



Half-year results as of 30 June 2021

- **H1 2021 net income: €23.0m**
- **Restated NAV¹ of €78.9m as of 30 June 2021**, up 135% during the first half
- **Strengthened financing structure after closing** through a private placement totalling €17.5m (of which €11.3m in cash) and a **proposed single bond issue** of a maximum €20m in Q4 2021
- **Subsequent events:** creation of a fourth development universe in carbon-neutral mobility with the **acquisition of a stake in Safra**, a pure player in hydrogen mobility, and the **completion of negotiations to acquire German company, C4 AG**, a biogas player with 10 fully operational sites

Paris – 29 September 2021

Transition Evergreen (FR0000035784 - EGR), the first French-listed investment fund dedicated to the ecological transition and reducing the carbon footprint, reported the activity of its holdings in first-half 2021 and published its half-year results² and restated net asset value as of 30 June, 2021, which were approved by the Board of Directors at its meeting held on 28 September 2021.

The 2021 interim financial report is available on Transition Evergreen's website, www.transition-evergreen.com, in the Investors section under Financial documents.

H1 2021 ACTIVITIES FOR TRANSITION EVERGREEN HOLDINGS

Evergaz: strengthened investment capacity

In first-half 2021, Evergaz and its partner, Meridiam, announced their investment capacity in the biogas industry thanks to a €51m transaction financed through bank debt. This transaction enables Evergaz to continue its strategic development in France and optimise existing plants.

Evergaz is a key player in methanisation in France and Europe. Its 14 units located in France, Germany and Belgium account for nearly 30 megawatts of installed electric capacity.

Transition Evergreen owns a 28% interest in Evergaz.

Everwatt: significant recovery in post-pandemic activity

Everwatt's H1 2021 was marked by a significant recovery in activity and order intake, following a 2020 performance which slowed considerably due to the pandemic.

Everwatt stepped up its strategy aimed at supporting companies and local communities in their carbon-neutral transition through various projects. These include renewable hydrogen production with Phynix, a local energy loop with Selfee and solar home use with Levysis.

To support this recovery, Everwatt recruited a Development Director who will take up their position from November 2021.

Transition Evergreen owns a 74% interest in Everwatt.

¹ restated NAV: restated net asset value corresponds to the Company's IFRS shareholder equity, i.e., €78.9m (vs. €33.6m as of 01/01/2021). Restated NAV surged 135% over the six-month period. This increase is mainly owing to transactions involving the company's capital carried out during the past six months (+€20m) as well as changes in fair value of its holdings between 01/01/2021 and 30/06/2021 (+€26.7m).

² The statutory auditors conducted a limited review.





Everwood, business growth and exclusive negotiations with a sustainable forest management player

H1 2021 laid the groundwork for structuring and developing Everwood's business activities.

Operationally, Everwood continued negotiations with one of the main transport industry players to develop a carbon offsetting solution. Apart from the economic impact for Everwood, the contract will showcase the company's carbon offsetting strategy.

The European market price for a tonne of carbon, a key indicator for Everwood, trended upwards between 1 January 2021, and 30 June 2021, increasing from €32.96/tonne of CO₂ to €56.37/tonne of CO₂.

In parallel, revenue generated by the Bois Energie Nord firewood distribution business, which has expanded geographically, increased by 50% versus H1 2020.

During H1 2021, Everwood also entered exclusive negotiations with a view to acquiring a leading sustainable forest management player in France.

Transition Evergreen owns a 75% interest in Everwood.

Activities for other holdings

Against this backdrop, Transition Evergreen continued to support the growth of its holdings in early-stage development companies.

In H1 2021 saw the Compose brand accelerate its growth, totalling 15 restaurants (eight directly owned and seven franchised). This momentum reflects the fast food chain's strong adaptation to the health crisis coupled with customer approval of Compose's relevant positioning in healthy and sustainable cuisine.

In H1 2021, Paper Factory completed the acquisition of printing and packaging subcontractor, Graph Pack. Paper Factory intends to further diversify by acquiring potentially value-accretive paper companies. As such, Paper Factory aims to consolidate complementary know-how in order to achieve critical size – a criterion requested by its luxury food and cosmetics clientele.

Transition Evergreen is lending its long-term strategic and operational support to SMEs focused on the ecological transition. To this end, the Company seeks to provide concrete solutions to the challenges of building a carbon-neutral world.

TRANSITION EVERGREEN HALF-YEAR 2021 RESULTS³

Restated NAV of €78.9m as of 30 June, 2021, up 135% during the first half

Transition Evergreen's restated net asset value stood at €78.9m as of 30 June 2021, versus €33.6m at 1 January 2021, representing a half-year increase of €45.3m (+135%).

This increase is mainly owing to transactions involving the Company's capital carried out during the past six months (+€20m) as well as changes in fair value of its holdings between 1 January and 30 June 2021 (+€26.7m).

It should be noted that the change in carbon credit prices, which practically doubled during H1 2021, had a direct impact on Everwood's operating profitability. This trend also indirectly impacted Everwatt's operating profitability, in turn affecting both holdings' fair value.

As of 30 June 2021, restated net asset value amounted to €2.67 per share.

³ Transition Evergreen (formerly Evergreen SA) absorbed Evergreen SAS on 21/06/2021, with retroactive effect from 01/01/2021. In the absence of historic IFRS-standard consolidated financial statements for Evergreen SAS prior to 31/12/2020, Transition Evergreen will not be presenting the following regulated finance documentation: comparative statement of comprehensive income; comparative cash flow statement for the comparative period of 30/06/2020; comparative balance sheet as of 31/12/2020.





Strengthened financing structure after closing

As of 30 June 2021, Transition Evergreen had available cash of €0.3m. The Company's cash was strengthened after the closing of the first half by a capital raising operation completed in August 2021 as part of a private placement totalling €17.5m (of which €11.3m in cash).

Together with a maximum current account advance of €12m, this capital raising operation was authorised by Financière Evergreen (a shareholder owning 4.13% of Transition Evergreen). The transactions were carried out for the following purposes: **(i)** to finance the development of Transition Evergreen in new holdings (of which €15m to finance the acquisition of a stake in Safra); **(ii)** to continue support for holdings; and **(iii)** to fund Transition Evergreen's working capital requirements. Transition Evergreen's shareholder equity was €78.9m as of 30 June 2021, compared with €33.6m at 1 January 2021.

The Company's financial debt came to €12.7m of bond issues.

In Q4 2021, Transition Evergreen plans to issue a single 24-month bond issue totalling €20m with a 5.5% interest rate. This is to ensure continued investment in the Company's development universes in addition to refinancing all or part of its existing bonds and funding working capital requirements. It is to be noted that the working capital requirement is estimated at €13.4m out to 30 September 2022 (excluding the planned bond issue).

HI 2021 net income: €23.0m

First-half operating income came out at €24.5m. It includes the following items:

- +€26.7m in fair value adjustments to non-current financial assets;
- -€0.4m in personnel expenses;
- -€1.6m in merger-related fees during the first half.

The cost of financial debt amounted to -€0.9m.

After tax of -€0.6m, first-half net income ended at €23.0m.

SUBSEQUENT EVENTS

Stake acquired in Safra, the French manufacturer of hydrogen buses and low-carbon mobility specialist

On 31 July 2021, the Company signed an investment agreement. The purpose of this document is to finalise the terms and conditions of its acquisition of Safra, a French manufacturer of hydrogen-powered buses and long-standing player in repurposed public transport equipment and clean, sustainable mobility.

The agreement provides for Transition Evergreen's two-phased investment instalment plan in Safra. Investment will total €15m for a 33% stake to be completed no later than 31 December 2021. As required under the agreement, Transition Evergreen already subscribed 6,409 shares with free warrants attached from Safra on 11 August 2021, in the amount of €5m. The second tranche is expected to be completed in Q4 2021.

Safra manufactures and markets a range of city buses in several sizes and with several types of engines, including hydrogen-powered engines. Safra's hydrogen-powered city bus is the most innovative on the market. With a zero-pollution range that covers more than 350 km (217 miles) and 15-minute recharging capabilities, Safra's buses are perfectly suited to the new guidelines of France's Energy Transition Law. To date, Safra is the player that has sold the most hydrogen buses in France (nearly 60% of the installed base).

In 2020, Safra recorded revenue of €10m.

This transaction has resulted in the creation of a fourth Transition Evergreen division: Carbon-neutral mobility.





Negotiations completed to acquire a German biogas player

In August 2021, Transition Evergreen completed negotiations to acquire all of the capital of German group, C4 AG. The latter is an integrated biogas operator (ownership and operation of biogas plants), with ten biogas plants in Germany owned through subsidiaries. Capacity for the ten plants is 9.1MWh electricity, plus biomethane injection capacity of 1,300NM³/h.

Capitalising on the technical and operational skill set of site operator, Evergaz, the transaction which is scheduled for completion by 30 November, 2021, will also support ongoing consolidation in the German biogas market (the largest in Europe).

Everwatt: electrolysis project acquired to produce renewable hydrogen

Phynix (83% owned by Everwatt) has acquired a project to build a 10MW electrolyser with the goal of producing renewable hydrogen in Spain. This initial project establishes Phynix's best-in-class status as a European producer of competitively priced renewable hydrogen.

Plant construction will begin in Q1 2022 for completion in 2023. Each year, the electrolyser will target the production of approximately 1,300 tonnes of renewable hydrogen, supplying several green mobility projects in Spain as well as industrial-application initiatives. Production can partly be fed into the natural gas grid for export to the European market.

Phynix is planning follow-up production facilities to its first-ever 10MW plant. Its aim: to generate electrolyser installed capacity of 300MW and 1GW in 2026 and 2030 respectively.

About Transition Evergreen

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

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

Transition Evergreen holds interests mainly in the following companies: **Evergaz**, an operator of biogas plants which recovers organic waste, **Everwatt**, an energy-efficient and carbon neutral player for regions, **Everwood**, an operator-manager of forests and carbon credit producer and **Safra**, a French player in the hydrogen-powered bus and carbon-neutral mobility markets.

Transition Evergreen is listed on Euronext Paris, compartement C (ISIN FR0000035784).

Learn more at www.transition-evergreen.com

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