721 222	9 721 222
Adjustment P&L effect of dilutive shares		1 592 203
Total numerator	9 721 222	11 313 425
Weighted average number of shares outstanding	5 228 240	5 228 240
Free-awarded shares not yet allocated		63 434
Total denominator	5 228 240	5 291 674
Ratios on June 30th, 2024	1.86	2.14

Earnings per share were calculated on the basis of net income attributable to equity holders of the parent and the number of shares outstanding (weighted average, taking into account the issue of 49,281 new shares on July 27th, 2023).

Diluted earnings per share have been calculated by adjusting net income attributable to equity holders of the parent for the impact of the dilutive share charge, and by adding to the number of shares outstanding the free-awarded shares not yet definitively allocated to employees (plans 7 and 8 as presented in note 3.11 of the notes to the consolidated financial statements, and plan 6 until the effective issue of its shares on July 27th, 2023). As these instruments have an anti-dilutive effect, with diluted earnings per share of 2.14 compared with 1.86 for earnings per share, the Group has not taken them into account, resulting in diluted earnings per share equivalent to 1.86.

2. NOTES TO THE INCOME STATEMENT

2.1. Turnover

As for June 30th, 2024, the Group generated sales of €31.4M, compared with €39.2M for the past fiscal year. Almost 63% of Group sales is generated via its subsidiaries Gazonor, Gazonor Béthune and EG NPC. These production sites, located in the Hauts-de-France region, generate and sell gas, green electricity and heat to their customers EDF Obligations d'Achats, Save Energies and Dalkia. The remaining 23% comes from electricity sales in Belgium (Wallonia, Anderlues site), for sales to Engie Electrabel, and 12% from solar electricity sales and EPC services in Norway for its new subsidiary Greenstat.

Sales of €2.7M from the 45 MW solar farm in Petjnik, Bosnia, operated by 49.5%-owned Drin Energija, are not included in the total sales of €31.4M. The result of Drin Energija is presented under Share of profit of associates, as control over the company on June 30th, 2024, does not, at this stage, meet the requirements of IFRS 10.

The breakdown of turnover for FY 2023 and FY 2024 is as follows:

Turnover breakdown - In €M	June 30 th , 2024	June 30 th , 2023
Gas sales - France	7,3	12,3
Electricity sales - France	14,2	14,6
Electricity sales - Belgium	7,7	11,0
Heat sales - France	0,4	0,5
Cryo Pur sales	0,5	0,9
Greenstat sales	1,3	
Annual turnover	31,4	39,2

2.2. Other operating income

Other operating income amounted to €1,339K on June 30th, 2024, and mainly concerned the valuation of the Research Tax Credit declaration for calendar year 2023 in the amount of €668K.

2.3. Cost of goods and services, administrative and operating expenses

The cost of goods and services includes the following items, corresponding to production costs directly linked to gas, electricity and heat sales, mainly electricity and maintenance costs:

Cost of goods and services	June 30 th , 2024	June 30 th , 2023
	€	€
Electricity	2 294 169	1 400 321
Natural gas	419 315	38 788
Purchase of equipment and consumables	583 145	677 536
Care and maintenance	1 808 797	1 715 279
Technical services including gas injection	736 655	819 961
Personnel expenses	665 948	556 318
<i>Change in scope of consolidation GREENSTAT</i>	<i>841 750</i>	
Total cost of goods and services	7 349 778	5 208 204

Costs of goods and services sold were up by €2.1M, due to higher costs associated with electricity purchases (+64%) in a rising market, and after taking into account €0.8M related to the Greenstat perimeter since the acquisition. It should be noted that €979K of previous Arenh (electricity) rights had been retroceded by June 30th, 2023.

Administrative and operating expenses break down as follows, mainly in connection with the FDE, Cryo Pur, LFDE International and Greenstat entities:

Other administrative and operating expenses	June 30 th , 2024	June 30 th , 2023
	€	€
Fees, consultants	2 292 113	1 738 214
Travel	198 195	154 789
Studies and research	138 588	104 351
Banking services	183 038	431 491
Insurance	435 215	417 625
Communication	105 594	94 197
Rentals	56 034	280 076
Other costs	791 218	548 613
Taxes excluding corporate income tax	254 446	236 524
Personnel expenses	2 267 808	2 683 058
Free-awarded shares	1 592 203	1 760 875
<i>Change in scope of consolidation GREENSTAT</i>	<i>1 325 445</i>	
Total other administrative and operating expenses	9 639 897	8 449 812

The Group's other administrative and operating expenses have risen in line with the development of its activities, particularly internationally, and the integration of Greenstat, which was booked this year for 4 months at nearly €1.3M, and which does not include all the benefits of the restructuring underway since the acquisition.

Lastly, expenses associated with free-awarded shares amounted to €1,592K in FY 2024, compared with €1,761K in FY 2023.

2.4. Personnel expenses

Excluding expenses related to free-awarded shares, salaries and social security charges for the Group amounted to €3,816K in FY 2024 (compared with €3,239K in FY 2023), of which €883K related to the change in the Greenstat scope of consolidation.

Personnel expenses	June 30 th , 2024	June 30 th , 2023
	€	€
Gross wages	2 063 868	2 374 665
Social security charges	869 888	864 712
Expense related to free-awarded shares granted	1 592 203	1 760 875
<i>Change in scope of consolidation GREENSTAT</i>	882 752	
Total personnel expenses	5 408 711	5 000 251

Workforce

The average FTE headcount on June 30th, 2024, was 47.88, up from 28.04 compared to June 30th, 2023. Note the addition of 17 Greenstat employees on June 30th, 2024.

Workforce	June 30 th , 2024	June 30 th , 2023
Executives and managers	25	21
Manual and clerical workers	11	11
<i>Change in scope of consolidation GREENSTAT</i>	17	
Total number of employees at end of year	53	32

Key management compensation

Key management personnel are those with authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including the directors of the entity.

As of June 30th, 2024, two people can be assimilated to this category, namely Mr Julien Moulin, Chairman of FDE, and Mr Antoine Forcinal, Chief Executive Officer.

Compensation paid to key executives breaks down as follows:

Key management compensation	June 30 th , 2024	June 30 th , 2023
Fixed and variable compensation	665 044	639 033
Directors' fees	0	0
Total remuneration	665 044	639 033

Gross compensation includes an expense of €242K recognized in FY 2024 in respect of NEL, the Group Chairman's personal holding company (€211K in FY 2023).

2.5. Other income/expenses

On June 30th, 2024, FDE had fixed the selling prices of a portion of the expected gas and electricity volumes until the end of 2025, via derivatives entered into by LFDE International. As the criteria for hedge accounting within the meaning of IFRS 9 were not met on June 30th, 2024, the change in fair value of these derivatives was recognized in other operating income and expenses.

Other income/expenses	June 30 th , 2024	June 30 th , 2023
	€	€
Damage insurance claims - Gazonor	551 137	
Fair value of open price hedge positions	1 025 519	
Miscellaneous Products/Charges	481 991	37 201
Total other income/expenses	2 058 647	37 201

2.6. Depreciation, amortization and net charges to provisions

Depreciation, amortization and impairment losses recognized in the year ended June 30th, 2024 were higher than in FY 2023, at €3,828K compared with €3,126,000.

In fiscal 2024, the increase in the depreciation charge for industrial plants is mainly due to investments made at EG NPC and FalkenSun.

The impact of applying IFRS 16 during the year was €276K.

Depreciation and impairment	June 30 th , 2024	June 30 th , 2023
	€	€
Depreciation of industrial plant	2 947 401	2 558 456
Amortization of HdF mining reserves	212 375	225 066
Amortization of other property, plant and equipment/incorp	208 045	235 726
IFRS 16	276 398	106 764
<i>Change in scope of consolidation GREENSTAT</i>	<i>183 725</i>	
Total depreciation and impairment	3 827 944	3 126 012

Charges to provisions net of reversals break down as follows:

Net additions to provisions	June 30 th , 2024	June 30 th , 2023
Provisions for site restoration	-512 877	-847 209
Inventory write-downs	26 147	46 248
Other provisions for contingencies and litigation	497 894	1 342 424
Total net additions to provisions	11 164	541 463

A net reversal of the provision for major maintenance of €406K was recorded in the 2024 financial year, €162K relating to the cancellation of the maintenance provision following the

scrapping of an installation at Gazonor, and €244K relating to the updating of the calculation of the provision for major gas repairs. A provision of €606K has been recognized for the 2023 financial year in relation to potential indemnities associated with the withdrawal of certain facilities in the Hauts-de-France region from the purchase obligation.

2.7. Other non-current income and expenses

FY 2023 included the write-off of the Diebling well in Lorraine, for historical costs of €6.8M incurred between 2005 and 2007, following the definitive cessation of mining operations on this shaft.

2.8. Net financial income

The components of net financial income are as follows:

Net financial income	June 30 th , 2024	June 30 th , 2023
	€	€
Financial income	632 361	345 994
Gross cost of debt	-3 068 684	-1 983 508
Other financial expenses	-214 762	-119 459
Total financial income	-2 651 084	-1 756 974

The cost of financial debt comprises interest charges and commissions on the Group's financing and increased in the year ended June 30th, 2024, following the new financing linked to the third green bond contracted with EDRAM and Gazonor's new ESG loan.

Other items include the accretion of provisions for dismantling and site restoration.

2.9. Current and deferred taxes

In 2024, the current tax charge corresponds to the tax paid by the French tax consolidation group, the Belgian tax, and the minimum wealth tax due by the Luxembourg-based subsidiary LFDE International.

The tax consolidation was set up on July 1st, 2018, with FDE as the head company of the French tax consolidation, also including Gazonor, Gazonor Holding, EG Lorraine, EG NPC and Gazonor Béthune and Cryo Pur. The taxable income of this group was €6,118K for the year ended June 30th, 2024.

Lastly, there were no changes in tax rates during FY 2024, as discussions on potential changes in the 2025 Finance Act for France have not yet been voted on and enacted.

Income tax expense for this year and the previous comparable year breaks down as follows:

Income tax expense	June 30 th , 2024	June 30 th , 2023
	€	€
Current tax for the year	2 912 362	4 192 176
Current tax	2 912 362	4 192 176
Change in deferred taxes	-108 852	-1 622 304
Change in deferred tax liabilities		-24 551
Deferred taxes	-108 852	-1 646 855
Total income tax expense	2 803 510	2 545 320

Analysis of deferred taxes

The main sources of deferred tax recognized in the balance sheet are existing tax loss carryforwards and mining rights, as in the previous period. A new source of deferred tax concerns unrealized profits from internal operations.

Breakdown and source of deferred taxes in the balance sheet	June 30 th , 2024	June 30 th , 2023
	€	€
Tax loss carryforwards	3 286 073	3 023 483
Energy saving certificates	20 667	24 866
IFRS 16 - Leases	32 425	13 446
Provision for pension commitments	20 515	14 397
Unrealized gain on intercompany transactions	708 463	713 272
Dismantling Belgium	1 089	0
Deferred tax assets	4 069 233	3 789 463
Mining reserves	-5 905 828	-5 958 922
Provisions for major overhauls	-548 804	-539 265
IFRS 9 - Financial Instruments	-250 745	0
Crédit Bail	-32 225	0
Cryo Pur patents	-123 078	-172 309
Deferred tax liabilities	-6 860 681	-6 670 497
Total net deferred taxes recorded in the balance sheet	-2 791 448	-2 881 034

Deferred taxes on tax loss carryforwards have been calculated at the level of each company or tax consolidation group, where applicable, based on individual recoverability prospects. The increase came from losses generated by the Group companies concerned, i.e. Cellcius and FalkenSun. There has been no change in the recognition of a deferred tax of €446K on Cryo Pur (allocation of part of the goodwill) and a deferred tax of €1,366K on LFDE International, the latter being engaged on behalf of the Group in gas and electricity purchase and sale transactions with third-party customers.

On June 30th, 2024, tax losses for which no deferred tax assets have been recognized

represent carry-forward amounts of €48.4M, including LFDE International (Luxembourg) for €5.6M, Greenhill (Belgium) for €2.8M, Cryo Pur for €26.7M and Greenstat for €13.2M. In all three jurisdictions, the Group's losses can be carried forward indefinitely, although annual capping mechanisms apply in France and Belgium.

The deferred tax liability initially recognized on mining reserves following the allocation of the acquisition price by FDE of the LFDE International / Gazonor group is reversed annually at the same rate as the underlying depreciation.

Reconciliation of effective tax rate and theoretical tax rate

The reconciliation between the theoretical tax rate (average rate in France 25%) and the effective tax rate recorded in the consolidated financial statements is as follows:

Reconciliation of effective and theoretical tax rates	June 30 th , 2024	June 30 th , 2023
	€	€
Consolidated net income	9 137 864	11 830 256
(Corporate income tax)	2 803 510	2 545 320
Profit before tax	11 941 374	14 375 577
French tax rates	25,00%	25,00%
Theoretical tax charge	-2 985 344	-3 593 894
IDA not recognized during the year	-473 986	-133 723
Research tax credit	167 121	57 560
Permanent differences don ret. IFRS	88 988	1 366 213
Deficits used but not previously recognized	309 883	0
IDA Gazonor Benelux on investments	0	-165 597
Other (add contribution, rate change, etc.)	-54 633	-75 879
Income from associates	144 462	
Income tax expense in the income statement	-2 803 510	-2 545 320

3. NOTES TO THE BALANCE SHEET

3.1. Consolidated goodwill

During the year ended June 30th, 2021, goodwill of €48K was recognized in connection with the acquisition in February 2021 of **100% of Greenhill SA**, the Belgian company that owns the Monceau-Fontaine, Marcinelle and Nord de Charleroi Concession (No. 038), for a purchase price of €203K. There were no valuation differences in the final allocation of this purchase price, including unrecognized tax loss carryforwards amounting to €2.3M.

For the year ended June 30th, 2022, additional goodwill of €5.711M was recognized in the Group's consolidated financial statements, relating entirely to the acquisition of a 94% stake in Cryo Pur, a company specializing in biogas processing and liquefaction into RNG and Bio-CO₂. This acquisition was made by FDE for a cash consideration of €2.5M.

At the reporting date of these FY 2023 financial statements, the final allocation of the

purchase price had been finalized with the recognition of deferred tax assets on tax loss carryforwards for €446K and the recognition of identifiable intangible assets for an amount net of IDP of €738K, relating in particular to patents held by Cryo Pur:

- WO 2015 / 173491 "Method and device for liquifying methane": This patent claims an optimal pressure from the point of view of minimizing energy consumption and is used directly in Cryo Pur equipment.
- WO 2016/162643 "Method for recovering energy from dry ice at infra-atmospheric pressure" This patent claims the recovery of the coldness of solid CO₂ by sublimation at optimum infra-atmospheric pressure, with an energy gain of over 15% compared with the current method.
- EP 20158502.3 "Method and apparatus for subcooling refrigerants". This patent is generic to all refrigeration systems, to avoid loss of energy efficiency. This device and regulation will be implemented on the new Cryo Pur systems.
- FR 21101231 "Extraction of carbon dioxide". This patent concerns the process for extracting carbon dioxide (CO₂) from liquid methane at a pressure greater than 6 bar.

The residual goodwill of €4.526K is explained by the potential synergies with FDE's existing activities (focused in particular on reducing CO₂ eq emissions through the capture and recovery of AMM) by maximizing the value of the Group's substantial gas reserves, but also by strengthening FDE's position in the strategic green gas and CO₂ markets, by integrating Cryo Pur technology for the purification and liquefaction of all types of gas (biogas, landfill gas, flare gas, rare gases, etc.).

For the year ended June 30th, 2024, **additional goodwill** was recognized in the Group's consolidated financial statements in the **amount of €5,101K**, relating entirely to the **acquisition of 56.3% of the capital of Greenstat**, a company specializing in the development of green and solar H₂ in Norway. This goodwill is explained by possible synergies with FDE's existing activities, notably solar and H₂, but also by the strengthening of FDE's positioning in Norway and internationally. This acquisition was made by FDE for a cash consideration of NOK 27M. Goodwill was determined based on the difference between the purchase price of the Greenstat shares and the associated capital increase, and the amount of this company's shareholders' equity at the acquisition date.

Goodwill of €768K recorded in the consolidated financial statements of the Greenstat subgroup was also included in the FDE consolidation on June 30th, 2024.

On entering the FDE scope, Greenstat's shareholders' equity totaled NOK 225.6M, with total assets of NOK 337.7M and liabilities of NOK 6.2M. At the closing date of these 2024 consolidated financial statements, the final allocation of the purchase price is not considered by the Group to have been finalized, as the value of the assets and liabilities taken over may be subject to analysis within 12 months of the acquisition date, i.e. up to February 28th, 2025.

Topics that may lead to the identification of a valuation gap include:

- Recognition of any identifiable intangible assets;
- The recognition of deferred tax assets on tax loss carryforwards, amounting to almost NOK 130M at the time of consolidation and not recognized on June 30th, 2024.

3.2. Exploration assets

As explained in the accounting policies, expenditure recognized as exploration assets in the consolidated balance sheet comprises all costs incurred during the prospecting and drilling phases of exploration.

The change in exploration assets is mainly due to routine maintenance work carried out on sites in the Lorraine Basin (Bleue Lorraine permit), in particular on the Lachambre site.

On June 30th, 2024, the gross value of these exploration costs was €40M, including site restoration costs of €1.6M.

A legal analysis has been carried out in conjunction with the Company's lawyers as of June 30th, 2024, covering the status of each permit for which exploration costs have been booked. The Company's management also assessed the results of drilling and the qualification of reserves at year-end.

No new impairment losses were recognized at the end of the 2024 financial year, but it should be noted that the Diebling well in Lorraine was scrapped last year, for historical costs of €6.8M incurred between 2005 and 2007, following the definitive cessation of mining work on this shaft.

Changes in gross and net values between June 30th, 2023, and June 30th, 2024 are as follows:

Changes - gross value	June 30 th , 2023	acquisitions	disposals	other	June 30 th , 2024
	€	€	€	€	€
Assets - PER Bleue Lorraine	35 337 300	255 560			35 592 860
Assets - other PER	2 304 133				2 304 133
Assets - PER Anderlues	469 207				469 207
Provision for repairs	1 593 983				1 593 983
Total - gross value	39 704 623	255 560	0	0	39 960 182

Changes in depreciation, amortization and impairment	June 30 th , 2023	Allowance Deprec.	Allowance Impairment.	Reversals	June 30 th , 2024
	€	€	€	€	€
Assets - PER Bleue Lorraine	0				0
Assets - other PER	-303 620				-303 620
Assets - PER Anderlues	-30 961		-19 108		-50 069
Provision for repairs	-452 129		-72 460	18 953	-505 636
Total - depreciation and amortization	-786 711	0	-91 568	18 953	-859 326
Total - net value	38 917 911	255 560	-91 568	18 953	39 100 857

By exclusive research permit or concession, excluding provisions for reclamation, exploration assets break down as follows:

Permits / concessions	By-laws	June 30 th , 2024	June 30 th , 2023
		€	€
Bleue Lorraine (i)	<i>Concession granted</i>	35 592 860	35 337 300
La Folie de Paris (ii)	<i>Renewed until August 7th, 2021</i>	2 000 513	2 000 513
Fishmonger	<i>Concession until December 23rd, 2042</i>		
Désirée	<i>Concession until December 23rd, 2043</i>		
Anderlues	<i>Concession until 2038</i>	419 138	438 246
Total exploration assets (net value)		38 012 510	37 776 059

(i) BLEUE LORRAINE license

As the third period of the **Bleue Lorraine** exclusive research permit ("PER") **expired** on November 30th, 2018, FDE applied for a concession on November 26th, 2018, valid until January 1st, 2040. The requested area is 191 km², including 6 communes in its entirety and 34 communes in part.

An implicit decision to reject the Bleue Lorraine concession application was issued on June 11th, 2022. A petition contesting the implicit rejection of the Bleue Lorraine concession application was filed with the Strasbourg Administrative Court on July 12th, 2022, after which FDE launched a suspensive injunction to force the Minister responsible for mines to produce his observations as soon as possible (with a fine of €5K per day).

By order dated April 26th, 2023, the Minister responsible for mines rejected the Bleue Lorraine concession application. FDE lodged a petition reiterating the points already raised and responding to the reasons put forward by the administration for rejecting the Bleue Lorraine concession application. In a decision dated July 4th, 2023, the Administrative Court ruled that FDE had sufficiently justified its technical capacity to extract the stratum gas and demonstrated the exploitable nature of the deposit.

The court therefore annulled the order of April 26th, 2023, and ordered the French government to grant FDE the Bleue Lorraine concession within three months, subject to a fine of €500 per day of delay. By ministerial order dated November 20th, 2023, the Bleue Lorraine concession

was granted to FDE.

The French government has also appealed against its own ministerial order, having been dismissed by the administrative court and ordered, under fines, to publish the order granting the concession to FDE. This appeal has no suspensive effect, and the procedure is ongoing.

(ii) Permits LA FOLIE DE PARIS

The PER known as "La Folie de Paris" was the subject of a ministerial order on January 31st, 2018 extending it until August 7th, 2021 for the benefit of Concorde Energie Paris. This permit covers part of the departments of Aube, Marne and Seine-et-Marne over an area of 199 km² for a minimum financial commitment of €5.4 M.

A request for an exceptional extension of the third period was deemed received by the administration on April 6th, 2021 and declared admissible. A response was expected no later than October 2nd, 2022. As no reply was received by this date, Concorde Energie Paris lodged an application to withdraw the implicit rejection. The Ministry replied by letter received on January 15th, 2023, stating that the investigation was still underway.

An appeal on the merits was lodged on March 8th, 2023 and a suspensive injunction on March 10th, 2023, which was rejected by order. The final reply was filed on March 11th, 2024.

3.3. Other intangible assets

Changes - gross value	June 30 th , 2023	acquisitions	disposals	other	var perimeter	June 30 th , 2024
	€	€	€	€	€	€
Sage X3 software	70 270	0	0	0	0	70 270
Other intangible assets	2 854 131	46 958	-1 050	0	0	2 900 039
Goodwill (Cryo Pur patents)	984 625	0	-196 925		0	787 700
<i>Change in scope of consolidation GREENSTAT</i>					84 574	84 574
Total - gross value	3 909 026	46 958	-197 975	0	84 574	3 842 583
Changes in depreciation, amortization and impairment	June 30 th , 2023	dowry. Amort.	dowry. Deprec.	recoveries	var perimeter	June 30 th , 2024
	€	€	€	€	€	€
Sage X3 software	-39 422	-17 106	0	0	0	-56 528
Other intangible assets	-2 814 433	-1 891	0	0	-12 322	-2 828 647
Goodwill (Cryo Pur patents)	-295 387					-295 387
<i>Change in scope of consolidation GREENSTAT</i>					13 808	13 808
Total - depreciation and amortization	-3 149 242	-18 998	0	0	1 486	-3 166 754
Total - net value	759 784					675 829

Other intangible assets mainly comprise software and fully amortized research and development costs for the Gazonor subsidiary.

As mentioned in paragraph 3.1 of these notes, goodwill has been recognized in respect of

patents held by Cryo Pur and amortized over 5 years from January 1st, 2022.

The main patents held by Cryo Pur are:

- WO 2015 / 173491 "Method and device for liquifying methane": This patent claims an optimal pressure from the point of view of minimizing energy consumption and is used directly in Cryo Pur equipment.
- WO 2016/162643 "Method for recovering energy from dry ice at infra-atmospheric pressure" This patent claims the recovery of the coldness of solid CO₂ by sublimation at optimum infra-atmospheric pressure, with an energy gain of over 15% compared with the current method.
- EP 20158502.3 "Method and apparatus for subcooling refrigerants". This patent is generic to all refrigeration systems, to avoid loss of energy efficiency. This device and regulation will be implemented on the new Cryo Pur systems.
- FR 21101231 "Extraction of carbon dioxide". This patent concerns the process for extracting carbon dioxide (CO₂) from liquid methane at a pressure greater than 6 bar.

3.4. Proven mining rights

In the year ended June 30th, 2017, the Group had allocated the acquisition price of the Transcor Astra Luxembourg group (now LFDE International) in full to the mining reserves held by the acquired entity via its subsidiary Gazonor. This allocation of €18,264K had thus resulted in the recognition of mining reserves under property, plant and equipment for a gross value of €25,366K and deferred tax liabilities in the amount of €7,103K.

The mining rights thus recognized are amortized annually on a per-unit-of-production basis, by dividing the quantities of gas produced by Gazonor's various sites by the quantities of reserves held at the beginning of the year.

Mining rights	June 30 th , 2024	June 30 th , 2023
	€	€
Hauts-de-France - Gross value	25 366 331	25 366 331
Hauts-de-France - Accumulated amortization and impairment	-1 734 370	-1 521 995
Anderlues - Gross value	146 395	152 780
Anderlues - Accumulated amortization and depreciation	-26 125	-20 976
Mining rights - net book value	23 752 231	23 976 140

In the year ended June 30th, 2024, depreciation of €212K was recognized for the Hauts-de-France zone, based on annual production of 2.9 BCF for a volume of 2P reserves of 323 BCF at the beginning of the year.

These reserve quantities are based on the DMT report updated on January 4th, 2022, taking into account the coefficient between potential production quantities of pure methane and mixed gas. At year-end, Group management also assessed production capacity over the life of the concessions held.

At the Anderlues site, commissioned at the end of April 2019, the gross value of €146K corresponds to the counterpart asset for the dismantling provision as recognized on June

30th, 2019, an asset depreciated on a unit-of-production basis.

3.5. Other property, plant and equipment

Excluding mining rights recognized under property, plant and equipment, other property, plant and equipment mainly comprise investments made at the Hauts-de-France and Wallonia sites to set up the Group's cogeneration portfolio.

Changes - gross value	June 30 th , 2023	acquisitions	disposals	other	var. perimeter	June 30 th , 2024
	€	€	€	€	€	€
Land	509 623	0	0	0		509 623
Buildings	3 027 374	873 614	0	9 050		3 910 038
Industrial plant and equipment	33 267 915	617 177	-706 657	0		33 178 434
Other property, plant and equipment	68 461	8 439	0	0		76 900
Assets under construction	4 908 491	13 416 841	-5 402 351	-9 050		12 913 931
Rights of use - IFRS 16	1 984 769	1 968 998	0	0		3 953 767
<i>Change in scope of consolidation GREENSTAT</i>					5 840 063	5 843 063
Total - gross value	43 766 632	16 885 068	-6 109 008	0	0	60 382 755
Changes in depreciation, amortization and impairment	June 30 th , 2023	dowry. Amort.	dowry. Deprec.	Reprise	var. perimeter	June 30 th , 2024
	€	€	€	€	€	€
Land	-15 493	0				-15 493
Buildings	-441 019	-261 423				-702 441
Industrial plant and equipment	-4 960 391	-4 934 547				-9 894 937
Other property, plant and equipment	-54 732	-36 574				-91 307
Assets under construction	0	0				0
Rights of use - IFRS 16	-106 764					-106 764
<i>Change in scope of consolidation GREENSTAT</i>					235 710	235 710
Total - depreciation and amortization	-5 578 399	-5 232 544	0	0	235 710	-10 575 232
Total - net value	38 188 233					49 807 522

Capital expenditure for the year mainly concerned the Avion 2 projects (work began on the additional cogeneration units to be installed over the next year as part of the 30 MW development in France), capital expenditure associated with the development of the RNG and Bio-CO₂ units in Norway, and the extension of Greenstat's scope of consolidation, in particular the impact of IFRS 16 on the land secured for the decarbonated H₂ project in Agder, Norway (NOK 5.6M).

Lastly, in connection with the lease agreements entered into by Cryo Pur for its premises in Wissous (Ile-de-France), by FalkenSun for its land in Tritteling and Cellcius for its land in Creutzwald, as well as the leasing agreement entered into by FDE for its headquarters in Lorraine, rights of use have been recognized in accordance with IFRS 16 for a net amount of €2.8M on June 30th, 2024.

3.6. Non-current financial assets

Non-current financial assets consist mainly of surety accounts and guarantees on projects, such as the €350K paid as a guarantee for the Falkensun site, or the €175K surety covering the automatic execution of dismantling operations at the Anderlues site, on behalf of the Walloon government following the granting of the associated permit.

3.7. Stocks

Inventories mainly comprise maintenance and spare parts for the upkeep of gas and electricity production stations at Gazonor sites and are valued at the lower of cost or net realizable value. The increase in this item over the year is due to the change in scope of consolidation and the inclusion of inventories of solar panels used for Greenstat's solar energy installations.

Impairment losses are recognized when the probable realizable value is lower than the cost price. Impairment is also recognized on the basis of an analysis of closing inventory quantities and safety quantities by reference. A write-down of €132K was recorded on June 30th, 2024, compared with €106K the previous year.

Changes in inventories can be analyzed as follows:

Stocks	June 30 th , 2024	June 30 th , 2023
	€	€
Maintenance and spare parts	403 343	458 644
Fluids	47 095	58 450
<i>Change in scope of consolidation GREENSTAT</i>	<i>1 199 116</i>	
Gross value	1 649 553	517 094
Depreciation	-132 197	-106 050
Inventories - net book value	1 517 356	411 044

3.8. Trade receivables and other current assets

Trade receivables and other current assets	June 30 th , 2024	June 30 th , 2023
	€	€
Accounts receivable	3 777 675	5 279 234
Other current assets	9 618 213	2 253 400
Prepaid expenses	413 310	242 275
Total trade receivables and other current assets	13 809 198	7 774 909

The customer balance on June 30th, 2024 comprises invoices for the month of June 2024 issued to Axpo, EDF Obligations d'Achats, Electrabel, Engie, Dalkia, SAVE and Primeo.

Other current assets mainly comprise deductible VAT receivables, as well as tax and social security receivables from Gazonor, EG NPC and FalkenSun.

3.9. Cash and cash equivalents

Cash and cash equivalents - net	June 30 th , 2024	June 30 th , 2023
	€	€
Bank accounts	47 623 083	42 837 456
“Liquidity” portion of liquidity contract	- 4 758	128 158
Total net cash	47 618 325	42 965 614

3.10. Share capital and additional paid-in capital

On June 30th, 2024, FDE's share capital stood at €5,232K, divided into 5,131,885 fully paid-up ordinary shares with a par value of €1.00 each.

During the year, 49,281 new shares were issued following the final allocation of free-awarded shares to the beneficiaries of the sixth plan implemented in 2022. This capital increase was carried out through the capitalization of additional paid-in capital, following the Chairman's acknowledgement on July 27th, 2023, of the definitive allocation of free-awarded shares to their beneficiaries.

Issue premiums in the amount of €44,002K represent the difference, recognized in fiscal 2016, between all issue premiums relating to the Group's IPO operations and the conversion of previously issued bonds.

3.11. Share-based payments / free-awarded shares

The Annual General Meeting of March 23rd, 2016 authorized the Board of Directors to grant free-awarded shares to Group employees and executive directors, up to a limit of 5% of the share capital. This authorization was renewed at the Annual General Meeting of November 29th, 2019, and again at the Annual General Meeting of November 30th, 2021, under the same conditions. This distribution of free-awarded shares must be carried out via a capital increase through the capitalization of reserves or additional paid-in capital.

The first, second, third, fourth and fifth plans gave rise to final allocations in previous years.

The sixth plan gave rise to the definitive allocation of 49,281 shares during the year, following the Chairman's acknowledgement on July 27th, 2023, that the conditions set out in the plan set up in 202 had been met.

At its meeting on July 1st, 2022, the Board of Directors implemented the seventh plan in accordance with the plan regulations and allocated 48,736 free-awarded shares to 22 beneficiaries. This plan expired on July 1st, 2024, with a definitive allocation after closing.

At its meeting on June 30th, 2023, the Board of Directors implemented the eighth plan in accordance with the plan rules and allocated 11,902 free-awarded shares to 26 beneficiaries.

The breakdown of free-awarded shares granted under the two plans still in force on June 30th, 2024 is shown below:

Free-awarded share plans	Number of shares initially allocated	Number of shares on June 30th, 2024	Fair value
July 1 st , 2022	48,736	48,125	51.2
June 30 th , 2023	11,902	11,664	48.3

These free-awarded shares will be definitively allotted to the beneficiaries within two years of their initial allotment date, on condition that the beneficiaries retain their position within the Group during this period, and that the other conditions determined within the framework of this free-awarded share plan are met.

In accordance with IFRS 2, the benefits granted under this plan are recognized as personnel costs.

Under this free-awarded share plan for all employees and executive directors, the unit value of the shares is based on the share price at the grant date, considering changes in the number of beneficiary employees. The corresponding expense is recognized over the vesting period of the rights attached to these shares, starting from the grant date, i.e. the date on which the beneficiaries are deemed to have been fully informed.

The expense recognized in 2024 amounted to €1,592K, valued on the basis of the share price at the grant date, compared with €1,761K in the previous year.

3.12. Borrowings and financial liabilities

The Group's borrowings on June 30th, 2024, consist mainly of the following:

Bank loan - Gazonor SAS and Landesbank SAAR / Bpifrance Financement

Gazonor bank loan of €6.4M obtained jointly on May 9th, 2018, from Landesbank SAAR and Bpifrance Financement, maturing on April 2nd, 2024 and repayable in quarterly instalments. The repayment instalments due in the year ended June 30th, 2023, are shown under current borrowings.

The following special conditions are attached to this bank loan:

- A reserve account has been set up for €725K, representing a blocked monetary account in the books of Landesbank SAAR used to reserve debt servicing and pledged to the lenders until the loan matures. This account bears interest at the rate applicable to equivalent deposits. On June 30th, 2022, this reserve account is included in non-current financial assets.
- Gazonor undertakes not to grant any credit, advance or loan in any form whatsoever and of any nature whatsoever, to any natural or legal person whatsoever, with the exception of:
 - Existing advances to Group members at the date of signature of the loan agreement,
 - Current account or cash advances to other members of the Group authorized by the lenders.
 - Credit and payment terms granted to co-contractors in the normal course of business, up to a limit of €100K.

This loan comes with a financial ratio to be respected, known as the DSCR ratio, for any 12-month period ending at the end of each financial year. This is a debt service coverage

ratio, corresponding to the ratio of "potential cash generated/total debt service", which must remain above 1.3. This loan was repaid on June 30th, 2024.

Bank loan - Gazonor SAS and Bpifrance Financement

Loan taken out by Gazonor with Bpifrance Financement on October 22nd, 2019 for a nominal amount of €1.34M, to refinance the costs incurred in acquiring the three Siemens electric motors installed at the Avion site. The loan has a maturity of 6 years, with straight-line monthly repayments, and a fixed interest rate of 1.5% per annum.

State Guaranteed Loan - Gazonor SAS and LCL and Société Générale

Following the COVID-19 health crisis and the fall in gas and electricity prices in Belgium, Gazonor obtained a State Guaranteed Loan of €1.6M in June 2020 to strengthen its cash position, in particular to support future developments. This loan, granted by LCL and Société Générale, carries an interest rate of 0.25% and has a life of 12 months, with an amortization option extending to 5 years.

On May 20th, 2021, and April 15th, 2021, amendments to the loans were signed with LCL and Société Générale respectively to extend the loan maturity to 5 years, with repayment starting after a one-year grace period.

Real estate leasing - FDE and Finamur (LCL)

Real estate finance lease signed on October 21st, 2019, between FDE and Finamur by notarial deed, covering a total investment of €940K to build a complex of offices and warehouses on the Pontpierre / Faulquemont business park. Completion took place at the end of 2020, and the company took possession of the premises on December 3rd, 2020.

The lease has a maturity of 12 years, with the option for FDE to exercise the purchase option early at the end of the 7-year lease period, at a price of €94K.

Project Financing - Cellcius SAS and Caisse d'Epargne

On December 15th, 2020, Cellcius took out a loan with La Caisse d'Epargne et de Prévoyance Grand Est Europe for a nominal amount of €1.3M, to refinance the costs incurred in building the solar thermal field at Creutzwald. This loan has a 20-year maturity, with quarterly repayments starting in April 2021, for an interest rate of Livret A +1% per annum, i.e. 4% on June 30th, 2024.

This loan is subject to a financial ratio that must be met on production of a certificate of compliance submitted with the annual financial statements: DSCR ratio: debt service coverage ratio, corresponding to the ratio of "free cash flow/debt service", which must remain above 1.15.

Equity loan - Gazonor Béthune SAS

Gazonor Béthune SAS subscribed to a €5.5M equity loan from 1,708 lenders to finance part of the equity raised by the Group for its production project in Béthune. Nearly 40% of the funds raised came from residents of the Hauts-de-France region, once again demonstrating the relevance of the short-circuit model promoted by FDE. Unit tickets invested range from €100 to €500K.

Divided into two separate campaigns of €2.25M, the fundraising exceeded its initial target in 2 months. 55,000 bonds, each with a par value of €100, were subscribed in February 2021.

This financing has a 4-year maturity and a fixed interest rate of 4.75% per annum. The loan is guaranteed by FDE for the duration of the financing period.

Equity loan - EG NPC SAS

EG NPC SAS has subscribed to a €3.3M equity loan from 489 lenders, and to €1M from La Nef, an ethical banking cooperative offering credit solutions geared exclusively to projects with a social, ecological and/or cultural purpose, to finance its project to build two cogeneration units on the historic Avion site.

33,000 bonds, each with a par value of €100, were subscribed in June 2021.

This financing has a 5-year maturity and a fixed interest rate of 4.75% per annum. The loan is guaranteed by FDE for the duration of the financing.

Leasing - Gazonor Benelux and ING

Loan obtained by Gazonor Benelux from ING Equipment Lease Belgium, signed on July 28th, 2021. This loan has a nominal value of €2.9M and covers the refinancing of the two cogeneration units at the Anderlues site, including all intangible costs incurred, initially financed by the Triodos bank. The loan has an 8-year maturity starting July 29th, 2021, with quarterly maturities, a fixed interest rate of 1.6% p.a. and a call option of 1% of the investment amount.

In addition to the guarantees given by the Group and presented in note 4.3 of these notes, the following specific conditions are attached to this bank loan: a reserve account for 9 months' rental income has been set up over 2 years for €269K, representing a blocked monetary account in ING's books used to reserve debt servicing until full repayment of the loan.

This loan is subject to a financial ratio, the DSCR (debt service coverage ratio, corresponding to the ratio of net cash flow to total debt service), which must remain above 1.05.

A similar contract has been signed for a new €6.3M finance lease with ING to cover investment requirements for the three new cogeneration units in phase 2 at Anderlues.

Equity loan - FalkenSun SAS

FalkenSun SAS took out a €2.5M equity loan with 889 lenders and La Nef, to finance part of the Group's equity capital for the construction of the Tritteling-Redlach photovoltaic power plant.

The issue closed on August 9th, 2021, and by December 31st, 2021, 25,000 bonds, each with a par value of €100, had been subscribed.

This financing has a 2-year maturity and a fixed interest rate of 4.75% per annum. The loan is guaranteed by FDE for the duration of the financing period.

The loan was repaid on August 2nd, 2023, and therefore closed and settled on June 30th, 2024.

Green Bonds - LFDE International SARL and EDRAM (tranche 1)

€40M bond loan issued on September 15th, 2021, by Edmond de Rothschild Asset Management (UK) Limited (EDRAM) for LFDE International and the development of the Group's low-carbon energy portfolio in France and Belgium, including mine gas and photovoltaics.

This loan has a 7-year maturity (NC4) and comprises a first tranche of €25M, which has been made available, and an optional second tranche of €15M. The interest rate is 6% initially, reduced to 5.5% when the borrowing Group reached €15M EBITDA.

This loan came with financial ratios to be applied by providing a certificate of compliance submitted with the annual and half-yearly financial statements:

- Consolidated DSCR ratio: This is a debt service coverage ratio, representing the ratio of "available cash flow for debt service/total debt service", which must remain above 1.05.
- Consolidated Net Debt Ratio: ratio representing the ratio of "net debt of the borrowing Group / consolidated EBITDA", which must remain below 4.9 until December 31st, 2025 and 4.2 thereafter.
- Interest Coverage Ratio: ratio representing the ratio of "consolidated EBITDA / consolidated interest expense" to "total outstanding loan balance", which must remain above 2.8.
- Group Loan-to-Value ratio: ratio representing the ratio of "Group net debt / sum of consolidated equity and consolidated net debt", which must remain below 55%.

Green Bonds - LFDE International SARL and EDRAM (tranche 2)

€20M bond loan issued on September 23rd, 2022, by Edmond de Rothschild Asset Management (UK) Limited (EDRAM) for LFDE International and the development of the group's low-carbon energy portfolio in France and Belgium, including mine gas and photovoltaics.

This loan has a 7-year maturity (NC4). The interest rate is 6% initially, to be reduced to 5.5% once the borrowing Group achieves a €25M EBITDA.

This loan came with financial ratios to be applied by providing a certificate of compliance submitted with the annual and semi-annual financial statements:

- Consolidated DSCR: This is a debt Total service coverage ratio, representing the ratio of "available cash flow for debt service / total debt service", which must remain above 1.05.
- Consolidated Net Debt Ratio: ratio representing the ratio of "net debt of the borrowing Group / consolidated EBITDA", which must remain below 4.9 until December 31st, 2025 and 4.2 thereafter.
- Interest Coverage Ratio: ratio representing the ratio of "consolidated EBITDA / consolidated interest expense" to "total outstanding loan balance", which must remain above 2.8.
- Group Loan-to-Value ratio: ratio representing the ratio of "Group net debt / sum of consolidated equity and consolidated net debt", which must remain below 55%.

Green Bonds - LFDE International SARL and EDRAM (tranche 3)

€60M bond loan issued on May 1st, 2024, by Edmond de Rothschild Asset Management (UK) Limited (EDRAM) for LFDE International and the development of the Group's low-carbon energy portfolio in France and Belgium, including mine gas and photovoltaics. €10M of this tranche had been drawn down by June 30th, 2024.

This loan has a maturity of 4 years (NC4). The interest rate is 6% initially, to be reduced to 3.2% once the Group achieves a €37.5M EBITDA.

This loan came with financial ratios to be applied by providing a certificate of compliance submitted with the annual and semi-annual financial statements:

- Consolidated DSCR: This is a debt Total service coverage ratio, representing the ratio of “available cash flow for debt service / total debt service”, which must remain above 1.05.
- Consolidated Net Debt Ratio: ratio representing the ratio of “net debt of the borrowing Group / consolidated EBITDA”, which must remain below 4.5 until December 31st, 2025 and 3.9 thereafter.
- Interest Coverage Ratio: ratio representing the ratio of “consolidated EBITDA / consolidated interest expense” to “total outstanding loan balance”, which must remain above 3.2.
- Group Loan-to-Value ratio: ratio representing the ratio of “Group net debt / sum of consolidated equity and consolidated net debt”, which must remain below 50%.

Bank loans - Cryo Pur and Bpifrance Financement

Repayable advance in principal of €170K, granted on July 27th, 2016, and repayable in 17 quarterly instalments, i.e. until March 31st, 2023.

Loan in principal of €400K made available on September 30th, 2015, at a rate of 4.73%, repayable in 34 quarterly instalments until March 31st, 2024.

Cryo Pur obtained an agreement from the bank to restructure the loans with a 12-month capital repayment grace period to cease in September 2023, and maturing on March 31st, 2025, and March 31st, 2026 respectively.

State Guaranteed Loan - Cryo Pur and Société Générale

State-guaranteed loan granted to Cryo Pur on July 9th, 2020, amounting to €200K at a 1.25% interest rate, with a capital grace period of 12 months, extended by an additional 12 months following the Company's option of April 2nd, 2021, providing for full repayment in October 2022.

Cryo Pur obtained an agreement from the bank to restructure the State-guaranteed loan with a further 12-month capital repayment grace period to cease in August 2023 and maturing on July 9th, 2028.

Impulse Loan - Gazonor and Arkéa

A €5.8M, 5-year "Impulse" loan was granted on October 4th, 2023, by Arkéa Banque Entreprises et Institutionnels. This loan will be used to refinance the 4 cogeneration units installed in Lens and Avion, allowing the Group to use the funds for its growth. The interest rate is 4.04%.

Considering these financing arrangements, the Group's current and non-current financial debt as of June 30th, 2024, is broken down as follows:

Current and non-current financial debts	June 30 th , 2024	June 30 th , 2023
	€	€
Bond loan	55 000 000	45 000 000
Bank loan	18 295 181	12 985 022
BPI Export advances	14 625	14 625
IFRS 16 lease liabilities (including finance leases)	2 421 505	2 399 301
Issuance fees	-936 487	-818 112
Non-current financial debts	74 794 824	59 580 836
Bond issue	0	0
Bank credit	5 679 853	8 074 304
Factoring liabilities	336 512	218 536
IFRS 16 lease liabilities (including finance leases)	376 339	297 217
Issuance costs	-38 163	-62 172
Current financial debts	6 354 541	8 527 884
Total financial debts	81 149 365	68 108 720

Factoring debt corresponds to receivables assigned with recourse under the customer factoring contract on June 30th, 2024 for €337K.

In accordance with the requirements of IAS 7.44A and B relating to changes in liabilities arising from financing activities, we present below the change in borrowings between June 30th, 2023 and June 30th, 2024, i.e. €13,041K, broken down into non-cash and cash movements, with a reconciliation to the cash flows presented in the cash flow statement.

Flow FY 2024	Cash	Non-cash	Balance flows
	€	€	€
Bond loan	10 000 000	0	10 000 000
Bank loan	-2 393 155	5 308 863	2 915 708
Issuance fees	-300 000	205 634	-94 366
IFRS 16 lease liabilities	-204 047	305 374	101 327
Debts on factoring	116 976	0	116 976
Sub-total flows	7 219 774	5 819 871	13 039 645
Capital contributions to subsidiaries	198 753		
Own shares buyback	-2 675 000		
Interest paid	-3 063 346		
Total cash flow from financing activities (TFT)	1 680 181		

All the amounts shown under "non-cash" in respect of bank loans and IFRS 16 leasing debts relate to the extension of the Greenstat scope and the resulting consolidation of financial debts.

3.13. Trade payables and other current liabilities

All trade payables and other liabilities shown below are due within one year of June 30th, 2024, excluding employer contributions on free-awarded shares.

On June 30th, 2024, trade payables consisted mainly of €1.2M relating to the Entrepouse Drilling dispute (see note 4.8), trade payables associated with the development of the Group's projects and €0.7M in new Greenstat trade payables, currently being restructured.

Trade payables and other current liabilities	June 30 th , 2024	June 30 th , 2023
	€	€
Suppliers of goods and services	7 525 236	507 176
Fixed asset suppliers	5 392 164	5 733 056
Other debts	2 195 950	3 988 119
Total trade payables and other current financial debts	15 113 350	10 228 350

3.14. Provisions

The main provisions booked by the Group on June 30th, 2024, correspond to provisions for site restoration and dismantling in Lorraine and Hauts-de-France.

In Lorraine, the provision for restoration concerns the four sites where drilling operations were carried out, determined based on technical appraisals and external estimates. In Hauts-de-France, the provision for restoration mainly concerns the cost of stopping work, closing boreholes and dismantling pipes.

Provisions increased between FY 2023 and FY 2024, due to an increase in refurbishments.

Current and non-current provisions	June 30 th , 2024	June 30 th , 2023
		€
Provision for restorations	3 151 035	2 496 800
Provisions for pensions liabilities	82 061	57 586
Non-current provisions / pensions	3 233 096	2 554 386
Provisions for litigation	724 528	685 970
Current provisions	724 528	685 970
Total current and non-current provisions / pensions	3 957 625	3 240 356

Provisions for retirement commitments

Pension obligations - balance sheet	June 30 th , 2024
Provision for pension commitments June 30 th , 2024	82 061
Provision for retirement commitments June 30 th , 2023	57 587
Change in provision for the year 2024	24 474
Pension commitments - change during the year	June 30 th , 2024
Cost of services delivered	-7 970
Financial cost	-2 073
Actuarial gains and losses (equity)	-14 431
Change in provision during FY 2024	-24 474

The actuarial assumptions used to estimate pension commitments on June 30th, 2024, are as follows, since all the Company's employees, excluding corporate officers, are subject to French social legislation:

- Starting age: 65 years
- Salary increase: 2%
- Discount rate: 3,61%
- Turnover rate: 5%
- Mortality table: TGH05/TGF05

The discount rate increased from 3.6% to 3.61% between June 30th, 2023, and June 30th, 2024.

No hedging assets had been set up by the Company at the balance sheet date.

4. OTHER INFORMATION

4.1. Cash flow and working capital requirements

The change in working capital requirements over FY 2024 and FY 2023 presented in the cash flow statement is analyzed as follows:

Change in WCR	June 30 th , 2024	June 30 th , 2023
	€	€
Stocks	-501 843	-36 012
Trade receivables	1 500 336	3 482 951
Trade payables	6 182 143	-3 879 125
Other operating assets (CCA, deferred charges)	-171 035	-448 206
Change in operating WCR	7 009 602	-880 392
Other assets	-6 001 068	1 830 904
Other liabilities	-3 311 826	-3 145 427
Change in WCR - other assets and liabilities	-9 312 894	-1 314 523
Change in overall WCR	-2 303 293	-2 194 915

Excluding the impact of Greenstat, the change in operating working capital would have been €7,726K, and the change in non-operating working capital would have been €8,747K, i.e. a net negative change of €1,021K.

4.2. Lease commitments

Real estate leases outside the scope of IFRS 16

FDE has entered into lease contracts for land and plots of land in the Lorraine region, with individual owners for very long periods (maximum term 2091), although these contracts may be terminated.

The corresponding commitments amounted to €2,484K over the entire possible lease term, with no significant change on last year.

4.3. Other commitments

Commitments on financial debt

Current and non-current financial debts granted to the Group on June 30th, 2024 include the following commitments and guarantees:

Joint bank loan Landesbank SAAR - Bpifrance Financement (€6.4M):

- Pledging of tangible movables by Gazonor as security for payment and repayment obligations of any amounts due under the relevant financing. This pledge covers the equipment mentioned in the financing contract, i.e. 6 heat and power production units of the Jenbacher JGC 420 GS type and 2 gas compression units of the Aerzen (RKR) type.
- Personal and joint guarantee given by Gazonor Holding as security for any sum owed and due by Gazonor.
- Pledging of the reserve account amounting to €725K to the benefit of lenders as security for payment and repayment obligations in respect of all amounts due.
- First-ranking and non-competitive mortgage in favour of lenders amounting to €50K in principal and €10K in costs and incidentals on Gazonor's land (on which the four gas production and exploitation sites and the AMM treatment and compression facilities are located).

Bpifrance Financement bank loan (€1.34M):

- Pledging of tangible movable property without dispossession by Gazonor for the benefit of Bpifrance in first rank for the financed equipment, namely three Siemens 1LA 690V 1500 RPM electric motors and Siemens G150 12pulse 690V electronic speed variation system installed on the Avion site.
- Joint guarantee by FDE for €1.34M for the term of the financing.
- Risk sharing of the Bpifrance Financement guarantee up to 40% as part of the "Développement Cas/Cas 2019" national guarantee fund.

ING financial leasing (€2.9M) for the Anderlues 1 project:

- Pledge of DSRA credit balance.
- Pledge in favor of ING of all receivables arising from the operation of the project, including but not limited to: the operating permit, the contract for the sale of electricity and green certificates, the service and maintenance contract, and the insurance policies.
- Undertaking to continue leasing from FDE in the event of default by Gazonor Benelux and

at ING's first request.

ING financial leasing (€6.01M) for the Anderlues 2 project:

- Pledge of DSRA credit balance.
- Pledge in favor of ING of all receivables arising from the operation of the project, including but not limited to: the operating permit, the contract for the sale of electricity and green certificates, the service and maintenance contract, and the insurance policies.
- Undertaking to continue leasing from FDE in the event of default by Gazonor Benelux and at ING's first request.

Finamur leasing:

- Pledge for the benefit of the lessor, i.e. Finamur, of the intangible elements resulting for its benefit from the leasing contract and the benefit of the promise to sell as stipulated in the notarized contract. By means of this pledge, Finamur will have and exercise over the various elements of the financial lease all the rights, actions and privileges conferred by law on the pledged creditors.

Bank loan La Caisse d'Epargne et de Prévoyance Grand Est Europe (€1.3M):

- Hypothecation of the long lease on the site of the facilities
- Non-possessory pledge on plant equipment and materials
- Assignment of business receivables (heat supply agreement, service contract, insurance contract)
- Pledging of shareholders' financial securities accounts
- DSCRA cash collateral (3 months' debt servicing)
- Blocking of shareholders' current accounts held by the Borrower in the amount of €700K.

EDRAM bond issue (€ 25+20+60M):

- Collateral on the dedicated bank accounts of LFDE International and the companies financed by the bonds (Gazonor Benelux, Greenhill, FalkenSun, EG NPC and Askjenergy on June 30th, 2024)
- Security interests in companies financed by the bonds (Gazonor Benelux, Greenhill, FalkenSun, EG NPC and Askjenergy on June 30th, 2024)
- Collateral on dedicated intra-group loans between LFDE International and the companies financed by the bonds (Gazonor Benelux, Greenhill, FalkenSun, EG NPC and Askjenergy on June 30th, 2024)

Arkéa "Impulse" loan (€5.8M):

- - Cession dailly sur des créances sur Electricité de France obligations d'achat / redevances sur les contrats de vente obligations d'achat

Financial commitments on permits

The table below describes the financial commitments entered into by the Group in respect of three main licenses currently held by the Group, with capital expenditure and exploration costs booked to June 30th, 2024 (excluding personnel costs and other expenses expensed, i.e. not recognized in the balance sheet under exploration assets):

Commitments on Exclusive Exploration Permits	Initial financial commitments	Investments made	Residual commitments
	€	€	€
Bleue Lorraine	7 700 000	35 592 860	<i>none</i>
La Folie de Paris	5 400 000	2 000 513	3 399 487

Each exploration permit granted to the Group includes financial commitments in terms of exploration expenditure to be incurred during the term of the permit and used as a basis for assessing a potential renewal by the French government. In addition, it is important to note that the expenses booked for the Bleue Lorraine PER also concern studies on well architectures, the quality and resistance of drilling equipment and tools, and the characteristics of Lorraine coals, which may be useful for the Bleue Lorraine Sud PER.

4.4. Commitments to purchase property, plant and equipment

Commitments on June 30th, 2024, on firm orders (notably for future Group developments) amount to €7,682K excluding VAT.

4.5. Related parties

The Group is involved in a number of transactions with persons or entities considered to be related parties in the year ended June 30th, 2024.

The amounts arising from these transactions and recognized in the consolidated financial statements are presented below, together with the various significant relationships that arose in fiscal 2024.

Transactions with related parties	June 30 th , 2024	June 30 th , 2023
	€	€
NextGen NRJ Limited services	242 000	211 000
Services - annual charge	242 000	211 000

Relations with related parties

Since July 1st, 2016, a service agreement has existed between LFDE International and NEL, the personal holding company of FDE's Chairman, covering the promotion of the Company's activities, notably with European Union bodies, and the search for external growth transactions and financing. In return for these services, LFDE International pays NEL an annual fee of €230K and a monthly office allowance of €1K.

For the year ended June 30th, 2024, the Group recognized an expense of €242K for services invoiced by NEL, compared with €211K for the year ended June 30th, 2023.

Total compensation paid to members of the Group's Executive Committee and Board of Directors is presented in note 2.4 of these notes.

The expense relating to remuneration to be allocated to members of the Remuneration and

Audit Committees and the Board of Directors amounts to €60K for the year ended June 30th, 2024.

4.6. Financial instruments and risk management

The Group's main financial assets and liabilities comprise cash and cash equivalents, non-current financial assets, current receivables and other current assets, current and non-current financial debt, trade payables and other current liabilities.

Fair value of financial assets and liabilities

Financial assets and liabilities can be classified according to the following three fair value levels:

- Level 1: (unadjusted) prices quoted on active markets for identical assets and liabilities, for which the Group can obtain the market value on a given date;
- Level 2: inputs other than quoted prices included in Level 1 that are observable in the market either directly or indirectly;
- Level 3: data relating to assets or liabilities that are not observable in the market.

The fair value of financial assets and liabilities is determined essentially as follows:

- The fair value of trade receivables, trade payables and other current receivables and payables is equivalent to the balance sheet value due to their very short payment terms;
- The fair value of the current and non-current financial debt, composed of the bond loan, the bank loan Landesbank SAAR - Bpi and the shareholder loan, has been estimated on the basis of the par values plus fees and interest due, less accrued costs as of June 30th, 2023. The remuneration for this financial debt corresponds to the market value;
- The fair value of employee free-awarded shares is estimated by applying the principles of IFRS 2, including use of the market price at the date of award to the beneficiaries.

Market risk

FDE's exposure to market risk, and in particular to variations in gas prices and electricity prices, is considered to be average, as the Group's green electricity sales business in France is secured by fixed-price purchase obligations and the possibility of setting prices under PPA contracts.

On June 30th, 2024, FDE also fixed the selling prices of a portion of the expected gas and electricity volumes until the end of 2025, via derivatives underwritten by LFDE International.

Interest-rate risk

The aim of the Group's management policy is to adapt the debt profile to the asset profile, contain interest expenses and cushion the impact on earnings of any significant change in interest rates.

The Group is currently engaged in fixed-rate financing operations, and FDE does not foresee any change in interest rates that would have a material impact on its cash balances. Fixed-rate financial assets and liabilities are not subject to transactions designed to transform them into variable rates.

Liquidity risk

The FDE Group's exposure to liquidity risk can be assessed by the ratio of its current assets to its current liabilities, on the one hand, and about its financial debt at less than one year, net of cash and cash equivalents, on the other hand.

The FDE Group's management regularly reviews its financing options to ensure that it can continue to operate as a going concern, particularly in view of the maturity of its assets and liabilities.

The "Going concern" section of note 1.1 to the consolidated financial statements sets out the various factors justifying this continuity at the date of preparation of the Group's financial statements for the 2024 financial year.

The table below shows the maturities of the Group's financial assets and liabilities on FY 2024 and FY 2023:

Maturities of assets and liabilities - June 30 th , 2024	At 1 year	1 to 5 years	Beyond 5 years	Total
	€	€	€	€
Non-current financial assets		607 380	706 381	1 313 761
Accounts receivable	3 777 675			3 777 675
Other receivables, including CCA	10 031 523			10 031 523
Cash and cash equivalents	47 618 325			47 618 325
Borrowings (excluding deferred charges)	-6 354 541	-43 171 396	-31 623 428	-81 149 365
Trade payables	-12 917 400			-12 917 400
Other liabilities	-2 195 950	-2 153 035		-4 348 984
Net amounts by maturity - June 30th, 2024	39 959 632	-44 717 051	-30 917 046	-35 674 465

Maturities of assets and liabilities - June 30 th , 2023	At 1 year	1 to 5 years	Over 5 years	Total
	€	€	€	€
Non-current financial assets		1 328 062	482 370	1 810 432
Accounts receivable	5 279 234			5 279 234
Other receivables, including CCA	2 495 675			2 495 675
Cash and cash equivalents	42 965 614			42 965 614
Borrowings (excluding deferred charges)	-8 527 884	-11 642 074	-47 938 762	-68 108 720
Trade payables	-6 240 232			-6 240 232
Other liabilities	-3 988 119	-1 244 595		-5 232 713
Net amounts by maturity - June 30th, 2023	31 984 288	-11 558 607	-47 456 392	-27 030 710

Trade payables on June 30th, 2024, mainly comprise the dispute with Entrepore Drilling, Askjenergy trade payables for the development of its RNG and Bio-CO₂ unit in Stavanger, and new Greenstat trade payables, currently being restructured.

4.7. Auditors' fees

The fees paid by the Group to FDE's statutory auditors include the following:

Auditors' fees	June 30 th , 2024	June 30 th , 2023
	€	€
Certification of accounts - Française de l'Energie Mazars	68 500	77 500
Certification of accounts - Française de l'Energie BDO	62 000	66 000
Certification of accounts - subsidiaries (Mazars Belgium, Odycé, Interaudit)	48 576	44 887
Other engagements - Française de l'Energie Mazars	0	7 700
Total Auditors' fees	179 076	196 087

4.8. Ongoing litigation and legal proceedings

At the date of preparation of the consolidated financial statements for the year ended June 30th, 2024, the Group was involved in various disputes and proceedings.

(i) ENTREPOSE DRILLING dispute

A dispute has arisen between La Française de l'Energie (FDE) and Arverne Drilling SAS (formerly Entrepose Drilling SAS) concerning the drilling services invoiced by this company for the Lachambre drilling campaign in late 2016 and early 2017. FDE considers that the deficiencies of the drilling equipment used by Arverne Drilling did not enable it to achieve the objectives set for this drilling, and that these deficiencies delayed FDE's drilling campaign and caused it significant damage, justifying the suspension of payment of the last invoices relating to this drilling.

Arverne Drilling contests FDE's position and has initiated summary proceedings to obtain payment of these invoices as well as compensation for termination of the contract signed with FDE, arguing that FDE had taken the initiative in breaking the contract. The total amount claimed was €3,040,879 exclusive of tax. FDE contested this fact, imputing the termination of this contract to Arverne Drilling itself. On September 8th, 2017, the Paris Commercial Court, ruling in summary proceedings, ordered FDE to pay Arverne Drilling the sum of €983,820 exclusive of tax, a decision that has been enforced.

Arverne Drilling has brought an action on the merits before the Paris Commercial Court for the invoices whose payment was rejected by the Court ruling in summary proceedings, relating to a balance of invoices of €2,067,104 exclusive of tax. FDE, for its part, has lodged a counterclaim for compensation for damage caused by deficiencies in the drilling services provided by Arverne Drilling and the latter's wrongful termination of the contract binding it to FDE.

FDE, on the basis of a report by expert Mr. Pierre Gié produced on February 7th, 2019, has thus requested compensation in the amount of €6,337,029 as well as the return of sums already paid under the initial contract (i.e. €1,183,562 paid in execution of the summary order of September 8th, 2017, and €1,380,748 paid in settlement of invoices under the resolved contract).

Entrepose Drilling's liability insurer, HDI Global SE, contested FDE's conclusions, notably via an expert report by Erget. In December 2019, FDE filed a writ of compulsory execution

against Entrepouse Group, the parent company of Arverne Drilling, to obtain its guarantee for its former subsidiary.

The Paris Commercial Court handed down its decision on October 1st, 2021, partially upholding Arverne Drilling's claims (for €2,067,104 excluding tax) and ordering FDE to pay €865K (plus interest at the legal rate since May 2018).

FDE appealed this judgment to the Paris Court of Appeal. The case was heard on May 25th, 2023, and the Paris Court of Appeal ordered FDE to pay the sum of €263,184 to Arverne Drilling.

FDE paid this sum to Arverne Drilling, and on November 22nd, 2023, FDE lodged an appeal in cassation. On March 22nd, 2024, FDE's legal counsel filed an amplifying brief in support of FDE's request for cassation. The proceedings are continuing, and FDE is awaiting written submissions from Arverne Drilling's counsel.

(ii) GRT GAZ dispute

Gazonor, a subsidiary of FDE, has been experiencing significant restrictions on its injections of mine gas into GRTgaz's gas transmission system since mid-2019. Despite discussions about these difficulties with GRTgaz and a letter of formal notice dated September 16th, 2019, these injection restrictions have continued.

Gazonor has launched two parallel procedures:

- (1) Gazonor initiated dispute resolution proceedings before the CoRDIS against GRTgaz by a referral dated March 15th, 2021. Gazonor considers that GRTgaz's behavior in restricting injections of mine gas into the gas transmission system constitutes a clear impediment to its right to effective access to this transmission system as provided for by law. It has therefore asked the CoRDIS to order GRTgaz to propose a modification to the contract with Gazonor to guarantee the permanent opening of the mine gas mixer with a minimum flow set point, with penalties in the event of breach of this obligation, and to provide information on the monthly injectable volumes of mine gas on the network to enable the anticipation of injection fluctuations.

In essence, GRTgaz contests that these injection limitations, which it justifies by its operating constraints and by a gas conversion plan imposed by the public authorities, constitute a violation of Gazonor's right of effective access to the network.

The CoRDIS issued a decision on November 4th, 2021, rejecting Gazonor's request to guarantee the permanent opening of the abandoned mine methane mixer while partially granting Gazonor's request for information by requiring GRTgaz to provide estimates of the monthly injectable volumes of abandoned mine methane on the network.

Gazonor appealed against this decision on December 8th, 2021, and filed its full statement of claim on January 7th, 2022, requesting the Court to order GRTgaz to pay the sum of €200K euros pursuant to Article 700 of the French Code of Civil Procedure.

The Paris Court of Appeal handed down its ruling on October 26th, 2023, partially upholding the Gazonor's requests by ordering GRTgaz to propose an amendment to the injection contract, within one month of notification of the ruling. In the event of

non-compliance with this obligation, GRTgaz will pay a penalty of €30K per day, unless it can prove that it is unable to comply.

The Court of Appeal added a penalty of €50K per day of delay to this injunction. The Court of Appeal also ordered the network operator to pay Gazonor €100K under article 700 of the French Code of Civil Procedure. GRTgaz and the Chairman of CoRDIS appealed against this ruling, which is pending before the Cour de cassation. The decision of the Cour de cassation is usually handed down within 18-24 months.

A first draft amendment to the injection contract was sent by GRTgaz to Gazonor by registered letter dated November 23rd, 2023, which did not reproduce identically the content of the clause provided for in the operative part of the judgment, which Gazonor considers to be non-compliant. A second draft amendment was sent by GRTgaz to GAZONOR by e-mail dated December 4th, 2023. The amendment was signed by Gazonor on December 7th, 2023, and by GRT Gaz on December 11th, 2023.

Gazonor has instructed a law firm to summon GRTgaz before the enforcement judge of the Nanterre judicial court for a hearing set for January 17th, 2025, so that the judge can set and liquidate the amount of the astreinte provided for in the court ruling of October 26th, 2023. Gazonor requests that GRTgaz be ordered to pay €200K, corresponding to the amount of the astreinte for a delay of four days in transmitting the rider it considers compliant with the Paris Court of Appeal ruling.

- (2) Gazonor also sued GRTgaz before the Nanterre Commercial Court, through a deed dated March 22nd, 2021. Gazonor considers that GRTgaz's behaviour entailing restricting injections of abandoned mine methane into the gas transmission system and refusing to transmit certain information qualifies as a breach of the obligations of the injection contract concluded between the parties.

In its final submissions, duly filed on January 24th, 2024, Gazonor asked the Nanterre Commercial Court to find that GRTgaz had breached its contractual obligations and, in the alternative, that it had violated its legal obligations, and to order GRTgaz to pay compensation for the loss directly linked to these breaches of contract or violation of its legal obligations.

At Gazonor's request, the loss was assessed at €7,767K in terms of Gazonor's lost earnings over the period from August 6th, 2019, to October 31st, 2023, at €404K in terms of costs incurred by Gazonor, and at between €50K and €100K in terms of damage to Gazonor's reputation.

Gazonor therefore asks the Court to order GRTgaz to pay a total sum of €8,221K, to be settled in full, to compensate Gazonor for the damage suffered, as well as a sum of €200K under article 700 of the French Code of Civil Procedure.

In its latest defense, duly filed on May 15th, 2024, GRTgaz contests having failed to meet its legal and contractual obligations. GRTgaz concluded to reject the claims of Gazonor, asking the Court to order the latter to pay the sum of €200K under article 700 of the French Code of Civil Procedure.

GRTgaz is due to respond to Gazonor's latest submissions on September 4th, 2024. A pleading hearing will be scheduled in the coming months, and the decision will usually

be handed down between one and three months after the pleading hearing.

(iii) XERYS dispute

Following the acquisition of Cryo Pur on December 31st, 2021, from Xerys investment funds, FDE raised various challenges and management shortcomings at Xerys, refusing to pay the acquisition price of €2,000K.

On February 11th, 2022, Xerys summoned FDE for payment of the price and on February 28th, 2022, FDE summoned Xerys for cancellation of the sale / compensation for fraud.

By a summary order issued on April 15th, 2020, the Paris Commercial Court granted Xerys' claim. FDE executed this decision and paid the sale price to Xerys entities in April 2022.

The proceedings on merits brought by FDE against Xerys before the Paris Commercial Court are ongoing. The case was pleaded before the Paris Commercial Court in November 2023 and a decision was handed down on January 12th, 2024, dismissing FDE's claim.

FDE has appealed against this judgment and is currently underway. The parties have exchanged written submissions, but no hearing date has yet been set.

4.9. Sectoral information

Sectoral financial information presented in the Group's consolidated financial statements is based on internal reporting used by General Management to assess performance and allocate resources to the various segments. On this basis, the Group's business is grouped into four operating segments, each characterized by a different model of gas exploitation and valorization. On June 30th, 2024, the operating segments are as follows:

- Exploitation and development of AMM (Pas-de-Calais - Hauts de France / Anderlues -Wallonie): capture of gas from in mines and exploitation as gas, electricity or heat;
- Solar operation (Moselle-Grand Est, Norway, Bosnia): installation and operation of a solar thermal plant and a solar farm
- Extraction and exploitation of coal gas and H₂ (Moselle-Grand Est): exploration, certification of coal gas reserves and recovery of this gas for valorization into gas and/or H₂ in short circuits;
- Other sectors: includes Cryo Pur, whose activity is to design, manufacture, market and operate a range of equipment that integrates the purification and liquefaction of biogas in order to produce RNG and Bio-CO₂ and Greenstat's H₂ business.

The following tables present, by sector, information on sales and information on the Group's main exploration assets and production concessions on June 30th, 2024, and 2023. The operating income and EBITDA indicators are not subject to a sectoral analysis by the Group's General Management.

On June 30th, 2024	Coal gas	AMM	Solar	Other sectors	Consolidated total
	€	€	€	€	€
Sales figures		28 086 101	840 265	2 519 700	31 446 065
Goodwill		47 848		9 657 123	9 704 971
Mining rights		23 752 231			23 752 231
Tangible and intangible assets, excluding reconditioning	37 947 109	26 732 069	11 128 857	12 344 280	88 152 316
Investment flows	1 381 005	5 223 948	242 599	2 364 272	9 211 823

On June 30th, 2023	Coal gas	AMM	Solar	Other sectors	Consolidated total
	€	€	€	€	€
Sales figures		37 488 273	844 638	893 876	39 226 787
Goodwill		47 848		4 526 164	4 574 012
Mining rights		23 976 139			23 976 139
Tangible and intangible assets, excluding reconditioning	36 631 482	23 911 251	12 078 957	3 702 568	76 324 259
Investment flows	307 543	5 936 149	3 957 577	51 341	10 252 610

By geographical area on June 30th, 2024, the sector outside France covers the AMM extraction and exploitation operations in Belgium, and the Cryo Pur and Greenstat businesses in Norway. This area generated sales of €9.5M and capital expenditure of €11M as of June 30th, 2024.

4.10. Post balance sheet events

In July 2024, FDE took out a €7M impact loan with Arkéa Banque Entreprises et Institutionnels.

This "PACT Trajectoire ESG" impact loan provides for a subsidy of up to 20% on financial costs, if FDE improves its ESG performance according to predetermined criteria.

To guarantee the neutrality of our evaluations, ESG performance and improvement will be assessed annually by Ethifinance, an independent extra-financial analysis agency.

4.11. Scope of consolidation

Consolidated companies - June 30 th , 2024	Country	% control	% interest
La Française de l'Energie S.A.	<i>France</i>	Parent company	Parent company
EG Lorraine S.A.S.	<i>France</i>	100.00%	100.00%
EG NPC S.A.S.	<i>France</i>	100.00%	100.00%
LFDE International S.A.R.L.	<i>Luxembourg</i>	100.00%	100.00%
Gazonor Holding S.A.S.	<i>France</i>	100.00%	100.00%
Gazonor S.A.S.	<i>France</i>	100.00%	100.00%
Gazonor Benelux S.A.	<i>Belgium</i>	100.00%	100.00%
Greenhill S.A.	<i>Belgium</i>	100.00%	100.00%
Concorde Energy Inc.	<i>United States</i>	100.00%	100.00%
Concorde Energie Paris S.A.R.L.	<i>France</i>	100.00%	100.00%
Gazonor Béthune S.A.S	<i>France</i>	100.00%	100.00%
Cellcius S.A.S	<i>France</i>	51.00%	51.00%
FalkenSun S.A.S	<i>France</i>	75.00%	75.00%
Cryo Pur S.A.S	<i>France</i>	96.10%	100.00%
Cryo Pur Norge A.S.	<i>Norway</i>	100.00%	100.00%
Biogy Solutions A.S.	<i>Norway</i>	80.00%	76.06%
Askjenergy A.S.	<i>Norway</i>	100.00%	76.06%
Greenstat ASA	<i>Norway</i>	56.30%	56.30%
Drin Energija	<i>Bosnia</i>	49.5%	27.87%

10.2 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

**forvis
mazars**

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67080 Strasbourg Cedex

BDO

43-47, avenue de la Grande Armée
75116 Paris

LA FRANCAISE DE L'ENERGIE

Rapport des commissaires aux comptes sur les comptes consolidés

Exercice clos le 30 juin 2024

Forvis Mazars
Société anonyme d'expertise comptable et de commissariat aux comptes à
conseil d'administration
Capital de 400 000 euros - RCS Strasbourg 348 600 990

BDO Paris
Société de Commissariat aux comptes inscrite sur la liste
nationale des Commissaires aux comptes, rattachée à la
CRCC de Paris
Capital de 3 000 000 euros – RCS Paris 480 307 131

LA FRANCAISE DE L'ENERGIE

Société anonyme
RCS : 501 152 193 R.C.S. Metz

Rapport des commissaires aux comptes sur les comptes consolidés

Exercice clos le 30 juin 2024

À l'assemblée générale de la société LA FRANCAISE DE L'ENERGIE,

Opinion

En exécution de la mission qui nous a été confiée par l'assemblée générale, nous avons effectué l'audit des comptes consolidés de la société LA FRANCAISE DE L'ENERGIE relatifs à l'exercice clos le 30 juin 2024, tels qu'ils sont joints au présent rapport.

Nous certifions que les comptes consolidés sont, au regard du référentiel IFRS tel qu'adopté dans l'Union européenne, réguliers et sincères et donnent une image fidèle du résultat des opérations de l'exercice écoulé ainsi que de la situation financière et du patrimoine, à la fin de l'exercice, de l'ensemble constitué par les personnes et entités comprises dans la consolidation.

L'opinion formulée ci-dessus est cohérente avec le contenu de notre rapport au Comité d'audit.

Fondement de l'opinion**Référentiel d'audit**

Nous avons effectué notre audit selon les normes d'exercice professionnel applicables en France. Nous estimons que les éléments que nous avons collectés sont suffisants et appropriés pour fonder notre opinion.

Les responsabilités qui nous incombent en vertu de ces normes sont indiquées dans la partie « Responsabilités des commissaires aux comptes relatives à l'audit des comptes consolidés » du présent rapport.

Indépendance

Nous avons réalisé notre mission d'audit dans le respect des règles d'indépendance prévues par le code de commerce et par le code de déontologie de la profession de commissaire aux comptes sur la période du 1^{er} juillet 2023 à la date d'émission de notre rapport, et notamment nous n'avons pas fourni de services interdits par l'article 5, paragraphe 1, du règlement (UE) n° 537/2014.

Justification des appréciations - Points clés de l'audit

En application des dispositions des articles L.821-53 et R.821-180 du code de commerce relatives à la justification de nos appréciations, nous portons à votre connaissance les points clés de l'audit relatifs aux risques d'anomalies significatives qui, selon notre jugement professionnel, ont été les plus importants pour l'audit des comptes consolidés de l'exercice, ainsi que les réponses que nous avons apportées face à ces risques.

Les appréciations ainsi portées s'inscrivent dans le contexte de l'audit des comptes consolidés pris dans leur ensemble et de la formation de notre opinion exprimée ci-avant. Nous n'exprimons pas d'opinion sur des éléments de ces comptes consolidés pris isolément.

- **Evaluation des actifs d'exploration**

Description du risque

Comme indiqué dans les notes « 1.2.J Dépenses d'exploration » et « 3. 2 Actifs d'exploration » de l'annexe aux comptes consolidés, le groupe applique la norme IFRS 6 relative à la comptabilisation des dépenses de prospection. La comptabilisation des droits et actifs de production des ressources du sous-sol est réalisée conformément à la méthode des « successful efforts ».

En particulier, les coûts d'exploration comptabilisés en immobilisations incorporelles s'élèvent au 30 juin 2024 à une valeur nette de 39 101 K€ et font l'objet de tests de dépréciation sur une base individuelle, permis par permis.

Nous avons considéré l'évaluation des actifs d'exploration comme un point clé de l'audit en raison de leur importance significative dans les comptes, et des estimations et jugements nécessaires (notamment le volume de gaz et la viabilité technique et économique de chaque projet) pour conduire les tests de dépréciation.

Procédures d'audit mises en œuvre en réponse à ce risque

Nos travaux ont consisté à examiner les indicateurs de perte de valeur des actifs d'exploration comptabilisés à l'actif du bilan.

Nous avons ainsi :

- mené des entretiens au cours de l'exercice avec la direction de la société et obtenu son appréciation sur la qualification des réserves sur la base du rapport de certification qui avait été établi par MHA Petroleum Consultants portant sur les réserves de gaz ;
- pris connaissance de l'analyse juridique effectuée par les avocats de la société portant sur le statut de chaque permis pour lequel des coûts d'exploration ont été comptabilisés ;
- analysé avec la direction de la société les conséquences des différentes décisions judiciaires rendues au cours de la période, leur impact sur la valeur des actifs et les arguments permettant de justifier le maintien de la valeur des actifs.

- **Evaluation des droits miniers**

Description du risque

Comme indiqué dans la note « 1.2.K Immobilisations corporelles » de l'annexe aux comptes consolidés, les immobilisations corporelles comprennent les réserves minières acquises prouvées, comptabilisées comme « droits miniers ». Elles sont amorties selon la méthode de l'unité de production basée sur ces réserves.

Les droits miniers comptabilisés en immobilisations corporelles s'élèvent au 30 juin 2024 à 23 752 K€ et font l'objet de tests de dépréciation sur une base individuelle, permis par permis.

Nous avons considéré l'évaluation des droits miniers comme un point clé de l'audit en raison de leur importance significative dans les comptes, et des estimations et jugements nécessaires pour conduire les tests de dépréciation.

Procédures d'audit mises en œuvre en réponse à ce risque

Nos travaux ont consisté à examiner les indicateurs de perte de valeur des droits miniers à l'actif du bilan.

Nous avons ainsi :

- analysé les hypothèses clés retenues pour la détermination de la valeur recouvrable des actifs ;
- challengé les prix de ventes retenus ;
- recalculé les taux d'actualisation des flux de trésorerie futurs de façon indépendante, et les avons confrontés aux taux habituellement retenus par les analystes financiers ;
- mené des entretiens avec la direction du groupe afin de comprendre les principales hypothèses opérationnelles retenues (coûts opérationnels futurs, plan d'investissement) ;
- obtenu le rapport dit de « certification » établi par DMT portant sur les réserves de gaz.

- **Evaluation des écarts d'acquisition**

Description du risque

Comme indiqué dans la note « 3.1 Écarts d'acquisition », les écarts d'acquisition s'élèvent à 9 705 k€ au 30 juin 2024 et sont composés d'un écart d'acquisition de 48 k€ en lien avec l'acquisition de Greenhill, d'un écart d'acquisition de 4 526 k€ en lien avec l'acquisition de Cryo Pur, d'un écart de 4 363 k€ résultant de l'acquisition de Greenstat réalisée au cours de l'exercice et d'un écart d'acquisition de 768 k€ figurant dans les comptes consolidés du sous-groupe Greenstat.

Les écarts d'acquisition résultant de la prise de contrôle de Greenstat feront l'objet d'une analyse dans le cadre d'un « PPA Purchase Price Allocation » dans les 12 mois suivant la prise de contrôle.

Un test de dépréciation des écarts d'acquisition est réalisé au moins une fois par an conformément aux méthodes décrites dans la note 1.2.L de l'annexe aux comptes consolidés.

Nous avons considéré l'évaluation des écarts d'acquisition comme un point clé de l'audit en raison de leur importance significative dans les comptes, et des estimations et jugements nécessaires pour conduire les tests de dépréciation.

Procédures d'audit mises en œuvre en réponse à ce risque

Pour apprécier le caractère raisonnable de la valorisation des écarts d'acquisition, nous avons ainsi :

- contrôlé la détermination des écarts d'acquisition de Greenstat dans le cadre de la prise de participation réalisée au cours de l'exercice ;
- vérifié le caractère raisonnable de la méthode de détermination de la valeur d'utilité des UGT retenue par la Direction, la cohérence d'ensemble des hypothèses utilisées pour l'écart d'acquisition Cryo Pur et l'exactitude des calculs arithmétiques réalisés ;
- mené des entretiens avec la direction du groupe afin de comprendre les principales hypothèses opérationnelles retenues (revenus et coûts opérationnels futurs) pour le calcul des valeurs d'utilité ;
- apprécié le caractère raisonnable des hypothèses retenues, notamment, le taux d'actualisation et le taux de croissance à long terme, compte tenu de l'environnement économique et des spécificités propres au secteur d'activité des filiales.

Vérifications spécifiques

Nous avons également procédé, conformément aux normes d'exercice professionnel applicables en France, aux vérifications spécifiques prévues par les textes légaux et réglementaires des informations relatives au groupe, données dans le rapport de gestion du conseil d'administration.

Nous n'avons pas d'observation à formuler sur leur sincérité et leur concordance avec les comptes consolidés. .

Autres vérifications ou informations prévues par les textes légaux et réglementaires

Format de présentation des comptes consolidés inclus dans le rapport financier annuel

Nous avons également procédé, conformément à la norme d'exercice professionnel sur les diligences du commissaire aux comptes relatives aux comptes annuels et consolidés présentés selon le format d'information électronique unique européen, à la vérification du respect de ce format défini par le règlement européen délégué n° 2019/815 du 17 décembre 2018 dans la présentation des comptes consolidés inclus dans le rapport financier annuel mentionné au I de l'article L.451-1-2 du code monétaire et financier, établis sous la responsabilité du directeur général. S'agissant de comptes consolidés, nos diligences comprennent la vérification de la conformité du balisage de ces comptes au format défini par le règlement précité.

Sur la base de nos travaux, nous concluons que la présentation des comptes consolidés inclus dans le rapport financier annuel respecte, dans tous ses aspects significatifs, le format d'information électronique unique européen.

En raison des limites techniques inhérentes au macro-balisage des comptes consolidés selon le format d'information électronique unique européen, il est possible que le contenu de certaines balises des notes annexes ne soit pas restitué de manière identique aux comptes consolidés joints au présent rapport.

Désignation des commissaires aux comptes

Nous avons été nommés commissaires aux comptes de l'entité LA FRANCAISE DE L'ENERGIE par l'assemblée générale du 29 novembre 2019 pour le cabinet Forvis Mazars et du 3 décembre 2020 pour le cabinet BDO Paris.

Au 30 juin 2024, le cabinet Forvis Mazars était dans la 5^{ème} année de sa mission sans interruption et le cabinet BDO Paris dans la 4^{ème} année.

Responsabilités de la direction et des personnes constituant le gouvernement d'entreprise relatives aux comptes consolidés

Il appartient à la direction d'établir des comptes consolidés présentant une image fidèle conformément au référentiel IFRS tel qu'adopté dans l'Union européenne ainsi que de mettre en place le contrôle interne qu'elle estime nécessaire à l'établissement de comptes consolidés ne comportant pas d'anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs.

Lors de l'établissement des comptes consolidés, il incombe à la direction d'évaluer la capacité de l'entité à poursuivre son exploitation, de présenter dans ces comptes, le cas échéant, les informations nécessaires relatives à la continuité d'exploitation et d'appliquer la convention comptable de continuité d'exploitation, sauf s'il est prévu de liquider l'entité ou de cesser son activité.

Il incombe au Comité d'audit de suivre le processus d'élaboration de l'information financière et de suivre l'efficacité des systèmes de contrôle interne et de gestion des risques, ainsi que le cas échéant de l'audit interne, en ce qui concerne les procédures relatives à l'élaboration et au traitement de l'information comptable et financière.

Les comptes consolidés ont été arrêtés par le conseil d'administration.

Responsabilités des commissaires aux comptes relatives à l'audit des comptes consolidés

Objectif et démarche d'audit

Il nous appartient d'établir un rapport sur les comptes consolidés. Notre objectif est d'obtenir l'assurance raisonnable que les comptes consolidés pris dans leur ensemble ne comportent pas d'anomalies significatives. L'assurance raisonnable correspond à un niveau élevé d'assurance, sans toutefois garantir qu'un audit réalisé conformément aux normes d'exercice professionnel permet de systématiquement détecter toute anomalie significative. Les anomalies peuvent provenir de fraudes ou résulter d'erreurs et sont considérées comme significatives lorsque l'on peut raisonnablement s'attendre à ce qu'elles puissent, prises individuellement ou en cumulé, influencer les décisions économiques que les utilisateurs des comptes prennent en se fondant sur ceux-ci.

Comme précisé par l'article L.821-55 du code de commerce, notre mission de certification des comptes ne consiste pas à garantir la viabilité ou la qualité de la gestion de votre entité.

Dans le cadre d'un audit réalisé conformément aux normes d'exercice professionnel applicables en France, le commissaire aux comptes exerce son jugement professionnel tout au long de cet audit. En outre :

- il identifie et évalue les risques que les comptes consolidés comportent des anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs, définit et met en œuvre des procédures d'audit face à ces risques, et recueille des éléments qu'il estime suffisants et appropriés pour fonder son opinion. Le risque de non-détection d'une anomalie significative provenant d'une fraude est plus élevé que celui d'une anomalie significative résultant d'une erreur, car la fraude peut impliquer la collusion, la falsification, les omissions volontaires, les fausses déclarations ou le contournement du contrôle interne ;
- il prend connaissance du contrôle interne pertinent pour l'audit afin de définir des procédures d'audit appropriées en la circonstance, et non dans le but d'exprimer une opinion sur l'efficacité du contrôle interne ;
- il apprécie le caractère approprié des méthodes comptables retenues et le caractère raisonnable des estimations comptables faites par la direction, ainsi que les informations les concernant fournies dans les comptes consolidés ;
- il apprécie le caractère approprié de l'application par la direction de la convention comptable de continuité d'exploitation et, selon les éléments collectés, l'existence ou non d'une incertitude significative liée à des événements ou à des circonstances susceptibles de mettre en cause la capacité de l'entité à poursuivre son exploitation. Cette appréciation s'appuie sur les éléments collectés jusqu'à la date de son rapport, étant toutefois rappelé que des circonstances ou événements ultérieurs pourraient mettre en cause la continuité d'exploitation. S'il conclut à l'existence d'une incertitude significative, il attire l'attention des lecteurs de son rapport sur les informations fournies dans les comptes consolidés au sujet de cette incertitude ou, si ces informations ne sont pas fournies ou ne sont pas pertinentes, il formule une certification avec réserve ou un refus de certifier ;
- il apprécie la présentation d'ensemble des comptes consolidés et évalue si les comptes consolidés reflètent les opérations et événements sous-jacents de manière à en donner une image fidèle ;
- concernant l'information financière des personnes ou entités comprises dans le périmètre de consolidation, il collecte des éléments qu'il estime suffisants et appropriés pour exprimer une opinion sur les comptes consolidés. Il est responsable de la direction, de la supervision et de la réalisation de l'audit des comptes consolidés ainsi que de l'opinion exprimée sur ces comptes.

Rapport au Comité d'audit

Nous remettons au Comité d'audit un rapport qui présente notamment l'étendue des travaux d'audit et le programme de travail mis en œuvre, ainsi que les conclusions découlant de nos travaux. Nous portons également à sa connaissance, le cas échéant, les faiblesses significatives du contrôle interne que nous avons identifiées pour ce qui concerne les procédures relatives à l'élaboration et au traitement de l'information comptable et financière.

Parmi les éléments communiqués dans le rapport au Comité d'audit figurent les risques d'anomalies significatives, que nous jugeons avoir été les plus importants pour l'audit des comptes consolidés de l'exercice et qui constituent de ce fait les points clés de l'audit, qu'il nous appartient de décrire dans le présent rapport.

Nous fournissons également au Comité d'audit la déclaration prévue par l'article 6 du règlement (UE) n° 537-2014 confirmant notre indépendance, au sens des règles applicables en France telles qu'elles sont fixées notamment par les articles L.821-27 à L.821-34 du code de commerce et dans le code de déontologie de la profession de commissaire aux comptes. Le cas échéant, nous nous entretenons avec le Comité d'audit des risques pesant sur notre indépendance et des mesures de sauvegarde appliquées.

Les Commissaires aux comptes

Forvis Mazars

Strasbourg, le 8 novembre 2024



Laurence FOURNIER
Associé

BDO Paris

Paris, le 8 novembre 2024



Sébastien HAAS
Associé



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