

Further improvement in 2019/2020 half-year results

- 28% increase in turnover to € 4.2 million
- EBITDA up by 365% to € 712K
- Confirmed net profitability

Improved financial strength and visibility: € 4.6 million in cash

Business continuity guaranteed and developments in line with the business plan

Forbach, France, March 25th, 2020 - La Française de l'Énergie (Euronext: LFDE - ISIN: FR0013030152), leader in industrial ecology, confirms the profitability of its business model in the first half of 2019/2020 with **strong growth in turnover by 28% and EBITDA which has reached € 712K over the period.**

Consolidated accounts In € thousands (€K)	H1 2019/2020 July - Dec	H1 2018/2019 July - Dec	Variation
Revenues	4 180	3 283	+ 896
EBITDA	712	153	+ 559
% of revenues	17%	4,7%	+12,3 pts
EBIT	112	(237)	+ 349
% of revenues	2,7%	(7,2%)	+9,9 pts
Financial results	(263)	(266)	+ 3
Taxes	345	(208)	+ 553
Net Profit	193	(710)	+ 904
% of revenues	4,6%	(21,6%)	+ 26,2 pts

Strong growth in the Group's profitability, driven by dynamic activity and controlled management of its cost structure

During the first half of 2019/2020, **the turnover of the Group stood at € 4.2 million (+ 28%)** thanks to the ramp-up of the production of green electricity from abandoned mine gas, in France and Belgium which contributed to € 3.1 million (+ 45% compared to H1 2018/2019). The strong activity of the Avion site resulted in an increase in volume produced that counterbalanced the significant drop in gas price during the period, bringing the revenues from gas production to 1.1 M € over the semester.

The growth of activity combined with an excellent control of operating costs allow the **Group to reach an EBITDA of € 712K, an increase of + € 559K** compared to the first half of 2018/2019. In line with this performance, the operating profit has continued to improve, reaching € 112K compared to a € 237K loss last year, despite the increase in depreciation charges (+ € 210K) related to developments in Avion and Anderlues during the 2019 financial year.

Finally, the robust operational performance achieved during this first half year has resulted in a **strong increase in the Net Profit reaching € 193K**, compared to a € 710 K loss in the first half of 2018/2019.

Solid financial structure and enhanced visibility

During the period, **the financing capacity of the Group was further strengthened** with the signature of two bank loans granted by Bpifrance financement and Triodos, a bank dedicated to green energy. As of December 31st, 2019, the cash position of the Group stood at € 4.6 million (5.7 M € including the guarantee accounts) up sharply.

The net gearing ratio of the Group remains stable at a conservative level of 26.5%, with an average maturity of 5 years on the loans currently in place.

A remarkable ESG performance, highlighted by its ranking in the Gaïa Index

La Française de l'Energie is proud to be **ranked number 1 in the energy sector of the Gaïa Index** ranking for companies with a turnover under € 150 million.

For a third consecutive year, the Group recorded **an improvement in all of its indicators**, with a remarkable performance this year on the indicators linked to the relationship with suppliers and to Social and Environmental Policy.

This ranking of La Française de l'Energie demonstrates once again the relevance of its business plan focused on producing cleaner energy for the benefits of the local consumers and underlines the fulfilment of the commitments made by the Group in health, safety, and the fight against climate change.

Secured Production during the COVID-19 health crisis

As announced in early March, **the activities of the Group are not directly affected by the containment measures taken in France and Belgium with regards to the COVID-19 epidemic**. As an energy producer, the Group benefits from the **status of key business**, allowing to keep running its operations as per usual **hence maintaining production at its best levels**.

The current health crisis is causing a sharp decline in economic activity, which is currently depressing gas prices. However, the gas and electricity volumes produced by the Group did not record any reduction.

The Electricity activity (representing 74% of total turnover) also remains supported in France by the feed in tariff established by the State via a decree published on November 4, 2016.

Continuous assessment of the potential impacts of the health crisis on the timetable of its development plan remains a priority for the Group which will keep the market informed in the event of any tangible change in the situation.

Confirmed business plan and deployment of new high value-added growth drivers

In this unprecedented macroeconomic context, the Group remains confident **and maintains its development plan**, which has recently been reinforced by new activities in renewable energies, with a positioning on photovoltaic and solar thermal energies.

In the Grand Est region, the solar thermal project carried out in partnership with ÉNES, the municipal utility of Creutzwald (Moselle), represents the **the largest solar power plant in France injecting the heat produced into a district network**. Work has started and this solar power plant which will supply heat to all of the customers of the ÉNES district heating network should be **operational by summer 2020**. This first achievement will add to the solar portfolio of the Group, which also includes many **photovoltaic projects** to be developed in exclusive partnership with Total Quadran with the objective to greenlight **100 MW by the end of 2020**.

In the Hauts-de-France region and Belgium, LFDE also confirms its ambition to install new cogeneration units by the end of 2020, and is currently in **the process of finalizing a loan for an amount of more than € 40 million**, in order to finance this next phase of development, which schedule will be adjusted if administrative delays or delays related to suppliers are noticed in the coming weeks. This financing will enable the Group to cover all the costs associated with the installation of the additional 37.5 MW planned by the end of December 2021 in the Hauts-de-France region and Belgium.

The strong recurrence of its activity, its solid financial structure combined with low debt levels, allow La Française de l'Energie to face the current crisis fully prepared, while being ready to take advantage of any potential opportunity for external growth.

With a profitable economic model, high visibility production and a solid financial structure, La Française de l'Énergie intends to set up new local energy production sites in order to accelerate its profitable growth trajectory.

Next Announcement:
20 April 2020 – Q3 revenues

Reuters code: **LFDE.PA**

Bloomberg code: **LFDE.FP**

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About La Française de l'Énergie

Awarded the young innovative status by Bpifrance since June 2013, La Française de l'Énergie is a dynamic SME headquartered in East of France and the first gas producer in France. Specialised in the coal bed methane and coal mine methane production, La Française de l'Énergie produces a local high quality energy from the significant gas resources contained in the former mining basins of North-Eastern France. With the development of this local and strategic energy, La Française de l'Énergie builds an economically and ecologically competitive project with significant value added for the local communities.

More information available on www.francaisedelenergie.fr

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