



Local energy,
positive impact

HALF-YEAR FINANCIAL STATEMENTS

31 DECEMBER 2022



Energy solutions in production and under prospection



GAS



ELECTRICITY



HEAT

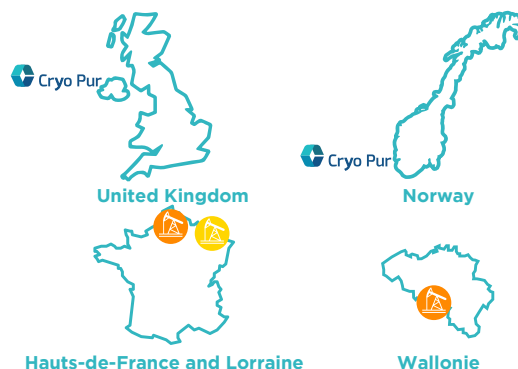


HYDROGEN



CO2

Local energy production in our territories



The Group's key financials



22.5 MW OF COGENERATION CAPACITY
INSTALLED IN H1 2023



MORE THAN 3.5 MILLION TONNES OF CO2 AVOIDED
PER YEAR BASED ON THE CURRENT PORTFOLIO⁽¹⁾



21.3 M€ H1 2023 REVENUES
+135% COMPARED TO H1 2022

EBITDA

1H 2023 **x2,8 vs. S1 2022** **15.8 M€**

Operating income

1H 2023 **x3 vs. S1 2022** **14.6 M€**

Net profit⁽²⁾

1H 2023 **x4 vs. S1 2022** **10.4 M€**

INVESTMENTS

6.1 M€

EQUITY⁽²⁾

74.7 M€

CASH AVAILABLE

26.6 M€

NET DEBT TO EQUITY

42%

HALF-YEAR REPORT

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BUSINESS ACTIVITY FOR FIRST HALF OF FINANCIAL YEAR 2022-2023

TURNOVER

As of 31st December 2022, La Française de l'Énergie ("FDE"), an independent energy producer with a negative carbon footprint, reported a **turnover (sales) for H1 2023 of €21.3M** up by **135%** from H1 2022.

Sales trend between H1 2022 and H1 2023:

	H1 2023	H1 2022	Var.	Var. %
Gas sales - France	7,642,306	4,910,096	2,732,210	55.6%
Electricity sales - France	6,679,394	3,181,222	3,498,172	110.0%
Heat sales - France	246,448	194,912	51,535	26.4%
Electricity sales - Belgium	6,216,075	816,635	5,399,440	661.2%
Cryo Pur equipment & services- Norway, Ireland	561,784	0		
Total turnover (sales)	21,346,006	9,102,865	12,243,141	134.5%

Gas operations (France)

During the first six months of FY2023, the **gas activity posted a turnover of €7.6M**, up +56% year on year (yoy), on the back of robust market prices. Gas sales represented 36% of turnover in H1 2023.

Electricity operations (France and Belgium)

Turnover from **electricity production increased threefold to €12.9M in H1 2023**. This improvement reflects the growth of the cogeneration portfolio in Hauts-de-France and Wallonia, where **installed capacity increased by 50%** yoy, up to 22.5 MW. Belgium operations currently represent 48% of the Group's electricity turnover.

As of 31st December 2022, the **Group received a guaranteed feed-in tariff for 53% of its installed capacity in France and Belgium**. The electricity produced on the new sites is now valued by way of Power Purchase Agreements (PPAs), which optimise the value of our production over the long term.

This good business momentum is expected to carry on in the second half of the year, fuelled by the contribution of the 15 operational cogeneration plants and steady gas and electricity prices, with no cap on sales prices for energy produced from abandoned mine methane.

Heat operations (France)

Revenues from heat sales, derived from the Béthune project and the solar thermal plant in Creutzwald, remain robust, amounting to **€246K** for the half-year.

Cryo Pur operations

Cryo Pur's contribution over the first half-year stood at **€562K**, mostly representing the final revenues associated with the sale of its **LBG and Bio-CO₂ production facility in Norway**.

EBITDA AND OPERATING RESULT

On the back of a volatile energy price environment and sustained growth in production volumes, **EBITDA increased threefold** during the first half-year to **€15.8M** (up from €5.7M in H1 2022). The **EBITDA margin stood at 74%** (H1 2022: 62%), already above the Group's margin targets set for FY26.

Against an inflationary backdrop, this solid performance was supported by steady costs of goods and services, representing **11% of turnover in H1 2023 (28% in H1 2022) and administrative expenses** (excluding Cryo Pur and accounting for awarded employee shares under IFRS), that remained stabled at **€2.1M** over the half-year.

It is worth noting that the valuation of the Research and Innovation Tax Credit for calendar year 2022 is included in the operating income for a total amount of €614K.

Operating profit also grew remarkably (threefold), totalling **€14.6M** for the half-year.

INVESTMENTS

During H1 2023, FDE pursued its investment policy, thereby reinforcing its unique positioning by rolling out local low-carbon energy solutions in France, including the commissioning of two new 1.5 MW cogeneration units at the Avion site (3 MW) and the development of new cogeneration units in France, amounting to €2.2M.

Following investments totalling nearly €2.4M during this first half-year, the Group finalised the construction of the 15 MW photovoltaic power plant at Tritteling-Redlach in Moselle, which has started production in January 2023.

CASH AND FINANCING

The Group's net cash position on 31st December 2022 stood at **€26.6M**, up by **€2.7M** vs 30th June 2022.

This improvement is due to high operational activity and the raising of additional financing to enable the Group to sustain an active investment policy over the period.

Cash flows from operating activities were positive during the half-year, with an operating cash flow of **€9.9M** over the six months of 2023 (€130K at H1 2022). This was positively impacted by sustained activity and higher gas and electricity prices in France and Belgium.

Cash flows from investment activities were negative at **€7.5M** and increased over the year by **€3.8M**. These investment flows confirm the Group's growth, particularly with the extension work on the cogeneration portfolio in France and the 15 MW photovoltaic project in Tritteling-Redlach.

Cash flows from financing activities were positive by **€232K** up from €19.7M in H1 2022, with the €5M drawdown on the new €20M green bond subscribed by Edmond de Rothschild Asset Management (EDRAM) in September 2022.

The success of this new financing, which will specifically enable the Group to fast-track the development of its new subsidiary Cryo Pur, specialised in biogas processing and liquefaction into LBG and Bio-CO₂, demonstrates the relevance of the FDE model that is focused on energy solutions with a high environmental, economic and social impact on its territories, while enabling the Group to minimise the use of its equity and further optimise the **cost of its capital**, particularly against a backdrop of rising interest rates.

The Group's debt remained low with a net debt to equity ratio of **42% at the end of December 2022** (down from 50% at the end of June 2022), representing a conservative level that nevertheless allows the Group to confidently finance its development.

EXTRA-FINANCIAL IMPACTS

Pursuant to Articles L 225-102-1 and L 22-10-36 of the French Commercial Code, this section presents the social, environmental and societal implications of the Group's activity.

To measure the extra-financial impacts, FDE builds on its core values of excellence, transparency, respect and responsibility. These apply to all our operations and to each of the communities where we live and operate.

Informed by our Code of Conduct and Business Ethics, FDE meets the requirements of all applicable laws and exceeds standards in the communities where we operate. In doing so, we are committed to being transparent and respectful with all our stakeholders (employees, communities, partners, investors, and suppliers).

As a reminder, extra-financial aspects are mainstreamed in all dimensions of our group and reflected in the following core areas:

- **Governance and ethics:** FDE demonstrates solid and continuously improving corporate governance with leadership that exemplifies the highest standards of ethics and integrity and a firm commitment to the responsible development of our portfolio of energy production assets valued in short circuits, as close as possible to the needs of the related territories. Our model seamlessly combines ethical, fiscal, environmental and social considerations, thereby delivering operational excellence and protection of our human, environmental, financial, operational, intellectual and reputational capital.
- **Human capital:** FDE's commitment to people is rooted in our core values: we value and care for our employees and believe that every employee and partner deserves to be treated with dignity and respect. We recognise the principles of the Universal Declaration of Human Rights and have established policies to uphold these principles in conducting our operations, including by creating a fair and equal workplace. We encourage our employees to give their best, and value teamwork, collaboration and innovation that lead to creating both a pleasant workplace and exceptional company performance.
- **Health, safety and environment (HSE):** FDE is committed to conducting its business in a way that protects the health and safety of its employees, contractors and the public while minimising its environmental impact and footprint. Our goal is to build an HSE culture recognized as a model by our industry and stakeholders, thereby creating a healthy and incident-free workplace. Every staff member, including management, is responsible for the proper implementation of HSE principles and is actively involved in the continuous improvement of HSE performance, particularly through its quality assurance system.
- **Communities:** FDE strives to support the communities in which it operates using a value sharing model. We are actively seeking to create business and employment opportunities, build positive relationships and contribute to meaningful and mutually beneficial partnerships that empower the community while building our company's capacity. Our short circuit approach promotes local investment and helps to improve the quality of life in our communities by providing solutions to social, economic, environmental and cultural issues.

The quality of the Group's extra-financial performance is illustrated by its ESG ranking obtained specifically with its **Gaïa Research** rating where FDE maintains its leadership among energy sector SMEs by improving its rating for the 6th consecutive year.

The Group is also the **only energy producer with a negative carbon footprint in both France and Belgium** due to the fugitive methane emissions that FDE captures in order to prevent their release into the atmosphere. Gas accumulates in the former coal mine galleries and reaches the surface through the old mine shafts, before escaping into the atmosphere if it is not captured. 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 IPCC assessment report (AR6) published in 2021**.

To date, the Group is the largest contributor to the effort to reduce the carbon footprint in the Hauts-de-France region, by **the CO₂eq emissions avoided yearly** at its various abandoned mine methane capture and short circuit exploitation facilities.

In Belgium, abandoned mine methane capture and exploitation in the form of electricity and, eventually heat, using five cogeneration plants with a total installed capacity of 7.5 MW, allows to avoid the emission of **808 000 tonnes de CO₂eq yearly**, according to the full impact assessment conducted by **Université Polytechnique de Mons (UMONS) in 2022**. This is equivalent to CO₂ emissions by a city of 100,000 inhabitants, i.e. equivalent to 2.7 % of the Wallonia Region's population ¹.

Also using the IPCC's updated 20-year baseline (AR6), the Group's abandoned mine methane capture and recovery activity will help to avoid **more than 3.6 million tonnes of CO₂eq per year** ² during FY2023, with **a target of 10 million tonnes of CO₂eq avoided yearly by 2026**, thereby confirming FDE's pre-eminent role in Europe's ecological transition.

Heat production from the Creutzwald solar thermal power plant also enables FDE to reduce the carbon footprint of this territory by 560 tonnes per year.

¹ Source: World Bank 2018

² Source: FDE, based on the updated 2019 INERIS certification with a GWP of 82.5 and including the Béthune and Avion 7 facilities

HIGHLIGHTS OF THE HALF-YEAR

OPERATIONS

Installation of the first 15 MW photovoltaic plant in Tritteling-Redlach

On 20 October 2020, FDE was awarded a **14.92 MW** photovoltaic power plant project in the latest call for solar tenders issued by the French Energy Regulatory Commission (CRE).

This plant is located in the Grand Est region, on the site of a former landfill in Tritteling-Redlach. Over a 30-year period, this site will produce 16 GWh per year to supply green energy representing the equivalent of more than 7,000 people or nearly **30% of the population of the metropolitan community (District Urbain de Faulquemont)**.

The power plant has started its full production in **January 2023**. By 31st December 2022, the group has invested a total of €8.4M in this project. In the current context, the project will benefit from attractive sales price conditions for 18 months, with no price cap.

The completion of this project confirms FDE's expertise in providing energy solutions and adding value to the region while setting a milestone for the Group in rolling out its solar strategy since, with a capacity of 15MW, this project is the largest of the six photovoltaic projects selected for the Grand Est region in the CRE 4.8 tender.

Commissioning of two new cogeneration units at the Avion 7 site

In order to pursue its development plan, which will culminate in 100 MW of electrical capacity installed to recover abandoned mine methane in five regions of Europe by FY2026, FDE **brought into operation two additional cogeneration units in July 2022**, thereby raising the Avion site's installed capacity from 3 MW to 6 MW.

This increased production capacity is taking place in a particularly favourable electricity price environment. The electricity from these units is valued under a **3-year PPA (Power Purchase Agreement)** and the Group has secured prices for its two cogeneration units at Avion to **more than €300/MWH for 2023**, thus optimising the value of the revenues from these facilities.

FINANCE

Issuance of a new €20M green bond

On 23rd September 2022, LFDE International issued a new €20M green bond tranche for the Group's development of its low-carbon energy solutions in Europe. This financing is provided by Edmond de Rothschild Asset Management (EDRAM), one of Europe's leading energy and infrastructure investment funds. The amount drawn during the first half-year is €5M.

This green bond will finance the Group's portfolio of existing energy solutions, and more specifically the **future LBG and Bio-CO₂ projects** currently conducted by its subsidiary Cryo Pur.

This financing represents the second tranche of the financing contracted in September 2021 with BRIDGE, EDRAM's infrastructure debt platform. This "green bond" has been assessed in light of the International Capital Market Association (ICMA) Green Bond Principles via an opinion from Ethifinance, a recognised independent expert.

The bond's a seven-year maturity enables FDE to secure the financial resources required to fast-track its development strategy and achieve its objectives for FY2026, at an initial rate of 6%, to be reduced to 5.5% when the borrowing group achieves a €25M EBITDA. , This pricing, closed in soaring interest rates environment, confirms **FDE's low risk profile and expertise in building and operating world-class low-carbon energy production assets.**

Significant events since the end of the fiscal year

Announcement of a share buyback programme

On 30th January 2023, FDE announced the launch of a share buyback programme for a **maximum amount of €50M** pursuant to the authorisation granted by FDE's general meeting of shareholders on 30 November 2022. FDE may not hold more than 10% of its share capital.

The Group's investments in its energy activities in recent years have yielded substantial recurring cash flows and strengthened its balance sheet. In the opinion of FDE's board and management, **the current market capitalisation is considerably below the value of the portfolio of profitable, low-carbon energy solutions developed by the group.** In this context, share buybacks are expected to increase the intrinsic value of FDE shares, to the benefit of existing shareholders.

The Group's financial strength remains a key focus for FDE to achieve its strategic objectives, focusing on developing low-carbon energy solutions and increasing the production of gas, electricity, heat, Bio-CO₂ and hydrogen in Europe. The **Group's current balance sheet structure and ongoing cash generation are more than sufficient to achieve the projected development plan for the financial year 2026** and FDE will ensure that any share buybacks do not reduce the consolidated cash and cash equivalents position below €15M.

The amount of buy back will therefore vary depending on available cash levels, the attractiveness of new investments and other business opportunities beyond those announced in the 2026 plan, and the degree of discount to management's estimate of intrinsic value.

RELATED-PARTY TRANSACTIONS

There were no new related-party transactions during H1 FY2023.

Note 4.5 "Related parties" to the condensed consolidated interim financial statements provides all necessary information on current transactions with related parties, their nature and the amounts to be considered for this half-year.

GROUP OUTLOOK FOR FY2023

The Group confirms its objective of sustained growth with the development in abandoned mine methane capture and exploitation in short circuits, expansion of its solar related operations and development of new LBG and Bio-CO₂ projects in France and internationally. The production of blue or turquoise hydrogen as well as CO₂ storage operations are also relevant growth segments for the Group.

FDE continues to develop its strategy based on the implementation of energy solutions in order to produce and exploit low carbon footprint energy in short circuits, and contribute to the reduction of the carbon footprint of the territories where it operates.

Building on the Group's positioning developed over more than a decade as a low-carbon local energy producer, FDE announced in July 2022 **new objectives for FY2026**, structured around three key indicators:

- An enhanced environmental contribution with more than **10 million tonnes of CO₂eq emissions** avoided per year, supported by its abandoned mine methane capture operations, thereby preventing an otherwise unavoidable pollution;
- Strong growth to achieve **annual revenues in excess of €100M**; and
- Continued improvement in profitability with **EBITDA exceeding €50M**.

Cogeneration (electricity and heat)

The additional cogeneration units to be installed under the development plan to achieve **100 MW by the end of FY2026** will mainly be deployed at new sites in France and Belgium, albeit other opportunities are being considered in Europe.

More specifically, the Group is awaiting the final administrative authorisations from the French government to capture and recover abandoned mine methane at seven new sites in the Hauts-de-France region, while concurrently making progress on other operational and financial aspects, including the optimisation of sales contracts at attractive price levels for four of the existing facilities. So far, a large portion of the sales prices under these contracts, representing more than 50% of the French portfolio, are set over 230 €/MWh for the rest of 2023.

Solar (thermal and photovoltaic)

FDE also brought into operation its first photovoltaic plant with an installed capacity of 15 MW, which will contribute positively to the 2023 result. The Group also aims to develop **100 MW of solar farms by the end of FY2026** in the heart of its business areas, in order to provide local consumers with low-carbon energy produced in short circuits. On that purpose, FDE has already secured 22 hectares of land in the Grand Est region, 18 hectares in the Hauts-de-France region and almost 44 additional hectares in Belgium.

Gas in Lorraine

The inclusion of gas as a transition energy in the European taxonomy confirms the positioning of gas as a key primary energy to tackle the challenges of the ecological transition in Europe. As exclusive owner of the largest gas resources in continental Europe in Lorraine, the Group would be able to supply local gas to households and industry in the region under the highest standards from an environmental perspective, with a carbon footprint ten times smaller than that of gas consumed in France³, thereby also further securing the region's supply.

³ Study by the Institut für Energie und Umweltforschung in Heidelberg (Baden-Württemberg, Germany) in 2016

As a reminder, Lorraine's certified reserves amount to **6.7 billion m³ of gas** (1P, 2P and 3P). Meanwhile, the net asset value ⁴ of Lorraine's gas was estimated at €318M in January 2022.

Pending the awarding of the Bleue Lorraine concession, the Group is continuing to make progress on the technical aspects of the two strategic priorities involving hydrogen and CO₂ storage.

FDE is developing the production of hydrogen by methane pyrolysis (via a large-scale industrial consortium which will lead to the development of a decarbonised hydrogen production pilot project ahead of possible industrial development).

In relation to the storage of CO₂, after 6 years of work in partnership with the University of Lorraine and the CNRS, combined with support from the Region and the State (State-Region Pact), and investments of roughly €5M, the large CO₂ storage capacity has been demonstrated in the laboratory for the coal reservoirs in Lorraine. The water contained in the natural fractures of the rock has a basic pH that is highly favourable to the storage of important quantities of CO₂ in mineral form. Once dissolved, the CO₂ cannot migrate outside the coal seams, thus creating a particularly interesting opportunity for CO₂ storage, hence contributing to achieving carbon neutrality in this region, which is incidentally characterised by high significant emissions.

LBG and Bio-CO₂

Contracts for **new projects in Europe with Cryo Pur's technology** are being finalised as the Group rolls out its industrial optimisation and standardisation strategy to meet the growing demand for LBG and Bio-CO₂.

Building on 35 years of Research & Development, Cryo Pur has developed a breakthrough patented technology that purifies biogas into Bio-CO₂ and biomethane before liquefying it into LBG. Cryo Pur's technology runs on a cryogenics system that combines a system of integrated refrigeration cascades to separate and liquefy the different gas components.

The Bio-CO₂ produced through the Cryo Pur process can be recovered in short circuits throughout the entire value chain, including by food industry players. LBG can be sold to consumers as a substitute for fossil fuels.

Thanks to these processes based on **eight major families of international patents**, LBG and Bio- CO₂ obtained meet the needs of all types of application. Accordingly, this technology enables farmers, cooperatives, industrial and energy companies to efficiently recover the full energy potential of their products and waste while **reducing diffuse methane and CO₂ emissions**. The technology is currently operational in the UK and Norway at **two biogas production facilities owned by industrial and agricultural players** (Greenville Energy and Renevo), with a total annual production capacity to date of 4,000 tonnes of LBG and 5,500 tonnes of Bio-CO₂.

FDE's industrial optimisation and project management know-how will thus allow for an efficient deployment of the patented technologies by applying the operator model successfully developed by FDE on abandoned mine methane and solar operations. Accordingly, the Group is looking to have over **10 operational European sites by FY2026**, with a view to becoming one of the leading European producers of LBG and Bio- CO₂.

Additionally, the Group continues to prospect for **external growth operations** in order to consolidate its footprint as a key European player engaged in reducing greenhouse gas emissions from both industrial and private consumers.

⁴ The net present value (NPV) represents the cash flows discounted at 10% over the duration of the concession integrating revenues with an average gas sale price of 28.08 €/MWh (source EEX - PEG Nord France 2030 - 12/01/22), investments, operating costs and annual fixed and variable expenses.

RISKS AND UNCERTAINTIES FOR FY2023

Compared to the risks presented in “Part 7 - MAIN RISKS AND UNCERTAINTIES FACING THE COMPANY” of its annual financial report as published on 31 October 2022, the Group does not identify any additional risk that should be taken into consideration for its activities during the H2 of the financial year ending 30 June 2023.

Among these risks, those considered as the most material risks include:

- Movements and volatility of gas and electricity prices with a potentially adverse effect on the Group’s business.
- Reservoir risk with damage to the mining cavity and displacement of the resource from the point of capture considered.
- Difficulty in securing new financing on the financial terms and within the timeframe available, which may hinder the Group’s expansion plans and new projects.
- Unanticipated developments or new regulatory constraints that may cause a delay or reconsideration of development projects.

MANAGEMENT AND SUPERVISORY BODIES AS AT 31 DECEMBER 2022

BOARD OF DIRECTORS

Julien Moulin
Chairman

Antoine Forcinal
CEO

Christophe Charlier ^(a)

Alain Liger ^(a)

ACCOUNTS AND AUDIT COMMITTEE

Christophe Charlier
Chairman

Julien Moulin

Alain Liger

APPOINTMENT AND REMUNERATION COMMITTEE

Alain Liger
Chairman

Julien Moulin

Christophe Charlier

STATUTORY AUDITORS

MAZARS ^(b)
Represented by Laurence Fournier

BDO Paris ^(c)
Represented by Sébastien Haas

(a) Independent director

(b) Term of office to expire at: AGM to adopt accounts for the financial year ending 30 June 2025.

(c) Term of office to expire at: AGM to adopt accounts for the financial year ending 30 June 2026.

CONDENSED HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS

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CONSOLIDATED INCOME STATEMENT

CONSOLIDATED INCOME STATEMENT

Six-month period ending 31 December 2022	Notes	31 December 2022	31 December 2021
		€	€
Turnover	2.1	21,346,006	9,102,865
Other operating income	2.2	760,237	311,108
Cost of goods and services sold	2.3 / 2.4	-2,343,761	-2,511,672
Other administrative and operating expenses	2.3 / 2.4	-3,897,054	-2,412,050
Other income/(expenses)		-106,312	53,572
Net provisions	2.5	78,524	1,128,820
EBITDA		15,837,640	5,672,642
Depreciation and amortisation		-1,236,584	-879,524
Operating income		14,601,056	4,793,118
Financial income		132,881	10,158
Gross financial debt cost	2.6	-570,665	-1,267,903
Other financial expenses	2.6	-74,451	-19,766
Pre-tax earnings		14,088,822	3,515,607
Current and deferred taxes	2.7	-3,760,069	-935,987
Net income		10,328,752	2,579,620
Net earnings, group share		10,413,265	2,607,050
Net earnings, non-controlling interests		-84,513	-27,430
<i>Net per share, group share</i>			
- Basic earnings per share		2.01	0.50
- Diluted earnings per share		2.01	0.50

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Six-month period ending 31 December 2022	Notes	31 December 2022	31 December 2021
		€	€
Net income		10,328,752	2,579,620
-		-	-
Items subsequently transferred to profit or loss		-	-
Actuarial gains and losses on pension plans		4,445	-3,046
Tax effect		-1,111	762
Items not subsequently transferred to profit or loss		3,334	-2,285
Overall earnings		10,332,086	2,577,335
Overall earnings, group share		10,416,599	2,604,765
Overall earnings, non-controlling interests		-84,513	-27,430
<i>Overall earnings per share, group share</i>			
- <i>Basic earnings per share</i>		2.01	0.50
- <i>Diluted earnings per share</i>		2.01	0.50

CONSOLIDATED BALANCE SHEET

FINANCIAL POSITION - CONSOLIDATED BALANCE SHEET

Six-month period ending 31 December 2022		31 December 2022	30 June 2022
		€	€
ASSETS			
Goodwill	3.1	4,574,012	5,758,856
Exploration assets	3.2	45,658,337	45,996,551
Other intangible assets		1,037,329	3,546
Proven mining rights	3.3	24,088,742	24,261,443
Other tangible assets	3.4	34,740,031	29,033,205
Non-current financial assets		1,758,466	1,818,714
Deferred tax assets	2.7	2,347,858	1,667,469
Non-current assets		114,204,775	108,539,784
Stocks		478,171	563,433
Trade receivables and related accounts	3.5	10,600,517	8,762,185
Other current assets	3.5	4,339,810	4,361,505
Prepaid and deferred expenses	3.5	268,445	261,646
Cash and cash equivalents	3.6	26,642,136	23,985,203
Current assets		42,329,079	37,933,971
Total Assets		156,533,854	146,473,756
EQUITY CAPITAL AND LIABILITIES			
Capital	3.7	5,182,604	5,172,813
Premiums	3.7	44,052,241	44,062,032
Other reserves		14,984,606	6,750,233
Net earnings, group share		10,413,265	7,314,163
Other equity capital items		29,186	25,853
Equity capital - group share		74,661,902	63,325,093
Non-controlling interests		-303,204	-232,168
Equity capital of the consolidated group		74,358,698	63,092,925
Non-current financial debt	3.9	44,279,848	48,861,166
Non-current provisions		2,510,243	3,183,758
Provisions for pension liabilities		65,186	63,709
Deferred tax liabilities	2.7	6,711,732	6,427,840
Other non-current liabilities		1,173,165	1,563,750
Non-current liabilities		54,740,174	60,100,223
Current financial debt	3.9	13,411,527	6,910,409
Current provisions		70,423	283,576
Trade payables and related accounts		4,317,973	4,386,301
Fixed assets suppliers		2,572,027	3,980,142
Other current liabilities		7,063,033	7,720,179
Current liabilities		27,434,982	23,280,608
Total equity capital and liabilities		156,533,854	146,473,756

CONSOLIDATED CASH FLOW STATEMENT

Six-month period ending 31 December 2022	Notes	31 December 2022	31 December 2021
		€	€
Operating activities			
Net earnings of the consolidated group		10,328,752	2,579,620
Current and deferred tax expense	2.7	3,760,069	935,987
		1,236,584	879,524
Net depreciation and impairment of tangible and intangible assets		-78,524	-1,128,820
Net provisions			
Gain/loss on asset disposals			
Changes in operating working capital	4.1	-2,359,057	-2,772,917
Changes in working capital - other assets and liabilities	4.1	-3,292,684	-2,051,822
Share-based payment expense		911,514	315,902
Gross financial debt cost	2.6	570,665	1,267,903
Paid tax		-1,491,383	-4,815
Other non-monetary items		297,776	109,750
OPERATING CASH FLOW		9,883,713	130,312
Investment activities			
Capitalised exploration costs	3.2	-126,752	-205,547
Tangible and intangible investments	3.4	-5,978,386	-4,954,433
Proceeds from disposal of tangible and intangible assets		24,996	
Change in payables on fixed assets		-1,408,115	918,817
Grants received on investment activities			187,437
Acquisition/disposal of financial assets		29,215	434,810
Acquisition of shareholding net of cash			
CASH FLOW FROM INVESTING ACTIVITIES		-7,459,042	-3,618,916
Financing activities			
Capital contribution to subsidiaries		53,676	
Issuance of loans and financial debts (excluding expenses)	3.9	5,000,000	27,500,000
Repayment of loans and financial debts	3.9	-2,036,183	-6,124,387
Other financial debts	3.9	-1,312,085	-117,542
Cost of net debt: interest paid		-1,233,146	-743,804
Fees paid on borrowings		-240,000	-786,250
CASH FLOW FROM FINANCING ACTIVITIES		232,262	19,728,017
NET CHANGE IN CASH AND CASH EQUIVALENTS		2,656,933	16,239,413
Net cash and cash equivalents at the beginning of the year		23,985,203	6,839,950
NET CASH AND CASH EQUIVALENTS AT END OF YEAR		26,642,136	23,079,363

The net cash position at the year-end presented in the consolidated cash flow statement is made up of bank accounts net of bank overdrafts, cash accounts and the cash portion of the liquidity contract in place for the Group.

CHANGES IN CONSOLIDATED EQUITY

	Shares		Capital	Premiums	Other equity capital items	Earnings and other reserves - group share	Total Equity capital - group share	Non-controlling interests	Total equity of consolidated group
Six-month period ending 31 December 2022	Number	Par value	€	€	€	€	€		
At 30 June 2021	5,163,970	1	5,163,970	44,070,875	7,889	6,072,711	55,315,445	-40,770	55,274,67
Net income						2,607,050	2,607,050	-27,430	2,579,62
Other equity items					-2,285		-2,285		-2,28
Free share plan						315,902	315,902		315,90
Other changes						163,643	163,643		163,64
Capital increase (free shares)	8,843	1	8,843	-8,843			0		
At 31 December 2021	5,172,813	1	5,172,813	44,062,032	5,604	9,159,306	58,399,755	-68,200	58,331,55
At 30 June 2022	5,172,813	1	5,172,813	44,062,032	25,853	14,064,395	63,325,093	-232,168	63,092,92
Net income						10,413,265	10,413,265	-84,513	10,328,75
Other equity items					3,334		3,334		3,33
Free share plan						911,514	911,514		911,51
Other changes						8,696	8,696	13,477	22,17
Capital increase (free shares)	9,791	1	9,791	-9,791			0		
At 31 December 2022	5,182,604	1	5,182,604	44,052,241	29,187	25,397,870	74,661,902	-303,204	74,358,69

The €9.8K capital increase over the 6-month period ended 31 December 2022 reflects the the Chairman's confirmation on 2 September 2022 of the final award of employee free shares to the beneficiaries of the fifth plan implemented in 2020 by the Board of Directors under the delegation of authority granted by the General Meeting of 29 November 2019.

Following the fulfilment of all the conditions of presence and at the end of the vesting period provided for in the Plan Regulations, 9,791 shares were thus awarded, with capital increased through incorporation of share premiums.

NOTES TO THE CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS

1. ACCOUNTING RULES, METHODS AND PRINCIPLES

1.1. General principles and basis of preparation of consolidated financial statements

The consolidated financial statements for first half of the financial year ending 30 June 2023, i.e. the period from 1 July 2022 to 31 December 2022, were approved by the FDE S.A. Board of Directors on 22 March 2023.

These financial statements were prepared in accordance with IAS 34 on the preparation of interim financial statements and with the International Financial Reporting Standards (IFRS) as published by the IASB and adopted by the European Union implementation from 31 December 2022.

The condensed consolidated half-year financial statements have been prepared in accordance with the same rules and methods as those used for the preparation of annual financial statements for the year ended 30 June 2022. Additionally, the Group's activities are not considered to be affected by any seasonality on an annual basis and the comparability of the half-year and annual accounts is therefore not affected.

The scope of consolidation did not change during this half year compared to 30 June 2022. There were no changes in interest percentage in the consolidated entities during the period.

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 recorded no activity during the half-year and previous comparable periods.

The new amendments published in the Official Journal of the European Council, which are mandatory, were considered, but they had no impact on the Group's half-year Consolidated Financial Statements as of 31 December 2022:

- Amendments to IFRS 3: Update of reference to Conceptual Framework,
- Amendments to IAS 16: Proceeds before Intended Use,
- Amendments to IAS 37: Costs considered in assessing whether a contract is onerous,
- Annual Improvements: Annual Improvements to Standards - 2018-2020 cycle.

Lastly, the Group had no early application of any standards or amendments in its consolidated accounts as at 31 December 2022.

The preparation of financial statements in accordance with IFRS requires the Group's management to make estimates, assumptions and judgements that affect the information presented in the condensed consolidated half-year financial statements and their notes, particularly the assets, liabilities and contingent liabilities recognised or presented at the balance sheet date and the income and expenses recognised during the period.

These estimates, assumptions and judgements are based on past experience and other factors considered reasonable at the date of preparing the financial statements. They are reviewed on a regular basis by the Group's management and may therefore be revised significantly in the event of a change in circumstances or upon receipt of new information. Some of these estimates, assumptions or judgements could have a material impact on the information presented and the final outcome could also differ from the amounts included in the consolidated financial statements and their accompanying notes.

The application of these estimates, assumptions and judgements in preparing the consolidated half-year financial statements and their notes as at 31 December 2022 mainly entails applying the going concern principle, the successful efforts method for oil exploration activities, impairment of assets and assessing their recoverable amount, provisions for site restoration and provisions for major overhauls, recognition of deferred tax assets and liabilities, as well as valuation of share-based payments.

1.2. Accounting policies

Only those rules and methods considered to be significant in relation to the Group's business or events during the first half of the financial year ending 31 December 2022 are presented below.

A/ Consolidation Principles

In accordance with IFRS 10 provisions, the Group applies the full consolidation method when the following three conditions are cumulatively met to demonstrate control:

- Power held over the entity;
- Exposure or rights to variable returns from the entity;
- The ability to exercise its power to impact returns.

Intercompany transactions, assets and liabilities between consolidated companies, as well as internally generated profits are eliminated.

B/ Going concern

In preparing the consolidated financial statements, Management assesses the Group's ability to continue as a going concern.

More specifically, the Group's management regularly reviews its financing options to ensure that it remains a going concern, taking into account the maturity of its various assets and liabilities and its projected cash flows, including those from its gas and electricity sales.

The Group's operating cash flow for H1 2023 is €9.9M versus €130K in H1 2022, with a positive Group cash position of €26.6M at 31 December 2022.

Management's forecasts and estimates of the Group's ability to continue as a going concern are based specifically on the following factors: continued production of gas, electricity and heat in Hauts-de-France and Grand-Est and of electricity in Belgium according to the set plans and assumptions (changes in gas prices in France and electricity prices in France and Belgium, quantity and quality of volumes produced at the sites, capacity to inject into the networks), stability of general and administrative expenses, completion of maintenance operations and major overhauls needed for the smooth operation of its facilities, particularly the cogeneration plants installed in Hauts-de-France and the Walloon Region.

As regards the major investment projects that may be launched during the next twelve months, the Group has already obtained the necessary financing, particularly via the two green bonds issued by LFDE International on 15 September 2021 amounting to €25M, fully subscribed, and on 30 September 2022 amounting to €20M, for which a €5M drawdown had been made at the balance sheet date.

The Group's forecasts up to the end of December 2023 show that the Group will generate sufficient cash flow to continue as a going concern.

On the basis of these data and forecasts, the Group considers that it has the capacity to

continue as a going concern in 2023 and, more generally for the next 12 months, to meet its cash requirements and settle its liabilities on its balance sheet.

The Group's consolidated financial statements as at 31 December 2022 have therefore been prepared on a going concern basis.

C/ Turnover recognition

Turnover is recognised when a performance obligation is satisfied by transfer of a good or service to the customer, such transfer being considered as having occurred when the Group is no longer involved in the management or effective control of the goods and services thus transferred.

Performance obligations are identified at inception and determined on the basis of contractual terms and customary commercial practices after identification of contracts 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 under contractual terms with the Group's main customers, Total, EDF-OA, EDF Luminus, Dalkia, Enes and Gazel.

D/ Current and deferred taxes

The tax expense for the period comprises current tax and changes in deferred tax since the previous balance sheet date. The Group calculates its income taxes in accordance with the tax laws applicable in the countries where the results are taxable, notably France and Belgium.

Temporary differences between consolidated values of assets and liabilities and those obtained by applying 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 during which the assets will be realised or the liabilities settled: the effects of changes in rates are recorded in the period during which the decision to change the rate is taken, and this takes place in the income statement, except when they relate to transactions recognised directly in equity. The tax rate used for the current tax charge for the year 2023 and for calculating deferred taxes was 25% versus 26.5% applied for the year 2022.

Tax savings from tax loss carryforwards are recorded as deferred tax assets. All of these deferred tax assets are written down if they are deemed unrecoverable, with only the amount that is likely to be used being recognised as a balance sheet asset. At 31 December 2022, the amount of unrecognised deferred tax assets was €43.1M, including €26.3M on Cryo Pur (France), €12.9M on LFDE International (Luxembourg) and €2.7M on Greenhill (Belgium).

E/ Exploration expenses

Expenditure recognised as exploration assets in the consolidated balance sheet comprises all costs incurred during the prospecting and drilling phases of exploration. Survey and analysis costs and all costs incurred prior to securing mining permits are expensed immediately. Geological and geophysical expenditures, including seismic surveys, are also expensed directly for the period.

The Group applies IFRS 6 for the recognition of exploration expenditure. The recognition of production rights and assets of subsoil resources is carried out using the successful efforts method.

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

- The exploration drilling cost incurred in discovering proven reserves is capitalised and subsequently depreciated using the unit-of-production method, based on the proven reserves developed;
- Pending determination of whether proven reserves have been discovered, exploration costs are capitalised when both of the following conditions are met:
 - The well has revealed a sufficient volume of gas to justify bringing it on stream, if necessary, assuming that the necessary investments for production are made;
 - The Group has made 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) being carried out or included in a firm programme, completion of development studies, and consideration of the fact that the Group may be awaiting government or third party approval of a proposed project or availability of transportation or processing capacity in an existing facility.

Exploration costs that do not meet these requirements are expensed.

F/ Investment grants

In accordance with the two possible accounting treatments under IAS 20, investment grants are recognised 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 programme centred on the exploitation in short circuits of Lorraine coal gas, in partnership with the University of Lorraine, has been classified as “other non-current liabilities” since 2018 for €250K, pending definition of fair breakdown of the eligible expenses it covers, between exploration investments and personnel costs.

An ADEME grant notified on 29 November 2019 for €1,304K to the company Cellcius is being released gradually based on expenses incurred in building a solar thermal farm in the Creutzwald municipality (Moselle). The eligible expenses retained for this project amount to €2,363K, while the Group has recognised an amount of €1,239K in the balance sheet for this grant at the closing date of these half-year consolidated accounts. This grant was deducted from capitalised costs at the end of the year.

European aid from the ERDF-ESF programme (European Regional Development Fund - European Social Fund) was awarded to Gazonor for an amount of €2.8M on 24 October 2019 and accompanying the installation of 20 new cogeneration units on concessions currently held by the Group in the Hauts-de-France Region, in order to recover the abandoned mine methane exploited in short circuits, thereby eliminating all firedamp emissions in the former mining basin of this area. Eligible expenses for this project amount to €9,190K.

A portion of this grant was recognised in the consolidated accounts for €659K as at 31 December 2022, as eligible investments on the Béthune and EG NPC project that have been submitted as at this date.

G/ 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 allocation of the purchase price is finalised within a maximum period of one year from

the acquisition date.

The acquirer must recognise the positive goodwill on the assets side of the Balance Sheet at the date of acquisition, measured as the excess between:

- The consideration transferred, the amount of non-controlling interest and, in a business combination achieved in stages, the acquisition-date fair value of the acquirer's previously held interest in the acquired company;
- In relation to the acquisition-date fair value of the identifiable assets acquired and liabilities assumed.

Goodwill recorded 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, the identification and measurement of the identifiable assets and liabilities are further analysed. Upon completion of the further analysis, the negative goodwill is recognised directly in the income statement.

2. NOTES TO THE HALF-YEAR INCOME STATEMENT

2.1. Turnover

During H1 of the financial year ending 31 December 2022, the Group generated revenues of €21.3M, including €7.6M from sales related to gas production, €12.9M from sales related to electricity production, €246K from sales of heat and €562K from the contribution of the new subsidiary Cryo Pur.

Gas, electricity and heat sales in France are made to Total Direct Energie, EDF OA, Dalkia, Enes, and Gazel customers, since H1 2023, while electricity in Belgium is sold to EDF Luminus.

The +56% increase in gas sales compared to H1 of the previous financial year resulted from the increased average gas sales price, in a sustained market context.

Electricity sales increased with the production start-up of two additional cogeneration units in Avion, which alone generated turnover of €4.4M during the half-year, bringing the number of operational Group cogeneration units to 15, and an increase in Belgium's electricity sales prices to €213.32/MWh over the half-year (versus €86.94/MWh in H1 2022). As a reminder, three new cogeneration units were commissioned in Belgium during H2 of the previous year.

The half-year turnover is broken down as follows:

Turnover breakdown	31 December 2021	31 December 2021
	€	€
Gas sales - France	7,642,306	4,910,096
Green electricity sales - France	6,679,394	3,181,222
Heat sales - France	246,448	194,912
Green electricity sales - Belgium	6,216,075	816,635
Cryo Pur equipment & services - Norway, Ireland	561,784	0
Annual turnover	21,346,006	9,102,865

2.2. Other operating income

Other operating income recorded during this half-year mainly comprise the valuation at 31 December 2022 of the Research and Innovation Tax Credit for the calendar year 2022 amounting to €614K (including a substantial contribution from Cryo Pur).

2.3. Cost of goods and services, administrative and operating expenses

Cost of goods and services sold includes production costs directly related to gas and electricity sales by Gazonor, Gazonor Benelux, Gazonor Béthune and EG NPC, heat sales by Cellcius and Gazonor Béthune, as well as the sale of LBG and Bio-CO₂ production facilities by Cryo Pur.

Cost of goods and services sold	31 December 2022	31 December 2021
	€	€
Stocked purchases, small materials and equipment	301,634	276,062
Electricity costs	296,411	1,017,606
Natural gas purchases - GRT services	158,712	150,973
Subcontracting and technical services	134,244	123,335
Servicing and maintenance	986,084	671,064
Industrial equipment rental	2,704	0
Other costs - transport, external personnel	67,558	23,337
Personnel costs	396,414	249,295
Total cost of goods and services sold	2,343,761	2,511,672

Administrative and operational expenses are broken down as follows, mainly in connection with the FDE, Gazonor and Cryo Pur entities:

Administrative and operational expenses	31 December 2022	31 December 2021
	€	€
Rentals	178,206	80,033
Professional fees	719,255	590,533
Studies and exploration	116,025	69,665
Travel	85,455	34,906
Communication	52,677	24,011
Banking services	107,498	128,923
Insurance	234,578	113,751
Software and IT	93,883	96,766
Other costs	206,116	181,566
Taxes and levies excluding Corporate tax	164,818	34,929
Personnel costs	1,027,028	741,066
Free shares	911,514	315,902
Total Administrative and operational expenses	3,897,054	2,412,050

The Group's administrative and operating expenses increased, particularly due to the development of its business, with Cryo Pur's expenses amounting to €904K.

Lastly, expenses associated with bonus shares amounted to €912K in H1 2023 up from €316K in H1 2022.

2.4. Personnel costs

Salaries and benefits, excluding free share expenses, amounted to €1,423K in H1 2023 (up from €990K in H1 2022), following the increased headcount from 24 to 29 people during the period, particularly following the integration of Cryo Pur.

Personnel costs	31 December 2022	31 December 2021
	€	€
Gross salaries	1,113,035	689,428
Social security costs	316,636	300,934
Expense for free shares awarded	911,514	315,902
Total personnel costs	2,341,185	1,306,263

The total remuneration of the Group's key executives is presented below, including the €90K paid to NEL.

Remuneration of key executives	31 December 2022	31 December 2021
NextGen contract	90,000	95,100
J. Moulin's remuneration	29,294	29,294
A. Forcinal's remuneration	146,371	141,061
TOTAL	265,665	265,454

The expense for remuneration to be allocated to members of the Remuneration and Audit Committees and the Board of Directors amounts to €27.5K for the six months ended 31 December 2022.

2.5. Net provisions

Net provisions	31 December 2022	31 December 2021
	€	€
Provisions for site restoration	-318,296	-1,173,875
Provisions for litigation	-6,295	41,050
Impairment of receivables and inventories	231,849	718
Others	14,219	3,287
Net provisions	-78,524	-1,128,820

A net provision reversal of €1,129K was recognised during H1 2022, mainly reflecting the revaluation of the Gazonor sites restoration provision amounting to €1,174K. For the six months ended 31 December 2022, the effect of the change in the site restoration provision is reflected.

2.6. Financial expenses

Financial expenses are broken down into the following items:

Financial result	31 December 2022	31 December 2021
	€	€
Financial income	132,881	10,158
Gross financial debt costs	-570,665	-1,267,903
Unrealised foreign exchange gains and losses	0	0
Other items	-74,451	-19,766
Total financial result	-512,234	-1,277,511

The financial debt cost is composed of interest charges and commissions on the Group's financing which decreased over the six months of the financial year ended 31 December 2022, despite the new green bond contracted with EDRAM. This steep downward variation is related to proceeds recognised by Gazonor Holding following an agreement negotiated at the end of December 2022 with Cap3Ri in relation to the convertible bond repayment with a par value of €3M. Following this agreement, and considering the non-conversion premium that had already been recognised previously, a financial reversal of €674K was recognised over the half-year to bring this premium to the negotiated redemption value, which was paid to Cap3Ri in January 2023.

Other items include the accretion expense related to provisions for site dismantling and restoration.

2.7. Current and deferred taxes

For the six-month period ended 31 December 2022, the current tax charge comprises the tax estimated for the French tax consolidation group for this period (€2.6M), the tax due in Belgium for Gazonor Benelux (€1.3M), and the minimum wealth tax payable by the subsidiary LFDE International located in Luxembourg (less than €5K).

The tax consolidated group was established on 1 July 2018 with FDE as head company of the French tax consolidated group, comprising Gazonor, Gazonor Holding, EG Lorraine, EG NPC, Gazonor Béthune and Cryo Pur (since 1 July 2022).

During H1 2023, a 25% tax rate was applied versus 26.5% during H1 2022, as the Finance Act 2022 enacted in France has extended the existing legislation in 2021, including the gradual reduction of tax rates to 25% as from 1 January 2022.

The tax charge for this half-year and the previous comparable half-year is broken down as follows:

Tax expense	31 December 2022	31 December 2021
	€	€
Current tax for the year	3,952,834	667,448
Current tax	3,952,834	667,448
Change in deferred taxes	-192,765	268,539
Deferred taxes	-192,765	268,539
Total tax expense	3,760,069	935,987

Analysis of deferred taxes

The main sources of deferred tax recognised in the balance sheet include existing tax loss carry forwards and mining rights, as the previous period. Following the affectation of part of Cryo Pur's goodwill, an amount of €446K was recognised as deferred tax asset (IDA) on existing tax loss carry forwards, while an amount of €246K in deferred tax liability (IDP) arose from the valuation of patents taken over in this scope.

Breakdown and source of deferred taxes in balance sheet	31 December 2022	30 June 2022
	€	€
Deferrable losses	1,626,754	1,363,264
Free shares	145,209	39,085
Energy saving certificates	26,948	31,147
IFRS 16 - Leases	454	4,486
Provision for pension liabilities	16,297	10,274
Unrealised gain on internal operations	532,196	388,945
Deferred tax assets	2,347,858	1,837,201
Mining reserves	-5,986,418	-6,045,690
Provision for major overhauls	-479,089	-353,795
Dismantling Belgium	-69	-3,043
Financial lease	0	-10,200
Cryo Pur patents	-246,156	
Deferred tax liabilities	-6,711,732	-6,412,729
Total net deferred taxes in balance sheet	-4,363,874	-4,575,528

Deferred tax on tax loss carry forwards has been calculated at the level of each company or tax group where applicable, based on individual recoverability prospects.

As at 31 December 2022, the losses that have not given rise to recognition of deferred tax assets are deferrable amounts of €43.1M, including €26.3M for Cryo Pur (France), €12.9M for the LFDE International entity (Luxembourg) and €2.7M for Greenhill (Belgium).

The deferred tax liability initially recognised on mining reserves following 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 of 25% in France) and the effective tax rate recognised in the consolidated financial statements is as follows:

Reconciliation of effective tax rate and theoretical tax rate	31 December 2022	31 December 2021
	€	€
Net earnings of the consolidated group	10,328,752	2,579,620
(Corporate tax)	3,760,069	935,987
Pre-tax earnings	14,088,822	3,515,607
French tax rate	25.00%	26.50%
Theoretical tax expense	-3,522,205	-931,636
IDA not recognised in the year	-285,878	-156,883
Research tax credit	96,163	50,594
Permanent differences incl. restatements IFRS	-130,667	
Unused deficits not previously recognised	125,501	
Gazonor Benelux IDA on investments	0	111,256
Others (add. contribution, rate changes...)	-42,983	-9,317
Tax expense in income statement	-3,760,069	-935,987

3. NOTES TO THE BALANCE SHEET

3.1. Consolidated goodwill

During the year ended 30 June 2021, goodwill of €48K was recognised for the acquisition in February 2021 of **100% of Greenhill SA**, the Belgian company holding the Monceau-Fontaine, Marcinelle and Nord de Charleroi Concession (No. 038), for a price of €203K. No valuation difference was noted in the final allocation of this purchase price, particularly with unrecognised tax loss carry forwards amounting to €2.3M.

For the year ended 30 June 2022, additional goodwill was recognised in the Group's consolidated accounts amounting to €5,711K, entirely related to the acquisition of 94% of the capital of **Cryo Pur**, a company specialising in the treatment of biogas and its liquefaction into LBG and Bio-CO₂. This acquisition was made by FDE for a price of €2.5M paid in cash.

The goodwill was determined from the difference between the acquisition price of the Cryo Pur shares and the amount of this company's equity at the acquisition date. Upon entering the FDE scope of consolidation, Cryo Pur's negative equity amounted to €3.4M, with total assets of €2.9M and liabilities of €6.3M.

As at 30 June 2022, only one valuation difference had been recognised, representing end-of-career benefits amounting to €31K. Conversely, the final allocation of the purchase price had not been finalised at that time, as the FDE Group had until 30 December 2022 to rectify the value of the assets and liabilities taken over.

At the date of closing these accounts for H1 2023, the final allocation of the purchase price was completed with the recognition of deferred tax assets on losses carried forward amounting to €446K and recognition of identifiable intangible assets for a net deferred tax liability amount of €738K mainly relating to patents held by Cryo Pur:

- WO 2015 / 173491 “Method and device for liquefying methane”: This patent claims to achieve optimal pressure from the point of view of minimising energy consumption and is directly used in Cryo Pur equipment.
- WO 2016/162643 “Method for recovering energy from dry ice at infra-atmospheric pressure”. This patent claims to recover the coldness of solid CO₂ by sublimation at an optimal infra-atmospheric pressure, with an energy gain of more than 15% compared to the current method.
- EP 20158502.3 “Method and device for subcooling refrigerants”. This is a generic patent for all refrigeration systems, in order to avoid a 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 relates to the process of extracting carbon dioxide (CO₂) from liquid methane at a pressure greater than 6 bar.

The residual goodwill of €4,526K is derived from the possible synergies with FDE's existing activities (focused particularly on the reduction of CO₂eq emissions via mine gas capture and recovery) by maximising the value of the Group's significant gas reserves, but also by solidifying FDE's positioning on the strategic green gas and CO₂ markets through integrating the Cryo Pur technology used to purify and liquefy all types of gas (biogas, landfill gas, flare gas, rare gases, etc.).

3.2. Exploration assets

As explained in the accounting rules and methods, the expenses recorded as exploration assets in the consolidated balance sheet include all costs incurred during the prospecting and exploration drilling phases.

The increase in these exploration assets over the half-year, excluding provisions for site restoration, is mainly related to routine maintenance work carried out on the sites in the Lorraine basin (Bleue Lorraine permit), particularly on the Lachambre site.

The exploration assets associated with the Lons-le-Saulnier and Gardanne permits, representing a total gross value of €294K, were written off during the half-year, as rejection orders had earlier been issued for them and they no longer had any recoverable value, accompanied by a corresponding 100% provision reversal, i.e., no impact on results for the period.

At 31 December 2022, the gross value of these exploration costs was €44.8M, together with site restoration costs of €1.6M.

These restoration costs were impaired by €456K over the period, in line with the decrease in the corresponding provisions due to the effects of changes in inflation and discount rates versus 30 June 2022.

Changes in gross and net values between 30 June 2022 and 31 December 2022 are as follows:

Changes - gross value	30 June 2022	Acquisitions	Disposals	Others	31 December 2022
	€	€	€	€	€
Assets - PER Bleue Lorraine	41,947,293	126,752			42,074,045
Assets - other PERs	2,598,453			-294,320	2,304,133
Assets - PER Anderlues	469,207				469,207
Provisions for restoration	1,593,983				1,593,983
Total - gross value	46,608,935	126,752	0	-294,320	46,441,367

Changes in depreciation and amortisation	30 June 2022	Allowance Depr.	Allowance Impairment	reversals	31 December 2022
	€	€	€	€	€
Assets - PER Bleue Lorraine	0				0
Assets - other PERs	-597,940			294,320	-303,620
Assets - PER Anderlues	-14,443	-8,620			-23,063
Provisions for restoration	0		-456,347		-456,347
Total depreciation and impairments	-612,384	-8,620	-456,347	294,320	-783,030
Total - net value	45,996,551	118,132	-456,347	0	45,658,337

By exclusive research permit or concession, excluding provision for site restoration, net exploration assets are broken down as follows:

Permits / concessions	Articles of association	31 December 2022	30 June 2022
		€	€
Bleue Lorraine (i)	<i>Concession application in progress</i>	42,074,045	41,947,293
Bleue Lorraine Sud (ii)	<i>Non-extension, litigation</i>		
Bleue Lorraine Nord	<i>Explicit rejection - litigation</i>		
La Grande Garde	<i>Explicit rejection - litigation</i>		
La Folie de Paris (iii)	<i>Renewed until 07 August 2021</i>	2,000,513	2,000,513
Valenciennois	<i>Extended until 24 October 2022</i>		
Sud-Midi	<i>Extended until 24 October 2023</i>		
Poissonnière	<i>Concession until 23 December 2042</i>		
Anderlues	<i>Concession until 2038</i>	446,144	454,764
Total - exploration assets (net value)		44,520,701	44,402,569

(i) BLEUE LORRAINE permit

The third period of the Bleue Lorraine exclusive exploration permit expired on 30 November 2018, the date prior to which an application for a concession had to be made or it would no longer be deemed admissible. La Française de l'Energie applied for a concession on 26 November 2018, registered by the Ministry of Ecological and Solidarity Transition on 28 November 2018, pursuant to the provisions of the decree of 28 July 1995, and valid until 1 January 2040, i.e. 21 years.

The area requested is 191 km², including 6 communes completely and 34 communes partially.

An implicit decision to reject the application for the Bleue Lorraine concession was issued on 11 June 2022. A motion contesting the implicit rejection of the Bleue Lorraine concession application was filed with the Strasbourg Administrative Court on 12 July 2022.

In a letter dated 4 October 2022, FDE requested the Minister of Ecological Transition and Territorial Cohesion (in charge of mines) to issue his observations as soon as possible. The President of the Court granted FDE's motion and served formal notice on the Minister to provide his observations in defence within three months, i.e. 4 January 2023.

Concerning Bleue Lorraine, FDE initiated a suspensive summary procedure on 27 January 2023, to compel the Minister concerned to issue his observations as soon as possible (with a daily fine of €5K).

(ii) BLEUE LORRAINE SUD permit

The Bleue Lorraine Sud permit was the subject of an extension request in July 2016, which was rejected by ministerial decree on 29 December 2017. Considering that the rejection date came after the rejection date, FDE lodged an appeal on 10 September 2018 to obtain extension of the permit. The contentious appeal was rejected by the Strasbourg Administrative Court on 22 July 2020; the Company did not appeal. A claim for compensation is still being finalised.

(iii) LA FOLIE DE PARIS permit

A ministerial order was issued on 31 January 2018 for the exclusive research permit known as “La Folie de Paris” extending it until 7 August 2021, for the benefit of the company Concorde Energie Paris (order of the Minister of Ecological and Solidarity Transition and the Minister of the Economy and Finance). An application for exceptional extension of the third period was deemed to have been received by the administration on 6 April 2021 and declared admissible. The application is in process and a response was expected by 2 October 2022.

As no reply was provided by that date, Concorde Energie Paris lodged an ex-gratia appeal seeking the retraction of the implicit rejection. The Ministry replied by letter received on 15 January 2023 that the investigation was still in progress.

The PERH (hydrocarbons exclusive exploration permit) remains valid during the processing period of the application for extension.

It is worth noting that the Montaiguillon-1 drilling project was approved by a Prefectoral Order on 15 December 2021.

Furthermore, during the year the Group filed nine claims for compensation relating to applications for exclusive research permits rejected in previous years for a total amount of more than €1.3bn representing lost profits and €615K representing costs incurred purely as a loss. No assets have been recognised for these claims in the interim financial statements.

3.3. Mining rights

Mining rights recognised since the Group’s acquisition of the LFDE International/Gazonor entity are amortised annually on a per unit-of-production basis, by comparing the quantities of gas produced by the various Gazonor sites to the quantities of reserves held at the beginning of the financial year.

Mining rights	31 December 2022	30 June 2022
	€	€
Hauts-de-France - Gross value	25,366,331	25,366,331
Hauts-de-France - cumulative depreciation and impairments	-1,412,008	-1,296,929
Anderlues - Gross value	152,123	206,174
Anderlues - Cumulative depreciation and impairment	-17,704	-14,133
Mining rights - net value at year-end	24,088,742	24,261,443

During the half-year ended 31 December 2022, a depreciation of €115K was recorded, based on a half-year production of 1.56 BCF (billion cubic feet) for a volume of 2P reserves of 326.23 BCF at the beginning of the financial year.

These reserve quantities are established on the basis of the report from DMT updated on 4 January 2022, taking into account the coefficient existing between the potential quantities of pure methane production and those of mixed gas. The Group’s management has also assessed the production capacity at the end of the year over the duration of the concessions held.

At the Anderlues site, which was commissioned in late April 2019, the gross value of €200K reflects the matching assets of the dismantling provision as recorded as of 31 December 2022, which assets are amortized on a per unit-of-production basis.

3.4. Other tangible assets

Changes - gross value	30 June 2022	Acquisitions	Disposals	Others	31 December 2022
	€	€	€	€	€
Lands	228,708				228,708
Buildings	1,856,542		-38,205		1,818,337
Industrial plant and equipment	23,062,100	837,490	-1,146,460	-213,994	22,539,137
Other tangible assets	90,192	18,398	-49,393		59,198
Assets under construction	7,876,654	5,432,671		60,792	13,370,117
Rights of use - IFRS 16	123,680	1,026,368			1,150,048
Total - gross value	33,237,877	7,314,927	-1,234,057	-153,202	39,165,545
Changes in depreciation and impairments	30 June 2022	Allowance Depr.	Allowance Impairment	reversals	31 December 2022
	€	€	€	€	€
Lands	-12,763				-12,763
Buildings	-339,019	-65,088		38,205	-365,903
Industrial plant and equipment	-3,646,647	-1,077,536	-226,222	1,082,351	-3,868,054
Other tangible assets	-82,562	-10,686		48,757	-44,491
Assets under construction	0				0
Rights of use - IFRS 16	-123,680	-10,623			-134,303
Total - depreciation and impairments	-4,204,672	-1,163,934	-226,222	1,169,313	-4,425,514
Total - net value	29,033,205				34,740,031

Acquisitions for the half-year mainly comprised the following investments:

- In the Grand-Est region, FalkenSun invested €2.4M in its ground-based photovoltaic plant project;
- In the Hauts-de-France region, the Group invested more than €2.3M to complete the extension of the Avion site with two additional cogeneration units and to develop the 30 MW in France;
- In Belgium, additional investments of approximately €1.2M were made during this half-year for the development project (phase 2) at the Anderlues site.

Lastly, under a new lease agreement concluded by Cryo Pur for premises located at Wissous (Ile-de-France), a right of use was recognised in accordance with IFRS 16 for a net amount of €1,016K at 31 December 2022.

This right of use was recognised by considering the amounts of outstanding rent for the nine years of the commercial lease taken out on 28 November 2022, based on a marginal debt ratio of 5%.

3.5. Trade receivables and other current assets

Trade receivables and other current assets	31 December 2022	30 June 2022
	€	€
Trade receivables and related accounts	10,600,517	8,762,185
Other current assets	4,339,810	4,361,505
Prepaid and deferred expenses	268,445	261,646
Total trade receivables and other current assets	15,208,772	13,385,335

At 31 December 2022, the customer balance was composed almost entirely of invoices for the month of December issued to the customers Total Gas & Power, EDF Obligations d'Achats, EDF Luminus, Dalkia and Gazel, as well as receivables assigned to the factor for the month of November 2022, amounting to €1,165K at Gazonor level.

Other receivables mainly comprised deductible VAT receivables as well as social security and tax receivables.

3.6. Cash and cash equivalents

Net cash and cash equivalents	31 December 2022	30 June 2022
	€	€
Bank accounts	26,589,176	23,900,303
Liquidity portion of liquidity contract	52,960	84,900
Total net cash	26,642,136	23,985,203

3.7. Share capital and premiums

As of 31 December 2022, FDE's share capital stood at €5,182,604, broken down into 5.182.604 ordinary shares with a par value of €1.00 each, all fully paid up.

During the half-year, 9,791 new shares were issued following the permanent allocation of free shares to beneficiaries of the fifth plan implemented in 2020 by the Board of Directors under the delegation of authority granted by the General Meeting of 29 November 2019. This capital increase was carried out by incorporating share premiums, after the Chairman noted on 2 September 2022 that the free shares had been permanently allocated to their beneficiaries.

No other transactions have taken place with respect to the share capital since 1 July 2022.

Share premiums of €44,052K represent the difference between all share premiums related to the Group's IPO and the conversion of previously issued bonds totalling €45,374K, and the amount (net of tax) of costs incurred by the Group at the time of the IPO, i.e. €1,204K, as well as successive impacts of the bonus share allocation plans totalling €118K.

3.8. Share-based payments / employee free shares

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

Following the opinion of the Appointments and Remuneration Committee, a first plan was decided on 30 June 2016, whereby 85,485 shares were permanently allocated in November 2018.

On 30 June 2017, the Board of Directors adopted the Regulations of the Plan set up in 2016 and determined the initial beneficiaries of the second plan for 5,231 shares, permanently awarded in December 2019. Under the third plan initiated on 9 July 2018, 8,080 shares were permanently allocated during the financial year ended 30 June 2021, followed by the fourth plan initiated on 12 December 2019 whereby 8,843 shares were permanently allocated during the financial year.

Under a fifth fourth plan initiated on 04 September 2020, 9.791 shares were permanently awarded over the financial year.

Two other plans were launched on 27 July 2021 and 20 June 2022, providing for employee free shares to the allocated to the Group's employees and directors as tabulated below:

Free share plans	Number of shares initially awarded	Number of shares at 31 December 2022	Fair value (price)
27 July 2021	49,795	49,430	22.5
01 July 2022	48,736	48,736	50.3

All of these allocations together represent a total of approximately 4% of the capital, below the ceiling set for the initial authorisation.

These employee free shares will be permanently allocated to the beneficiaries within two years of their initial allocation date, provided these beneficiaries continue to hold their position within the Group during this period, and subject to fulfilment of the other requirements pertaining to this employee free share plan.

Under IFRS 2, benefits under this plan are accounted as staff costs.

Under this employee free share plan for all employees and executive directors, the unit value of the shares is based on the share price at the date of award, taking into account changes in the number of beneficiary employees. The corresponding expense is recognised over the vesting period of the shares from the date of award, i.e. the date on which the beneficiaries are deemed to have been duly and fully informed.

The expense recognised in H1 2023 amounts to €912K, valued on the basis of the share price at grant date, versus €316K in H1 2022.

3.9. Borrowings and financial debts

The Group's borrowings at 31 December 2022 stood as follows, the last three having been taken out during H1 2022:

Bond Loan – Gazonor Holding and CAP3 RI

Bond loan of €3M subscribed in January 2018 for the Gazonor subsidiary from CAP 3RI, an investment company focusing on the Third Industrial Revolution in the Hauts-de-France Region. This loan was obtained at Gazonor Holding's level with a maturity set at 31 December 2024. 6,383 convertible bonds were issued, with each holder having the option to exercise at any time, in whole or in part, a conversion right of 1 Gazonor Holding share for 1 bond.

A non-conversion premium is included in the bond contract, its amount being based on the consolidated Gross Operating Surplus and the consolidated net debt according to an agreed formula, with a minimum capitalised rate of 3% per annum, and in case of early redemption, a minimum IRR of 17% and a net multiple of 2x.

An agreement was signed between Gazonor Holding and Cap3Ri on 31 December 2022 providing for the repayment of the €3M nominal value plus a non-conversion premium in January 2023. The Group's accounts at 31 December 2022 reflect the conclusion of this agreement.

Loan - Gazonor SAS and Landesbank SAAR / Bpifrance Financement

A bank loan of €6.4M obtained for Gazonor on 09 May 2018 jointly from Landesbank SAAR and Bpifrance Financement, with a maturity date of 2 April 2024 and a repayment schedule by quarterly instalments. The repayment instalments to be made during the financial year ending 31 December 2022 are recorded under current financial liabilities.

The following specific requirements are attached to this bank loan:

- A reserve account has been set up for €725K, representing a cash account blocked in the books of Landesbank SAAR, used for the debt service reserve and pledged to lenders until the loan matures. This account bears interest at the rate of interest on equivalent deposits. At 31 December 2022, this reserve account is included in non-current financial assets.
- Gazonor agrees 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 signing date of the loan agreement,
 - Current account or cash advances to other Group members authorised by lenders.
 - Credits and payment terms granted to its co-contractors in the normal course of business and up to a limit of €100K.

This loan comes with a financial ratio to be complied with, known as the DSCR ratio, for any 12-month period ending at the close of a fiscal year. This is a debt service coverage ratio, representing the ratio of "cashflows generated/total debt service", which must remain above 1.3. As at 30 June 2022, the test for this ratio was satisfactory.

Bank Loan - Gazonor SAS and Bpifrance Financement

A loan taken out by Gazonor with Bpifrance Financement on 22 October 2019 nominal amount of €1,34M, aimed at refinancing the costs incurred for acquisition of the three Siemens-type electric motors installed at the Avion site. This loan has a maturity of 6 years,

with monthly linear repayment, for a fixed interest rate of 1.5% per annum.

State-Guaranteed Loan – Gazonor SAS and LCL and Société Générale

In June 2020, as a result of the COVID-19 health crisis and the fall in gas and electricity prices in Belgium, Gazonor obtained a State-Guaranteed Loan for €1.6M to strengthen its cash flow, especially to assist in its future developments. This loan from LCL and Société Générale bears interest at a rate of 0.25% and has a lifespan of 12 months, with a depreciation option of up to 5 years.

On 20 May 2021 and 15 April 2021, amendments to the loans were signed with LCL and Société Générale, respectively, to extend the maturity of the loan to 5 years, after a one-year grace period.

Lease-Purchase Agreement - FDE and Finamur (LCL)

Lease-purchase agreement concluded on 21 October 2019 between FDE and Finamur by notarial deed, covering a total investment of €940K to build offices and warehouses in the Pontpierre/Faulquemont business area. The project was completed at the end of 2020 and the company took possession of the premises on 3 December 2020.

This lease provides for a maturity of 12 years, with the possibility for FDE to exercise its option earlier, after a 7-year rental period; the purchase option price at end of the contract is €94K.

Project Funding – Cellcius SAS and Caisse d'Epargne

Cellcius has taken out a loan with the Caisse d'Epargne et de Prévoyance Grand Est Europe on 15 December 2020 for a nominal amount of €1.3M, aimed at refinancing costs incurred for construction of the solar-thermal farm in Creutzwald. This loan has a 20-year maturity with quarterly instalments as from April 2021, at an interest rate of Livret A + 1% per annum, i.e. 2% at 31 December 2022.

This loan came with a financial ratio to be applied by providing a certificate of compliance submitted with the annual financial statements: DSCR: This is a debt service coverage ratio, representing the ratio of "available cash flow / debt service", which must remain above 1.15. As at 30 June 2022, the test for this ratio was satisfactory.

Crowdfunding loan – Gazonor Béthune SAS

Crowdfunding loan of €5.5M subscribed by Gazonor Béthune SAS from 1,708 lenders, to finance part of the shareholders' equity mobilized by the Group for its project in Béthune. Approximately 40% of funds raised came from residents of the Hauts-de-France Region, once again demonstrating the relevance of the short circuit model promoted by FDE. The unit tickets invested range from €100 to €500,000.

This fundraising, divided into two separate €2.25M campaigns, exceeded its initial target within 2 months. 55,000 bonds, with a par value of €100 each, were subscribed in February 2021.

This financing has a maturity of 4 years and a fixed interest rate of 4.75% per year. This loan is guaranteed by FDE for the duration of the financing.

Crowdfunding loan – EG NPC SAS

Crowdfunding loan of €3.3M subscribed by EG NPC SAS from 489 lenders and NEF, an ethical banking cooperative which offers credit solutions exclusively oriented towards projects with a social, ecological and/or cultural utility, for €1M, in order to finance its project to build two cogeneration units on the historic site of Avion.

33,000 bonds, with a par value of €100 each, were subscribed in June 2021.

This financing has a maturity of 5 years and a fixed interest rate of 4.75% per year. This 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 28 July 2021. This loan has a nominal amount of €2.9M and covers the refinancing of the two cogeneration plants at the Anderlues site, including a set of intangible costs incurred, initially financed by Triodos Bank. This loan has a maturity of 8 years from 29 July 2021, through quarterly maturities, with a fixed interest rate of 1.6% per annum and a call option of 1% of the invested amount.

In addition to the guarantees given by the Group and presented in 4.3 of this note, the following specific conditions are attached to this bank loan: a reserve account for 9 months' rent has been set up over a period of 2 years for €269K and represents a blocked monetary account in the books of ING used as debt service reserve until the loan is fully repaid.

This loan came with a financial ratio to be applied, the DSCR (debt service coverage ratio) representing the ratio of "net cash flow / total debt service", which must remain above 1.05. As at 30 June 2022, the test for this ratio was satisfactory.

A similar contract was signed for a new €6.3M financial lease with ING to cover the investment needs of the three new cogeneration units in phase 2 of Anderlues. As at 31 December 2022, a first amount of €3.6M had been received (same situation as at 30 June 2022). It is worth noting that only interim interest is currently being paid on this second tranche to ING, as no repayment of its nominal value has taken place yet.

Crowdfunding loan – FalkenSun SAS

Crowdfunding loan of €2.5M subscribed by FalkenSun SAS from 889 lenders and NEF, to finance part of the shareholders' equity mobilized by the Group for the construction of the Tritteling-Redlach photovoltaic plant.

This fundraising closed on 9 August 2021 and as at 31 December 2021, 25,000 bonds with a par value of €100 each had been subscribed.

This financing has a maturity of 2 years and a fixed interest rate of 4.75% per year. This loan is guaranteed by FDE for the duration of the financing.

Green bonds – LFDE International SARL and EDRAM

€40M bond loan issued on 15 September 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 abandoned mine methane and photovoltaics.

This loan has a 7-year maturity (NC4) and comprises a first tranche of €25M which has been

drawn, and an optional second tranche of €15M. The interest rate was 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 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 31 December 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%.

As at 30 June 2022, the test for these ratios was satisfactory.

Green bonds – LFDE International SARL and EDRAM

€20M bond loan issued on 23 September 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 abandoned mine methane and photovoltaics.

A €5M tranche was actually released to LFDE International during H1 2023.

This loan has a 7-year maturity (NC4). The interest rate is 6% initially, to be reduced to 5.5% once the 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 31 December 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%.

As at 30 June 2022, the test for these ratios was satisfactory.

Bank loans – Cryo Pur and Bpifrance Financement

Repayable advance in principal of €170K, granted on 27 July 2016, and repayable in 17 quarterly instalments, i.e. until 31 March 2023.

Loan in principal of €400K made available on September 30, 2015, at a rate of 4.73%, repayable in 34 quarterly instalments until 31 March 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.

State-Guaranteed Loan – Cryo Pur and Société Générale

State-guaranteed loan granted to Cryo Pur on 9 July 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 2 April 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.

Considering these financing arrangements, the Group's current and non-current financial debt as at 31 December 2022 is broken down as follows:

Current and non-current financial debts	31 December 2022	30 June 2022
	€	€
Bond loan	34,715,000	31,060,010
Bank loan	8,840,592	18,502,451
Shareholder loan (including fees)	0	0
BPI Export advances	34,125	14,625
Lease liabilities IFRS 16 (including finance leases)	1,611,262	764,729
Issue fees	-921,130	-1,480,649
Non-current financial debts	44,279,848	48,861,166
Bond loan	4,752,808	0
Bank loan	7,486,828	4,591,502
Shareholder loan (including fees)	0	0
Debts on factoring	1,048,720	2,315,282
Lease liabilities IFRS 16 (including finance leases)	203,901	65,459
Current bank loans	0	0
Current financial debts	13,411,527	6,910,409
Total financial debts	57,691,375	55,771,575

The factoring debt comprises receivables assigned with recourse under the customer factoring contract at 31 December 2022 for €1M (Gazonor entity).

4. OTHER INFORMATION NOTES

4.1. Cash Flows

The change in working capital requirements during H1 2023 and H1 2022 presented in the cash flow statement can be analysed as follows:

Change in WCR	31 December 2022	30 June 2022
	€	€
Stocks	85,262	56,446
Trade receivables	-1,838,332	-6,809,658
Trade payables	-68,328	-1,350,284
Other operating assets, restatements	-537,658	-103,340
Change in operating WCR	-2,359,057	-8,206,836
Other assets	216,500	1,115,364
Other liabilities	-3,509,183	-807,250
Changes in working capital - other assets and liabilities	-3,292,684	308,114
Change in overall WCR	-5,651,740	-7,898,722

4.2. Lease commitments

Property leases outside the scope of IFRS 16

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

The corresponding commitments amount to €2,517K over the entire possible lease term, with no significant change compared to 30 June 2022 (€2,479K).

4.3. Other commitments

Commitments on financial debts

Current and non-current financial liabilities assigned to the Group as at 31 December 2022 include the following commitments and guarantees:

Bank Credit – Landesbank SAAR and 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 cover 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 abandoned mine methane 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 and several guarantee given by FDE up to €1.34M for the entire duration 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 bank loans (€2.9M for Anderlues 1 and €3.6M for Anderlues 2):

- Pledge of the DSRA credit balance.
- Pledge in favour of ING of all receivables from the operation of the project, i.e. and without being limited to: the operating permit, the contract for sale of electricity and green certificates, the service and maintenance contract, insurance policies.
- Commitment to continue leasing from FDE in case of default by Gazonor Benelux and at ING's first request.

Leasing – Finamur:

- Pledge in favour of the lessor company, i.e. Finamur, of the intangible elements resulting to its benefit from the leasing contract and the benefit of the promise to sell as stated in the notarised contract. By means of this pledge, Finamur shall have and exercise on the various elements of the lease all the rights, actions and privileges conferred by law on the pledged creditors.

La Caisse d'Epargne et de Prévoyance Grand Est Europe bank loan (€1.3M):

- Mortgage on the long lease of the land on which the facilities are located.
- Non-possessory pledge on the plant's equipment and materials
- Assignment of professional receivables (heat supply agreement, service contract, insurance contract)
- Pledge of shareholders' financial securities accounts
- Pledge of DSCRA (3 months of debt service)
- Freezing of shareholders' current accounts opened in the Borrower's books amounting to €700,000.

EDRAM bond loan (€25M+€20M):

- Collateral on the dedicated bank accounts of LFDE International and the companies financed by the bonds (Gazonor Benelux, Greenhill, FalkenSun and EG NPC at 31 December 2022)
- Collateral on the shares of companies financed by the bonds (Gazonor Benelux, Greenhill, FalkenSun and EG NPC at 31 December 2022)
- Collateral on the dedicated intragroup loans between LFDE International and the companies financed by the bonds (Gazonor Benelux, Greenhill, FalkenSun and EG NPC at 31 December 2022)

Financial commitments on permits

The table below describes the Group's financial commitments for three main licences currently held by the Group with capital expenditure and exploration costs recognised at 31 December 2022:

Commitments on Exclusive Exploration Permits	Initial financial commitments	Investments made	Residual commitments
	€	€	€
Bleue Lorraine	7,700,000	42,074,045	none
Bleue Lorraine Sud	7,250,000	303,573	6,946,427
La Folie de Paris	5,400,000	2,000,513	3,399,487

Each exploration licence granted to the Group includes financial commitments in terms of exploration expenses to be incurred during the term of the licence and used as instruments to assess a potential renewal by the State. Additionally, it is worth noting that the expenses recorded on the Bleue Lorraine PER also includes studies on well architectures, quality and resistance of drilling equipment and tools, as well as characteristics of Lorraine coals which may be useful for the Bleue Lorraine Sud PER.

An application for concession was filed in November 2018 for the Bleue Lorraine permit, while the La Folie de Paris permit was renewed until 7 August 2021, with filing of an application for exceptional extension. These permits have been implicitly rejected with appeals pending.

4.4. Commitments to purchase tangible assets

The amount of commitments as at 31 December 2022 on firm orders (notably for future developments of the group) is €3,423K, excluding VAT.

4.5. Related parties

In the course of its operations, the FDE Group was involved in a number of transactions with persons or entities considered to be related parties during H1 of the year ended 31 December 2022. The amounts arising from these transactions and recognised in the consolidated financial statements are presented below.

Transactions with related parties	31 December 2022
	€
NextGen Energy Limited services	90,000
Services - charge	90,000
Interest on NextGen Energy Limited loan	0
Interest on shareholder loan	0
Interest cost	0

Relations with related parties

Since 1 July 2016, there is a service contract between LFDE International and NEL, the personal holding company of the FDE Chairman, dealing with the promotion of the Company's activities, particularly with European Union authorities, and the search for external growth and financing operations. In return for these services, LFDE International pays NEL a monthly fee of €15K, excluding tax, i.e. an expense of €90K recorded during this half-year.

4.6. Liquidity risk, maturity of assets and liabilities

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 with regard to 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.

Paragraph "B/ Going concern" in Note 1.2 to the consolidated financial statements indicates the various elements justifying such continuity at the date of preparing the Group's financial statements for H1 2023.

The maturities of the Group's financial assets and liabilities at 31 December 2022 and 30 June 2022 are tabulated as follows:

Maturities of assets and liabilities - 31 December 2022

	Within 1 year	1 to 5 years	Above 5 years	Total
	€	€	€	€
Non-current financial assets		1,329,812	428,655	1,758,466
Trade receivables	10,600,517			10,600,517
Other receivables, including CCA	4,608,254			4,608,254
Cash and cash equivalents	26,642,136			26,642,136
Financial debts (excluding deferred charges)	-13,411,527	-11,298,336	-32,981,512	-57,691,375
Trade payables	-6,890,000			-6,890,000
Other liabilities	-7,063,033	-1,173,165		-8,236,198
Net amounts by maturity - 31 December 2021	14,486,349	-11,141,690	-32,552,857	-29,208,199

Maturities of assets and liabilities - 30 June 2022

	Within 1 year	1 to 5 years	Above 5 years	Total
	€	€	€	€
Non-current financial assets		1,328,062	490,652	1,818,714
Trade receivables	8,762,185			8,762,185
Other receivables, including CCA	4,623,150			4,623,150
Cash and cash equivalents	23,985,203			23,985,203
Financial debts (excluding deferred charges)	-6,910,409	-22,056,427	-26,804,739	-55,771,575
Trade payables	-8,366,443			-8,366,443
Other liabilities	-7,720,179	-1,563,750		-9,283,930
Net amounts by maturity - 30 June 2022	14,373,507	-22,292,115	-26,314,087	-34,232,696

The amount of trade payables at 31 December 2022 mainly includes a disputed amount of €1.4M with Entrepouse Drilling.

4.7. Ongoing litigation and legal proceedings

As at the date of preparation of the consolidated financial statements for the financial year ended 31 December 2022, the Group was involved in various disputes and court cases.

- (i) A dispute between FDE and the company Entrepouse Drilling S.A.S. concerns drilling and other services invoiced by the latter for the Lachambre drilling campaign. The company considers that the deficiencies of the drilling equipment used by Entrepouse Drilling did not allow it to achieve the objectives set for this drilling and that such deficiencies delayed the Company's drilling campaign and caused it significant damage, thereby justifying the suspension of payment of the last invoices for this drilling operation. Entrepouse Drilling contests this position of the Company and had initiated summary proceedings to obtain payment of these invoices as well as compensation for

termination of the contract signed with FDE. The total amount claimed was €3,041K, excluding taxes. The Company disputed this fact, blaming Entrepose Drilling itself for termination of the contract. On 8 September 2017, the Paris Commercial Court, ruling in summary proceedings, ordered the Company to pay Entrepose Drilling the sum of €984K excluding tax, which ruling was duly executed.

Entrepose Drilling brought an action on the merits before the Paris Commercial Court on the invoices for which payment was rejected by the Court ruling in summary proceedings, and relating to outstanding invoices of €2,067K, excluding tax. The Company has filed a counterclaim seeking compensation for losses incurred from deficient drilling services provided by Entrepose Drilling and abusive termination by the latter of the contract binding it to FDE. In this context, summary submissions were filed with the Paris Commercial Court on 21 February 2019 by FDE, based on an expert report by Mr. Pierre Gié, with the Company thus requesting an amount of €6,337K as well as a refund of the sums already paid under the initial contract (i.e., €1,184K paid pursuant to the summary order of 8 September 2017 and €1,381K paid in settlement of invoices under the terminated contract).

Entrepose Drilling's liability insurer, HDI Global SE, challenged FDE's conclusions through an expert report by Erget. In December 2019, FDE summoned Entrepose Group, parent company of Entrepose Drilling, to join proceedings as a third party. Entrepose Drilling proposed an amicable settlement, FDE made a counterproposal, but these discussions did not result in a settlement. The case was argued on 03 June 2021.

The Paris Commercial Court delivered its judgment on 1 October 2021 and partially acceded to Entrepose Drilling's claims (i.e., €2.1M excluding taxes) and ordered FDE to pay €865K (plus interest at the legal rate since May 2018) with provisional enforcement of the judgment.

During the financial year ended 30 June 2022, FDE paid to Entrepose Drilling €946K representing the amount of the sentence, while disputing the total amount of €1.1M claimed by Entrepose Drilling, which wrongly includes VAT according to FDE. A hearing took place on 15 January 2022 before the enforcement judge of the Metz Commercial Court to rule on this claim and the amount of the penalty payments claimed by Entrepose Drilling.

FDE appealed the judgements rendered on 1 October 2021 before the Paris Court of Appeal, the proceedings are ongoing and Entrepose Drilling (now called Arverne Driling) filed its submissions in the appeal proceedings in July 2022. FDE submitted its findings on 20 July 2022 and is awaiting further submissions.

In proceedings before the First President of the Paris Court of Appeal, FDE obtained a guarantee from Arverne Driling's former shareholder, Entrepose Group, to refund the amounts paid by FDE under the first instance judgment in the event that FDE wins the appeal and Arverne Driling defaults on this repayment.

- (ii) Since mid-2019, Gazonor, an FDE subsidiary, has been subject to restrictions on its injections of abandoned mine methane into GRTgaz's gas-conveyance network. Despite discussions with GRTgaz about these difficulties and a letter of formal notice dated 16 September 2019, these injection restrictions have continued.

Gazonor initiated dispute resolution proceedings before the CoRDIs against GRTgaz by a referral dated 15 March 2021. Gazonor considers that GRTgaz's conduct, consisting in restricting the injection of abandoned mine methane into the gas-conveyance network, constitutes a serious obstacle to its right to access effectively said conveyance network,

as provided for by law. It therefore requested the CoRDIS to order GRTgaz to propose an amendment to the contract with Gazonor in order to guarantee the permanent opening of the abandoned mine methane mixer with a minimum flow rate set point, with penalties in the event of a breach of this obligation, and to provide information on the monthly injectable volumes of abandoned mine methane on the network in order to allow the anticipation of injection fluctuations.

GRTgaz denies in substance that these injection limitations, which it justifies by its operating constraints and by a gas conversion plan imposed by the public authorities, qualify as an infringement of Gazonor's effective right of access to the network.

The CoRDIS issued a decision on 4 November 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 8 December 2021 and filed its full statement of claim on 7 January 2022, requesting the Court of Appeal to reverse the ruling, accede to Gazonor's claims before the CoRDIS, and order GRTgaz to pay the sum of €100K euros pursuant to Article 700 of the French Code of Civil Procedure.

GRTgaz requested the Court to reject Gazonor's claims and order Gazonor to pay the sum of €100K pursuant to Article 700 of the French Code of Civil Procedure.

The oral hearing before the Court of Appeal will be held on 15 June 2023, the judgment of the Court usually being delivered between two and six months after this oral hearing.

Gazonor also sued GRTgaz before the Nanterre Commercial Court, through a deed dated 22 March 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 4 January 2023, Gazonor requested the Nanterre Commercial Court to order GRTgaz to pay a total sum of €3,310K, payable in full, in order to compensate for the loss directly incurred from these contractual breaches, as well as a sum of €100K pursuant to Article 700 of the French Code of Civil Procedure.

GRTgaz contests having breached its contractual obligations and has concluded that Gazonor's claims should be dismissed, also requesting the Court to order Gazonor to pay the sum of €100K pursuant to Article 700 of the French Code of Civil Procedure.

GRTgaz is expected to respond to Gazonor's final submissions on 15 March 2023. A plea hearing will be scheduled in the coming months, and judgement is usually passed between one and three months after the plea hearing.

- (iii) Following the acquisition of Cryo Pur on 31 December 2021 from Xerys investment funds, FDE highlighted various challenges and managerial shortcomings at Xerys, thereby declining to pay the €2.5M acquisition price.

On 11 February 2022, Xerys summoned FDE for payment of the price and on 28 February 2022, FDE summoned Xerys for cancellation of the sale / compensation for fraud. By a summary order issued on 15 April 2022, the Paris Commercial Court granted Xerys' claim. FDE complied with the ruling and paid the sale price of the to Xerys entities in April 2022, no longer requesting the cancellation of the sale.

The proceedings on the merits brought by FDE against Xerys before the Paris

Commercial Court are ongoing. FDE responded with submissions dated 15 December 2022 and Xerys responded with new submissions on 23 February 2023.

4.8. Sectoral information

Sectoral financial information is presented according to the same principles as those used for internal reporting, based on indicators of exploration costs, production and EBITDA by operating segment. On this basis, the Group's business activity is grouped into three operational sectors, each of which is characterised by a different model in terms of gas exploitation and development. The operational sectors are as follows at 31 December 2022:

- Extraction and exploitation of coal seam gas (Moselle – Grand-Est): exploration, certification of coal seam gas reserves and recovery of this gas for local consumption.
- Exploitation and development of abandoned mine methane (Pas-de-Calais -Hauts de France / Anderlues - Belgium): capture of gas from mines and exploitation as gas, electricity or heat.
- Extraction and exploitation of solar energy (Grand Est): installation and operation of a solar thermal plant (Cellcius) and a solar farm (Falkensun).
- Other sectors: includes Cryo Pur, whose activity is to design, manufacture, market and operate a range of equipment that integrates the purification of biogas by cryogenics and the liquefaction of biomethane and Bio-CO₂.

The following table presents, by sector, information on revenue and other details on the Group's main exploration assets and production concessions at 31 December 2022 and 30 June 2022. The operating income and EBITDA indicators are not subjected to a sectoral analysis by the Group's General Management.

At 31 December 2022	Coal gas	Mine gas	Solar	Other sector	Consolidated total
	€	€	€	€	€
Turnover		20,702,606	81,616	561,784	21,346,006
Goodwill		47,848		4,526,164	4,574,012
Mining rights		24,088,742			24,088,742
Tangible and intangible assets, excluding restoration	43,140,937	22,779,507	9,911,848	4,028,146	79,860,438
Investment flows	149,859	3,562,427	2,377,718	15,133	6,105,138

At 30 June 2022	Coal gas	Mine gas	Solar	Other sector	Consolidated total
	€	€	€	€	€
Turnover		24,896,750	154,354	1,169,342	26,220,447
Goodwill		47,848		5,711,008	5,758,856
Mining rights		24,261,443			24,261,443
Tangible and intangible assets, excluding restoration	42,921,172	20,289,187	7,774,771	2,090,148	73,075,278
Investment flows	374,886	5,152,253	5,965,474		11,492,612

The investment flows take into account FDE's leasing operations (coal seam gas).

By geographical area as at 31 December 2022, the sector outside France covers abandoned mine methane extraction and exploitation operations in Belgium and Cryo Pur operations. This area generated a turnover of €6.7M for this half-year and tangible investments of €1.2M.

4.9. Post balance sheet events

In January 2023, Gazonor Holding made early repayment of its €3M bond loan subscribed in January 2018 by CAP 3RI, an investment company specialising in the Third Industrial Revolution in Hauts-de-France.

4.10. Scope of consolidation

Consolidated companies - 31 December 2022		Country	% controlled	% interest
FR01	La Française de l'Energie S.A.	France	Parent company	Parent company
US01	Concorde Energy Inc.	USA	100%	100%
FR08	Concorde Energie Paris S.A.R.L.	France	100%	100%
FR02	EG Lorraine S.A.S.	France	100%	100%
FR09	Cellcius S.A.S.	France	100%	51%
FR11	FalkenSun S.A.S.	France	100%	75%
LU01	LFDE International S.A.	Luxembourg	100%	100%
FR06	Gazonor Holding S.A.S.	France	100%	100%
FR07	Gazonor S.A.S.	France	100%	100%
FR10	Gazonor Béthune S.A.S.	France	100%	100%
FR03	EG NPC S.A.S.	France	100%	100%
BE01	Gazonor Benelux S.A.	Belgium	100%	100%
BE02	Greenhill S.A.	Belgium	100%	100%
FR12	Cryo Pur S.A.S	France	100%	94%

As mentioned in Note 1.1 of these notes, the scope of consolidation has not changed during this half-year compared to 30 June 2022.

STATUTORY AUDITORS REPORT ON THE HALF-YEAR FINANCIAL STATEMENTS

LA FRANCAISE DE L'ENERGIE

Avenue du district
57380 PONTPIERRE

RAPPORT DES COMMISSAIRES AUX COMPTES SUR L'INFORMATION FINANCIERE SEMESTRIELLE

Période du 1^{er} juillet 2022 au 31 décembre 2022

Le 31 mars 2023

BDO Paris

Société d'expertise comptable inscrite au Tableau de l'Ordre de la région Paris-Ile-de-France
Société de commissariat aux comptes inscrite sur la liste nationale des commissaires aux comptes,
rattachée à la CRCC de Paris
RCS Paris B 480 307 131 00056
SAS au capital de 3 000 000 euros

MAZARS

Société anonyme d'expertise comptable et de commissariat aux comptes
Société inscrite sur la liste nationale des commissaires aux comptes, rattachée à la CRCC de Colmar
RCS Strasbourg 348 600 990
Capital de 400 000 euros

LA FRANCAISE DE L'ENERGIE
Rapport des commissaires aux comptes sur l'information financière semestrielle
Période du 1er juillet 2022 au 31 décembre 2022

LA FRANCAISE DE L'ENERGIE

Période du 1er juillet 2022 au 31 décembre 2022

Rapport des commissaires aux comptes sur l'information financière semestrielle

Aux Actionnaires,

En exécution de la mission qui nous a été confiée par votre assemblée générale, et en application de l'article L. 451-1-2 III du code monétaire et financier, nous avons procédé à :

- l'examen limité des comptes semestriels consolidés condensés de la société LA FRANCAISE DE L'ENERGIE, relatifs à la période du 1^{er} juillet 2022 au 31 décembre 2022, tels qu'ils sont joints au présent rapport ;
- la vérification des informations données dans le rapport semestriel d'activité.

Ces comptes semestriels consolidés condensés ont été établis sous la responsabilité du Conseil d'administration. Il nous appartient, sur la base de notre examen limité, d'exprimer notre conclusion sur ces comptes.

I - Conclusion sur les comptes

Nous avons effectué notre examen limité selon les normes d'exercice professionnel applicables en France.

Un examen limité consiste essentiellement à s'entretenir avec les membres de la direction en charge des aspects comptables et financiers et à mettre en œuvre des procédures analytiques. Ces travaux sont moins étendus que ceux requis pour un audit effectué selon les normes d'exercice professionnel applicables en France. En conséquence, l'assurance que les comptes, pris dans leur ensemble, ne comportent pas d'anomalies significatives obtenue dans le cadre d'un examen limité est une assurance modérée, moins élevée que celle obtenue dans le cadre d'un audit.

Sur la base de notre examen limité, nous n'avons pas relevé d'anomalies significatives de nature à remettre en cause la conformité des comptes semestriels consolidés condensés avec la norme IAS 34, norme du référentiel IFRS tel qu'adopté dans l'Union européenne relative à l'information financière intermédiaire.

II - Vérification spécifique

Nous avons également procédé à la vérification des informations données dans le rapport semestriel d'activité commentant les comptes semestriels consolidés condensés sur lesquels a porté notre examen limité.

Nous n'avons pas d'observation à formuler sur leur sincérité et leur concordance avec les comptes semestriels consolidés condensés.

LA FRANÇAISE DE L'ENERGIE
Rapport des commissaires aux comptes sur l'information financière semestrielle
Période du 1er juillet 2022 au 31 décembre 2022

Fait à Paris et Strasbourg, le 31 mars 2023,

BDO Paris
Représenté par Sébastien HAAS
Associé

A blue ink signature, appearing to be 'S. HAAS', written in a cursive style.

MAZARS
Représenté par Laurence Fournier
Associée

A blue ink signature, appearing to be 'L. FOURNIER', written in a cursive style.

DECLARATION BY THE PERSON RESPONSIBLE FOR THE HALF-YEAR FINANCIAL REPORT

I hereby declare that, to the best of my knowledge, the condensed consolidated financial statements for the past six months have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of the company and all the companies included in the consolidated group, and that the attached half-year management report presents a true and fair view of the significant events that occurred during the first six months of the financial year, their impact on the financial statements, the main transactions between related parties, and a description of the main risks and uncertainties for the remaining six months of the financial year.

Pontpierre, 31 March 2023,



Julien MOULIN
Chairman



FDE

Local energy,
positive impact



Limited company with share capital of 5.182.604 euros

Headquarters: Avenue du District, 57380 Pontpierre

501 152 193 RCS Metz