

## 2024 half-year results

- NAV<sup>1</sup>: €116.7m, down by 10.8% vs. 31 December 2023 (-14.1% from 30 June 2023) against a backdrop of high interest rates and low energy prices;
- NAV per share at 30 June 2024: €2.91 (vs. €3.26 at 31 December 2023 and €3.39 at 30 June 2023);
- During this first half, all the Company's investees continued to implement various financing options.

### Paris – 30 September 2024 – 8:00 a.m.

Transition Evergreen (FR0000035784 - EGR), an evergreen fund listed in France on Euronext Paris, dedicated to the ecological transition and reducing the carbon footprint, reported its half-year results<sup>2</sup> and net asset value as of 30 June 2024, which were approved by the Board of Directors at its meeting held on 27 September 2024. The interim financial report for the period ended 30 June 2024 is available on Transition Evergreen's website, [www.transition-evergreen.com](http://www.transition-evergreen.com), in the Investors section under Financial documents.

### Lionel Le Maux, Chairman and Chief Executive Officer of Transition Evergreen, commented:

*"The first half of 2024 was characterised by continued high interest rates and low energy prices. Both factors mechanically affected the net asset value (NAV) of the Transition Evergreen fund (-11%), equally penalising companies under the ecological transition theme on the stock market during this period.*

*However, it should be noted that these external factors impacting NAV can be reversed: the easing of interest rates expected in the second half, along with numerous geopolitical tensions and their effect on energy prices are factors likely to have a favourable influence on valuations.*

*The strong appeal of the ecological transition industry is also worth highlighting, as illustrated by the most recent delistings in the sector which have underscored the strategic value of these asset classes. Notable examples include takeover bids for French renewables producer Neoen by Canadian fund Brookfield, the German energy company Encavis by US investment fund KKR, and the acquisition of the Swedish offshore wind project developer OX2 by private equity investor, EQT.*

*Such consolidation demonstrates the idea of critical mass in solar, wind, biogas and hydrogen, at a time when efforts to develop renewables are doubled down (USD\$2,000 billion in investment is expected in clean energies by 2024, a level twice as high as that geared towards fossil fuels<sup>3</sup>).*

<sup>1</sup> NAV: net asset value corresponds to the Company's IFRS shareholder equity, i.e. €116.7m. The change between 30 June 2024 and 31 December 2023 stemmed from the change in the fair value of investees during the period (-€11.1m) and the result for the first half excluding the fair value effect (-€3.0m).

<sup>2</sup> The statutory auditors conducted a limited review.

<sup>3</sup> International Energy Agency (IEA) 2023 Annual Report.

*This is the central focus of current discussions regarding Transition Evergreen investees. It specifically refers to the arrangement of suitable financing to accelerate growth (internal and external) in Biogas and Solar, as well as pursuing current industrialisation (mobility) and strengthening industry (management of natural heritage and wood energy).*

*At Transition Evergreen, influential stakeholders in the energy transition financing ecosystem are keen to support the scale-up of the Company's various platforms (Biogas, Solar, Wood Energy, Hydrogen).*

*As the main shareholder, we are backing all these initiatives, convinced that large-scale investment in the energy transition will also require a change of scale in actionable resources.*

*Going forward, during the rest of the 2024 financial year, we will continue to pay special attention to the ongoing development of our various investees, particularly boosting our "Infrastructure" assets, with a sustained focus on driving value creation within Transition Evergreen."*

## HALF-YEAR RESULTS

### NAV<sup>4</sup> of €116.7m at 30 June 2024

Transition Evergreen's net asset value (NAV) amounted to €116.7m at 30 June 2024, vs. €130.8m at 31 December 2023 and €135.8m at 30 June 2023. The difference between 30 June 2024 and 31 December 2023 stemmed from (i) a change in the fair value of investees over the period (-€11.1m) and (ii) the result for the first half restated for the fair value effect (-€3.0m).

The latter does not include the conversion of a current account into preference shares in Safra, which was completed in July 2024.

As of 30 June 2024, NAV per ordinary share<sup>5</sup> amounted to €2.91<sup>6</sup> (vs. €3.26 at 31 December 2023 and €3.39 at 30 June 2023).

The fair value of investees amounted to €119.5m at 30 June 2024 versus €152.8m at 31 December 2023 (and €151.7m at 30 June 2023). This decline in value between 30 June 2024 and 31 December 2023 stemmed especially from:

- differences in the valuation of Transition Evergreen investees – factoring in a less favourable market environment, marked by high interest rates and low energy prices. This context is factored into cash flow discounting methods and energy price assumptions (penalised by low spot prices), in addition to peer comparisons on the stock market (declining from 20% to 50% during this first half);

<sup>4</sup> NAV: net asset value corresponds to the Company's IFRS shareholder equity, i.e. €116.7m (vs. €130.8m at 31 December 2023 and €135.8m at 30 June 2023).

<sup>5</sup> Excluding treasury shares.

<sup>6</sup> Identical before and after dilution in the absence of a dilutive instrument outstanding at the given date.



- the sale of Transition Evergreen's 36% interest in 3E Biogas to Aqua SAS<sup>7</sup>, in an effort to streamline organisation;
- Everwood's issue of a bond convertible into shares on 31 May 2024, as subscribed by Transition Evergreen in the amount of €1.5m.

Restated for the accounting effect of the sale of 3 E Biogas (€23.7m reclassified as Other non-current assets<sup>7</sup>), the fair value of investees amounted to €143.2m at 30 June 2024 versus €152.8m at 31 December 2023.

## 2024 half-year results

First-half operating loss came out to -€12.0m at 30 June 2024. It includes:

- -€11.1m in fair value adjustments to financial assets;
- -€0.2m in staff costs;
- -€1.7m in other operating costs;
- +€1.0m in revenue from financial assets.

The cost of financial debt amounted to €(2.1)m versus €(0.9)m at 30 June 2023. It comprises interest on bonds €(2.0)m and current account advances €(0.1)m.

Overall net loss was €(14.1)m at 30 June 2024, versus €(2.3)m for the same period in 2023.

A detailed income statement as of 30 June 2024 is appended to page 6 of this press release.

## Financial position

Transition Evergreen's shareholders' equity was €116.7m at 30 June 2024, compared with €130.8m at 31 December 2023, factoring in these half-year results.

Recent bond issues, grossing an amount of €27m<sup>8</sup>, enabled the Company to continue investing in specific investees through current account contributions with the option of converting these into capital for a total of €12.2m (Safra for €9.8m<sup>9</sup>, EverWatt for €1.6m and Keyrio for €2.5m, including €0.8m which was booked in the first half of 2024).

During the first half, Transition Evergreen also subscribed to EverWatt's bond issue (€1.5m), and proceeded to repayment of €2.6m in bond issues and paid financial interest over the period (€0.7m).

<sup>7</sup> March 2024 saw Transition Evergreen sell its stake in 3 E Biogas to Aqua SAS, which already owned 27.31% of the shares in Evergaz. The purpose of this transaction is to consolidate the entire Biogas division under a single entity. As a reminder, Aqua SAS is 100% owned by Transition Evergreen. This sale had a negative impact of €23.7m on the fair value of investees, resulting in a receivable from Aqua SAS for the same amount in Transition Evergreen's balance sheet under "Other non-current assets" which can be repaid over 3 years.

<sup>8</sup> Two ordinary bond (OB) issues – one for a gross amount of €7m issued in January and February 2024 (Tranche C2 of OB 9) and the other grossing €20m issued in March 2024 to a single investor (ZENCAP OB)

<sup>9</sup> After closing the half-year, under the terms of the Memorandum of Understanding (MoU), Transition Evergreen's partner current account with SAFRA was converted into preference shares. Transition Evergreen now owns a 34.79% stake in SAFRA.

The Company's financial debt – comprising bond issues (with 83% of them maturing in more than 1 year) – amounted to €44.0m at 30 June 2024 versus €21.7m at 31 December 2023.

As of 30 June 2024, Transition Evergreen had available cash of €1.3m, versus €0.7m as of 31 December 2023. For the record, the Company has a maximum current account advance of €12m authorised by Financière Evergreen<sup>10</sup>, €6.8m of which remains available.

A detailed balance sheet as of 30 June 2024 is appended to page 7 of this press release.

## OUTLOOK

### Update on investees

Transition Evergreen's investee projects continued to achieve robust growth.

#### Infrastructures segment

- I. **Evergaz** delivered an excellent performance at its 4 production sites, on the back of a full-scale renovation plan implemented at its "Bioenergaz" biomethane injection unit. Continuing this momentum, Evergaz kick-started a comprehensive industrial plan for the 34 plants in the portfolio which includes projects for expansion, construction and biomethane conversion to improve the business' performance. What's more, this plan paves the way for the development of new projects over the next six years, aimed at achieving critical mass for a strategic asset of this size. A financing agreement was reached with the main shareholders and capital-raising is underway to bolster this initiative.
- II. **Groupe EverWatt** recently secured €7.1m in bond financing from a pan-European asset manager with a view to supporting the development of a leasing solution to install solar panels for private individuals.  
Even more recently and parallel to this, Groupe EverWatt and BoucL Energie were successful in a Call for Expression of Interest (CEI) launched by the City of Bordeaux to supply its submarine base with solar power. Photovoltaic panels spanning 13,200 m<sup>2</sup> will be installed, generating 3.39 GWh of energy while avoiding 806 tonnes of CO<sub>2</sub>, both on an annual basis. The project falls within the scope of the Alliance de Bordeaux pour l'Énergie Solaire ("Bordeaux Solar Energy Alliance") which aims to equip the city with 60,000 m<sup>2</sup> of solar panels. As a third-party investor, BoucL Energie will finance the infrastructure, making some of the capital available to the City of Bordeaux to share management responsibilities.  
pHYnix, which focuses on developing green hydrogen and related services, stepped up the expansion of its project pipeline on the Iberian peninsula, and also secured its electrical supply for its two flagship initiatives, namely Barataria and Vitale.
- III. **Everwood** has increased its global reach in forestry asset management since it acquired an interest in the American company F&W Forestry Services Inc. (F&W) in February this year.

<sup>10</sup> A 0.78% shareholder in Transition Evergreen as of 31 December 2023.



### Industry segment

- IV. **Safra** latterly obtained an approval for its H2-PACK® kit, paving the way for wide-scale production of zero-emission, hydrogen-powered diesel coaches that only emit water vapour. Discussions are ongoing between the Company and its shareholders to identify and implement external financing during its next phase of mass production.
- V. **Wooday**, which seeks to produce and distribute wood-energy powered fuel, pursued its strategy to consolidate its market positioning as well as control the value chain (acquiring Bois Bûche Molinario in June 2024).
- VI. **LPF Groupe** concentrated efforts on innovation, with renewed investment in its manufacturing facilities so as to maximise production capacity, maintain its technological edge and strengthen its presence in Italian luxury.

To conclude, for the remainder of 2024, Transition Evergreen will pursue its financial support to its investees in order that they sustain their growth trajectory and upscale from SMEs to become mid-cap companies, while giving priority to the “Infrastructures” segment (Evergaz, F&W, Groupe EverWatt and pHYnix) as outlined in its plan. In parallel, the fund maintains its focus on deploying financing solutions that are better suited to the needs and business models of the “Industry” segment (Safra, LPF Groupe, Wooday). Lastly, Transition Evergreen initiated the process to simplify its fund organisation, as mentioned in April (first transaction completed in this respect with 3 E Biogas - see above).

### **About Transition Evergreen**

Transition Evergreen is an evergreen fund listed in France 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 by investing in high-growth French and European SMEs focused on the ecological transition.

Transition Evergreen holds interests mainly in the following companies: **Evergaz**, the leading independent French biogas player, **C4**, a fully-integrated methanisation operator in Germany, **EverWatt**, an energy-efficient and carbon-neutral player for regions, **Everwood**, a specialist in sustainable forest management and **Safra**, a French player in the carbon-neutral mobility market.

Transition Evergreen has been awarded the Greenfin label, which guarantees the green credentials of investment funds and is awarded to funds that factor environmental, social and governance (“ESG”) criteria into the design and life cycle of their portfolio, comply with the exclusion criteria set by the label and have a positive impact on the energy and ecological transition. Transition Evergreen has been awarded the “Relance” label for investment funds that support the economic recovery by strengthening French companies with equity or quasi-equity.

Transition Evergreen is listed on Euronext Paris, compartment C (ISIN FR0000035784). Transition Evergreen is eligible for the PEA-PME equity savings plan.

Learn more at [www.transition-evergreen.com](http://www.transition-evergreen.com)

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## Disclaimer

It should be noted that any investment includes the risk of partial or total loss of the capital invested. For further information on the risks of investing in the portfolio, please refer to the "Risk Factors" section of the 2023 Universal Registration Document and the 2023 Annual Financial Report. Recognition of extra-financial criteria is likely to encounter methodological limitations. In particular, there may be inconsistencies in investee *reporting*, owing to their size and stage of development. Also note that past performance is no guarantee of future performance and performance is not constant over time.

# APPENDICES

## INCOME STATEMENT

(€k)	30-06-23	30-06-24
Revenue from financial assets	541	1,056
Change in fair value of financial assets	449	(11,126)
Payroll costs	(242)	(203)
Other operating costs	(1,707)	(1,687)
<b>Operating profit (loss)</b>	<b>(959)</b>	<b>(11,960)</b>
Gross cost of financial debt	(890)	(2,082)
<b>Net cost of financial debt</b>	<b>(890)</b>	<b>(2,082)</b>
Other financial income and expenses	(48)	(35)
<b>Net profit (/loss) before tax</b>	<b>(1,897)</b>	<b>(14,078)</b>
Income tax	(373)	0
<b>Net profit (/loss)</b>	<b>(2,269)</b>	<b>(14,078)</b>
Number of shares in circulation*	40,075,973	40,043,753
Earnings per share (€)	(0.06)	(0.35)
Number of shares after dilution*	40,075,973	40,043,753
Diluted earnings per share (€)	(0.06)	(0.35)

\*Excluding treasury shares



## BALANCE SHEET

<b>ASSETS (€k)</b>	<b>31-12-23</b>	<b>30-06-24</b>
Non-current financial assets	152,823	119,473
- o/w shares	152,823	117,908
- o/w bonds		1,565
Other non-current assets	13	25,549
<b>Total non-current assets</b>	<b>152,836</b>	<b>145,022</b>
Current financial assets	11,469	21,646
Other receivables	90	694
Cash & cash equivalents	677	1,315
<b>Total current assets</b>	<b>12,236</b>	<b>23,655</b>
<b>Total assets</b>	<b>165,072</b>	<b>168,676</b>

<b>LIABILITIES (€k)</b>	<b>31-12-23</b>	<b>30-06-24</b>
Capital	20,086	20,086
Share capital premium	34,018	30,954
Reserves	84,368	79,737
Overall profit	(7,685)	(14,078)
<b>Shareholders' equity</b>	<b>130,786</b>	<b>116,699</b>
Non-current portion of bond issues	14,449	33,267
Deferred tax liabilities	0	0
<b>Total non-current liabilities</b>	<b>14,449</b>	<b>33,267</b>
Bond issues	7,284	10,744
Other current financial liabilities	7,604	6,323
Other debts	4,949	1,644
<b>Total current liabilities</b>	<b>19,837</b>	<b>18,711</b>
<b>Total assets</b>	<b>165,072</b>	<b>168,676</b>

### CHANGE IN THE FAIR VALUE OF INVESTEES SINCE 30 JUNE 2023

Investees	Fair value 30/06/2023	Fair value 31/12/2023	Fair value 30/06/2024
Everwood SAS	€28,723k	€26,461k	€28,567k
Aqua SAS/Evergaz SA	€26,900k	€28,641k	€23,753k
EverWatt SAS	€43,016k	€44,990k	€41,604k
LPF Groupe SAS	€4,230k	€4,230k	€4,171k
Valporte Holding SAS	€1,876k	€1,908k	€1,908k
Borea SAS	€342k	€360k	€249k
Safra SA	€19,457k	€19,809k	€17,655k
Safra Participations SAS	€3,330k	-	-
3 E BIOGAS/C4 Group	€23,724k	€26,424k	-
Keiryo SAS (formerly Green H2 Partenaires SAS)	€130k	-	-
<b>Total share portfolio</b>	<b>€151,729k</b>	<b>€152,823k</b>	<b>€117,908k</b>
<b>Total bond portfolio</b>	-	-	<b>€1,565k</b>
<b>Total assets</b>	<b>€151,729k</b>	<b>€152,823k</b>	<b>€119,473k</b>