

EQUITY RESEARCH

FRANÇAISE DE L'ENERGIE RESEARCH STUDY

BUY

TP 60.0€ (vs 55.0€)
Up/Downside: 69%

The story is only just beginning...

FDE is scaling up. From a pioneer in coal mine gas to the architect of a multi-low-carbon-energy platform, FDE is deploying an integrated strategy combining solid growth, high profitability, innovation, and energy sovereignty. In Norway, its bio-LNG, bio-CO₂ and green hydrogen projects are taking shape. In Lorraine, FDE is exploring native hydrogen, a strategic resource with unprecedented potential. A trajectory still undervalued, yet rich in catalysts.

Long confined to a niche role in mine gas valorization, FDE is entering a new phase of its development, rapidly assembling an integrated energy model capable of locally producing low-carbon energy vectors (renewable gases, hydrogen in various forms, and decarbonized heat and electricity). By relying on methodical execution—expanding expertise through technical proximity, controlling capex, vertically integrating the missing components—FDE is building a rare trajectory in the European energy landscape.

Mine gas, its historical pillar, is regaining strong momentum after the agreement signed with the State granting access to 18 new sites and a model secured by feed-in-tariff contracts. At the same time, Norway is becoming a major expansion area, with advanced renewable gas and hydrogen projects supported by offtakers nearing completion, significant subsidies, and strong industrial interest.

But it is in Lorraine that perhaps the boldest bet is being played out: native hydrogen. This immediately usable resource, long relegated to a geological curiosity, is now emerging as a strategic option. FDE, a pioneer in the field, is drilling one of the first deep wells dedicated to this resource in Europe, on an exclusive permit covering 2,254 km². If results confirm the potential, the region could become a European centre of excellence for natural hydrogen.

For now, the market in our view values only the historical activity. Yet the other diversification areas—Cryo Pur (and its partnership with CEMEX), Alltec, hydrogen projects and capture technologies—represent a set of high-leverage industrial options. For investors, the challenge is to accompany a multi-stage trajectory, punctuated by short- and medium-term catalysts that will gradually reveal FDE's full value.

We reiterate our BUY rating, now valuing FDE at €60,0 per share (vs €55,0), based on a DCF model including only part of the upcoming growth drivers (mine gas + 3 CryoPur projects + Agder phase 1). Our valuation also has upside potential should energy prices (gas, electricity, bio-LNG, etc.) rise, with the impact potentially significant depending on the magnitude of the move—further enhancing the appeal of the investment..

TP ICAP Midcap Estimates	06/25	06/26e	06/27e	06/28e	Valuation Ratio	06/26e	06/27e	06/28e
Sales (m €)	30.4	33.8	51.2	103.0	EV/Sales	8.7	5.5	2.5
Current Op Inc (m €)	12.0	5.3	13.2	34.8	EV/EBITDA	25.1	11.9	5.1
Current op. Margin (%)	39.5	15.8	25.9	33.7	EV/EBIT	na	21.4	7.4
EPS (€)	0.72	-0.13	1.23	4.39	PE	na	29.0	8.1
DPS (€)	0.00	0.00	0.00	0.00	Source: TPICAP Midcap			
Yield (%)	0.0	0.0	0.0	0.0				
FCF (m €)	-11.2	-65.1	-43.6	-16.3				

Research partially paid by the Issuer

Key data

Price (€)	35.6
Industry	Utilities
Ticker	FDE-FR
Shares Out (m)	5,280
Market Cap (m €)	188.0
Average trading volumes (k shares / day)	6.480
Next event	Rés. S1-25/26: 24/3/26

Source: FactSet

Ownership (%)

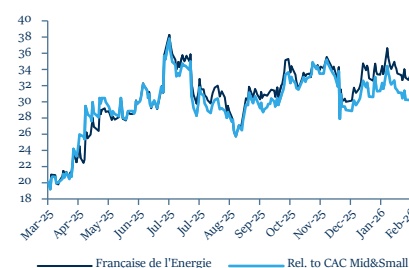
Julien Moulin	16.2
Famille Mulliez et Gras Savoye	6.5
Auto-détention	3.7
Free float	80.1

Source: TPICAP Midcap estimates

EPS (€)	06/26e	06/27e	06/28e
Estimates	-0.13	1.23	4.39
Change vs previous estimates (%)	na	-47.85	5.04

Source: TPICAP Midcap estimates

Performance (%)	1D	1M	YTD
Price Perf	5.6	-2.7	12.1
Rel CAC Mid&Small	7.5	-3.8	9.7



Source: FactSet

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Description

FDE is establishing itself as a leading European platform for low-carbon energy, thanks to a complementary mix of activities: electricity, heat, gas, hydrogen, and biogenic CO₂. Operating in five countries (France, Belgium, Luxembourg, Bosnia-Herzegovina, and Norway), the group relies on strong assets in cogeneration and photovoltaic power (220 GWh/year) and deploys an integrated vision to support the energy transition. Its expertise in CryoPure technologies for gas purification and carbon capture, combined with strategic projects in Norway (biogas, hydrogen) and Bosnia (solar), enables FDE to cover the entire low-carbon value chain—from production to utilization, and soon storage—while generating strong synergies across its activities. In a context of growing demand for local, sustainable energy, FDE is ideally positioned for long-term growth, driven by innovation, diversification, and technological integration.

SWOT Analysis

Strengths

- The only French energy producer with a negative carbon footprint and a diversified portfolio of energy solutions sourced from recovered energy (mine gas and biogas) and renewable energy (solar). This diversity extends across both its geographic footprint and its technological offerings.
- Exclusive exploitation of gas reserves in three operating zones—Hauts-de-France, Grand Est (France) and Anderlues (Belgium)—provides visibility and recurrence of activities, ensuring high resilience of revenue thanks to long-term concessions.
- The company is able to profitably produce various types of energy through a well-controlled cost structure, and there is no counterparty risk, given that partners and clients include major players such as EDF Luminus, Dalkia and the French state.

Weaknesses

- Delays in the commissioning of RNG production units
- Lack of peers
- Electricity and gas price volatility

Opportunities

- M&A / International replication of the model
- Production of natural hydrogen in Lorraine and green hydrogen in Norway. FDE is one of the few players in Europe holding exclusive exploration permits for natural hydrogen.
- Entry into the biogas and bio-CO₂ market through industrial synergies with Cryo Pur, supported by a strong pipeline.
- Significant potential for CO₂ monetisation: substitution of fossil CO₂ by renewable CO₂ for industrial and agricultural uses

Threats

- Delays in processing concession applications not under control
- Competition from other European markets
- Capacity to implement Cryo Pur's extensive pipeline
- Execution risk in the construction of Bio-LNG production units.

From mine gas to native hydrogen: the rise of a European low-carbon champion

As a multi-low-carbon-energy production platform, FDE simultaneously combines: a strongly cash-generative activity that is regaining solid momentum (mine gas), accelerated expansion in Norway as operator of all its facilities (bio-LNG/bio-CO₂, green hydrogen), the industrial scale-up of Cryo Pur's technology (supported by a robust patent portfolio and positioning FDE as an emerging standard in the decarbonisation of heavy industry, reinforced by a major partnership with CEMEX), rare vertical integration for a company of its size (Alltec), and a major catalyst—unique in Europe yet not valued by the market—native hydrogen.

The 2030 targets set during the CMD (€175m revenue, €85m EBITDA) appear achievable to us, supported by a high-quality asset base, a sizeable project pipeline, solid customer references, and secured financing. Above all, FDE's recent trajectory reflects disciplined execution.

Our scenario includes only projects already at an advanced stage—land secured, subsidies obtained, site access approved, equipment ordered, and more than 50% of inputs already available—which leads to a revenue projection of around €130m in 2030, below FDE's official guidance. However, the addition of earlier-stage projects—such as the commissioning of new renewable natural gas (RNG) and biogenic CO₂ units, phase 2 of the Agder green hydrogen project in Norway, or the accelerated deployment of CO₂ capture technology in CEMEX plants across Europe—could in our view allow FDE to exceed this level, highlighting further potential beyond our current forecasts.

Regarding the business model, FDE initiates its projects using standard corporate debt and then green bonds (EDRAM for €85m) during the development phase, before refinancing each asset as it approaches commissioning through bank debt. This project-finance scheme limits risk at the project-subsiidiary level and rapidly frees up equity for subsequent investments, accelerating the growth pace. For example, new mine-gas cogeneration units are financed 85–95% through non-recourse bank loans, while future bio-LNG units in Norway should reach a 70–80% ratio.

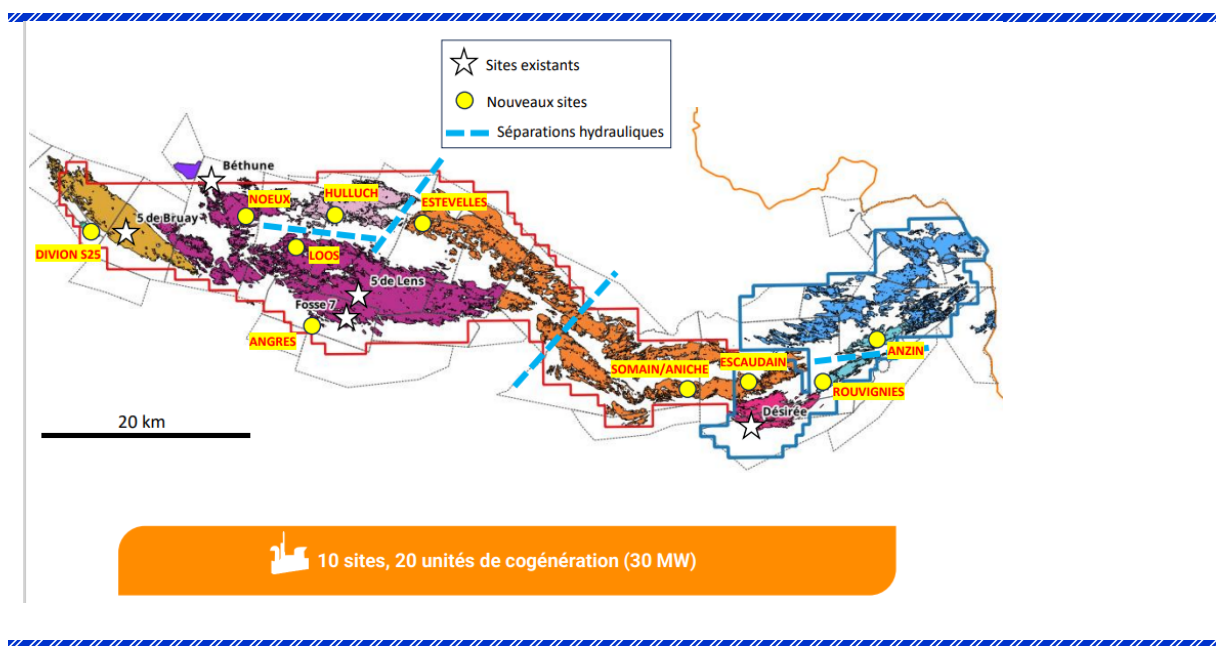
The financial position remains solid with a controlled leverage profile: corporate debt stands at only €21m, with most indebtedness located in non-recourse project entities (each asset being financed autonomously, backed by its own cash flows), preserving financial flexibility in case of unexpected events. As of 30 June 2025, FDE held €62.6m in cash for a limited net financial debt of €62.4m, despite accelerated investment during the year (€20.3m capex in FY25, the €2.4m acquisition of Alltec, and a €1.1m share buyback programme). The average cost of debt remains contained at 5.17%, reflecting FDE's ability to secure competitive financing, notably through green or impact instruments.

Although the projects under development still carry a high-risk profile, this risk should gradually decline as the first units in each segment (biogas, bio-CO₂, green hydrogen) enter service. This ramp-up in operational maturity should progressively strengthen the confidence of lenders and partners, reducing the associated risk premium and facilitating access to new financing under more favourable conditions. In this context, the discount rates used in valuation models—although within a moderate range—are justified by FDE's demonstrated ability to structure its capital efficiently. The use of targeted instruments (green debt, ESG loans, public subsidies, industrial partnerships) allows the Group to contain its weighted average cost of capital. This financial discipline, combined with increased visibility on future cash flows, supports a valuation approach consistent with the trajectory underway.

Mine gas: a reactivated growth driver

The cogeneration activity in France and Belgium is entering a virtuous growth cycle, supported by the agreement concluded in early January 2026 granting access to 18 additional AMM sites.

Fig. : The new sites will make it possible to address the compartmentalization of the basin



Source : FDE, TP ICAP Midcap

The firm rollout pipeline plans to bring **4 new cogeneration units** online by the end of Q3 FY26, followed by **16 additional units** in FY27 and FY28. By that time, the **20 operational units** should enable a **doubling of revenue**. This scale-up would also mechanically **reduce revenue volatility**, since all electricity produced will be sold under **feed-in-tariff (FIT) contracts**, providing increased visibility on future cash flows.

The impact on profitability is equally significant: at full capacity, this additional portfolio is expected to generate **around €12m of incremental EBITDA**, strengthening FDE's ability to **self-finance its projects** and **optimize its financial leverage**. This predictable growth trajectory represents a strong value-creation driver.

Each cogeneration unit requires **€2.5m in capex**, for estimated **recurring annual revenue of €0.9m**, an **EBITDA margin target of 70%**, and an **ROI below 4 years**—making it a particularly profitable and immediately accretive asset. The overall program, which calls for the deployment of **52 units by 2030**, represents a total capex effort of **€130m**, fully backed by electricity-sales contracts under FIT at a guaranteed tariff of **€80 (+ inflation)/MWh** (significantly above the estimated operational breakeven of €20/MWh).

This price security constitutes a strong **bankability driver**, enhancing the Group's ability to raise debt on attractive terms. Historically, FIT contracts have been signed with **EDF**, but discussions are reportedly underway with other major counterparties such as **Engie** and **TotalEnergies**, reflecting the attractiveness of the model and the quality of the assets under development.

	06/21	06/22	06/23	06/24	06/25	06/26	06/27	06/28	06/29	06/30	06/31	06/32	06/33	06/34	06/35
installed capacity	15.0	19.5	22.5	22.5	25.5	31.5	37.5	51.0	64.5	76.5	88.5	100.5	100.5	100.5	100.5
nbr cumulated cogenerations	10	13	15	15	15	19	25	34	43	51	59	67	67	67	67
.. + new cogenerations		3	2	-	-	4	6	9	9	8	8	8	-	-	-
o/w France	8	8	10	10	10	14	20	29	38	46	54	62	62	62	62
feed in tarif (Obligation d'achat)	8	8	4	4	4	8	14	23	32	40	48	56	56	56	56
PPA	-	-	6	6	6	6	6	6	6	6	6	6	6	6	6
o/w Belgium	2	5	5	5	5	5	5	5	5	5	5	5	5	5	5
revenues France	5.6	6.0	13.9	14.2	7.4	6.5	14.5	21.6	28.7	34.9	41.1	47.3	48.7	50.2	51.7
revenues Belgium	1.0	6.9	11.0	7.7	5.5	4.5	4.7	5.0	5.2	5.5	5.7	6.0	6.3	6.6	7.0
total revenues	6.5	12.9	24.9	21.9	12.9	11.0	19.2	26.6	33.9	40.4	46.8	53.3	55.1	56.8	58.7

We have isolated the modelling related to the execution of the **commissioning plan for the new cogeneration units**, as envisioned by the Group and made possible by the agreement signed with the State granting access to 18 mine-gas sites. This component, **considered independently from the rest of the business**, accounts for a large share of the Group's current market capitalization. Based on a **DCF model**, we obtain a valuation of **€27.6 per share**.

	juin-26	juin-27	juin-28	juin-29	juin-30	juin-31	juin-32	juin-33	juin-34	juin-35
# cumulated cogenerations	1	10	19	28	36	44	52	52	52	52
# new cogenerations	4	6	9	9	8	8	8			
Sales, MEUR	1.0	9.0	17.1	25.2	32.4	39.6	40.6	41.6	42.6	43.7
% chg			90%	47.4%	28.6%	2.5%	2.5%	2.5%	2.5%	2.5%
Operating profit	-0.8	2.0	3.7	5.3	6.8	8.2	8.5	10.2	13.0	17.0
as a % of sales	-83.3%	22.3%	21.4%	21.1%	20.9%	20.8%	20.9%	24.6%	30.4%	38.9%
Theoretical tax rate	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Theoretical tax	-0.2	0.5	0.9	1.3	1.7	2.1	2.1	2.6	3.2	4.3
NOPAT	-0.6	1.5	2.7	4.0	5.1	6.2	6.4	7.7	9.7	12.8
Depreciation	1.5	4.0	7.8	11.5	14.8	18.2	18.6	17.5	15.5	12.2
as a % of sales	150.0%	44.4%	45.3%	45.6%	45.8%	45.9%	45.8%	42.1%	36.3%	27.8%
Capex	9.0	15.0	22.5	22.5	20.0	20.0	2.6	2.6	2.6	2.6
as a % of sales	900%	167%	132%	89%	62%	51%	6.4%	6.2%	6.1%	5.9%
Change in WCR	0	0	0	0	0	0	0	0	0	0
Free cash flows	-8.1	-9.5	-12.0	-7.0	-0.1	4.4	22.4	22.6	22.6	22.3
Discounted FCF	-7.9	-8.5	-9.9	-5.4	-0.1	2.8	13.4	12.4	11.5	10.4
Sum of discounted FCF	30.4						Risk-free interest rate			3.5%
Terminal value	174.8						Equity risk premium			7.0%
Enterprise value	205.2						Beta			1.75
Fair value of associates	0						Return expected on equity			15.8%
Net debt	65	7.9	12.1	16.7	15.4	12.7	Interest rate on debt			5.5%
Equity value	140						Tax rate			25%
Diluted # shares (m)	5.1						Sales growth rate to perpet			2.5%
Valuation per share €	27.6						WACC			8.5%

¹ B-gas, low in energy and sourced mainly from the Groningen field, supplies around 10% of consumers in the Hauts-de-France region. Its phase-out in 2029 requires the progressive conversion of networks to H-gas, which has a higher energy content. NaTran's upgrade and safety works on the network had reduced FDE's injection capacities.

A bio-LNG model well suited to the Norwegian market

Across the full pipeline, we include only the three most advanced projects in Norway — **Halsa, Stavanger and Alver** — representing a combined capacity of around **360 GWh**. For these projects, feedstock, offtakes and land are already secured. FDE is also engaged in advanced negotiations with a leading European offtaker that meets the Group's strict counterparty-risk criteria. The initial commitment covers the first unit, but this partner could extend its support to all three bio-LNG/bio-CO₂ projects.

On the bio-CO₂ side, FDE is in discussions with major industrial players — **Linde, Air Liquide, Nippon Gas** — illustrating the growing interest in this segment.



The Norwegian context is particularly favourable to this bio-LNG model. Norway's low population density and the absence of an extensive onshore gas grid make biogas injection economically unattractive. In this context, transporting gas in liquid form (by truck or ship) emerges as the most pragmatic solution. The Cryo Pur technology — which purifies and liquefies biogas — fits perfectly within this framework, where bio-LNG is more relevant than local injection.

Each project will be financed through a dedicated SPV combining public subsidies, debt (green financing), and equity. FDE applies strict industrial standardisation (pre-assembled containerised modules, unified controls) to reduce complexity and risk while accelerating the simultaneous rollout of these sites. Based on our assumptions, each site will require approximately **€40m of gross capex** and could generate nearly **€15m in annual revenue** (including **€13m from bio-LNG** and **€2m from bio-CO₂**), with a **50% EBITDA margin in the first year**. Opex — including feedstock (€3.3m), electricity (€1.4m), and maintenance (€1.3m) — amount to around **€6m**, to which we add overhead costs (3% of revenue).

The project timeline has been adjusted: **Halsa** will now become the first site to be commissioned (its permits were obtained faster than expected, and €0.55m has already been spent on studies and preliminary works), while **Stavanger** (initially prioritised) is facing administrative delays. Halsa is targeting production of around **120 GWh/year** (including **14.2 kt of bio-CO₂** and **165 kt of biofertilisers**), making it one of the largest facilities in the country. For this site, the land is secured, 50% of feedstock is guaranteed, permits have been obtained, construction has started, and major equipment has already been ordered. The objective is to begin assembling the biogas unit by mid-2027.

FDE also benefits from solid operational experience with Cryo Pur (2 industrial units commissioned in 2018 and 2022). By comparison, the unit built for Renevo represented about one-third of Halsa's capacity.

Overall, FDE expects **three additional facilities** to be deployed over the next **2 to 3 years**, within a supportive regulatory and contractual environment. Our DCF valuation for the three projects yields **€18.9 per share**.

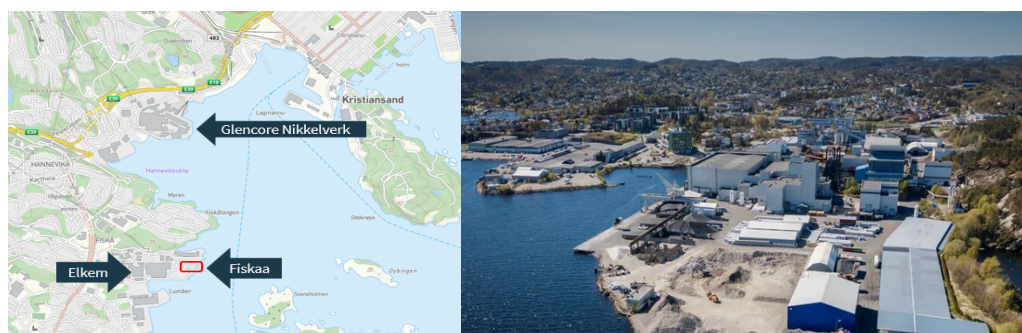
TP ICAP Classification: Public

Green hydrogen – an industrial-scale project

FDE is simultaneously developing in Norway a green hydrogen project expected to become the country's first to enter production, with around **8 tonnes per day** anticipated. Its strategic location—a deep-water port—provides direct access to the sea, optimal logistics, and strong support through state subsidies. The associated commercial pipeline continues to expand.

Phase 1 is based on **20 MW**, expandable to **60 MW**. **Capex has been revised to €38m**, thanks to the integration of Alltec, which brings local expertise in industrial engineering and cryogenics. FDE now targets **higher revenues than initially assumed** (€20m/year vs. €15-16m previously) along with an improved operating margin.

Natural demand is expected to come from **heavy transport, maritime applications, and North European logistics corridors**, where consumption of compressed hydrogen (350 bar) is already anticipated.



Operational progress is significant: electrolyzers were delivered in April 2026, compressors are currently being manufactured, earthworks have been completed, and the refuelling area is under construction. Offtake agreements are in advanced negotiation, with discussions focusing on counterparty risk, visibility on phase 2 (which doubles the capacity of phase 1, i.e. +40 MW), and the profile of end-customers (industrials transitioning to H₂, cross-border transport operators).

The global hydrogen market is dominated by grey hydrogen (€100bn). The substitution potential for green hydrogen remains substantial, particularly in refineries, certain industrial processes, and subsidy-supported logistics corridors (Norway, the Netherlands, Germany, Sweden). Some players are considering contracting the entire volume of phase 2, thereby reducing commercial risk. Norwegian momentum is driven by structural demand: the maritime sector is shifting toward zero-emission solutions, several actors have already ordered engines, vessels or H₂ systems, and pure electric solutions remain constrained by technical limits—reinforcing the attractiveness of dual-fuel technologies.

FDE prioritises **financially robust customers**, even if this implies accepting a slightly lower price. The objective is threefold: strengthen bankability, stabilise cash flows, and limit industrial risk during scale-up.

Some potential customers are seeking **liquefied hydrogen** and are willing to pay a 3-4 €/kg premium. However, FDE remains cautious: liquefaction requires extremely low temperatures and complex equipment, with high technical risk if this step coincides with a change in scale. The Group therefore maintains, for now, a strategy centred on **compressed hydrogen at 350 bar**, a domain it already masters.

Given that the hydrogen market remains **OTC and non-standardized**, FDE is evaluating several commercial models depending on customer needs:

- **Turnkey supply**, including compression, logistics, and delivery at a fixed price.
- **Take-or-pay contracts** (notably for logistics corridors, potentially covering the full volume of phase 2).
- **Conversion services**, where the customer provides its own electricity and FDE charges for the conversion per MWh processed.

In all cases, the Group ensures that electricity sourcing is contracted over the same duration as hydrogen sales agreements, in order to secure long-term costs and margins.

Our **DCF valuation** results for the Agder phase 1 and phase 2 projects are shown in the two tables below. Note that for valuation purposes, we include **only phase 1**, which is currently under construction and expected to be commissioned by the end of 2026.

			juin-26	juin-27	juin-28	juin-29	juin-30	juin-31	juin-32	juin-33	juin-34	juin-35
Sales	capacity	COD			13.3	20.0	21.0	21.8	22.5	23.2	23.9	24.5
AGDER phase 1	85	GWh/y	2,027		13.3	20.0	21.0	21.8	22.5	23.2	23.9	24.5
% chg						50.0%	5.0%	3.6%	3.4%	3.3%	2.7%	2.6%
EBITDA				0.0	4.0	7.5	9.5	10.3	11.2	11.6	11.9	12.2
EBITDA Margin				25%	30%	37.5%	45.0%	47.5%	50.0%	50%	50%	50%
EBIT					0.1	3.6	5.4	6.2	7.1	7.4	7.6	7.9
EBIT margin					1.0%	17.8%	25.9%	28.7%	31.5%	31.8%	32.0%	32.1%
NOPAT				0.0	0.1	2.7	4.1	4.7	5.3	5.5	5.7	5.9
Depreciation			3.0	3.8	3.9	3.9	4.0	4.1	4.2	4.2	4.3	4.4
as a % of sales					29.0%	19.7%	19.1%	18.8%	18.5%	18.2%	18.0%	17.9%
Capex			21.3	5.3	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
AGDER phase 1			21.3	5.3								
as a % of sales			0.0%	0.0%	29.0%	2.5%	2.4%	2.3%	2.2%	2.2%	2.1%	2.0%
Change in WCR			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Free cash flows			-18.2	-1.5	3.5	6.1	7.6	8.3	9.0	9.3	9.5	9.8
Discounted free cash flows			-17.7	-1.3	2.8	4.4	5.0	4.9	4.8	4.5	4.2	3.9
Sum of discounted FCF	29.90								3.5%			
Terminal value	51.21								7.0%		equity	10%
Enterprise value	81.11								4.0%		debt	60%
Net debt	15.2	12.4	2.8						2.0		subsidies	30%
Equity value before minority interests	65.94								Return expected on equity	21.5%		
Fair value minority interests	25.12	*(38.1%)*							Interest rate on debt	5.5%		
Equity value	40.8								WACC	10.2%		
Valuation per share (EUR)	5.1								Sales growth rate to perpetuity	2.5%		
Valuation per share (EUR)	8.0											

	juin-23	juin-24	juin-25	juin-26	juin-27	juin-28	juin-29	juin-30	juin-31	juin-32	juin-33	juin-34	juin-35	juin-36
Sales	capacity	COD				13.3	26.7	61.0	63.4	65.4	67.5	69.4	71.3	73.0
AGDER phase 1	85	GWh/y	2,027			13.3	20.0	21.0	21.8	22.5	23.2	23.9	24.5	25.1
AGDER phase 2	170	GWh/y	2,029				6.7	40.0	41.6	42.9	44.3	45.5	46.8	47.9
% chg							100.0%	128.8%	3.9%	3.3%	3.2%	2.8%	2.7%	2.5%
EBITDA						4.0	9.2	21.5	25.9	30.6	32.7	34.7	35.6	36.5
EBITDA AGDER 1						4.0	7.5	9.5	10.3	11.2	11.6	11.9	12.2	12.5
EBITDA AGDER 2							1.7	12.0	15.6	19.3	21.0	22.8	23.4	24.0
EBITDA Margin						30.0%	34.4%	35.2%	40.9%	46.7%	48.4%	50.0%	50.0%	50.0%
EBITDA Margin AGDER 1					25%	30.0%	37.5%	45.0%	47.5%	50.0%	50.0%	50.0%	50.0%	50.0%
EBITDA Margin AGDER 2							25.0%	30.0%	37.5%	45.0%	47.5%	50.0%	50.0%	50.0%
EBIT					-3.3	-201.0%	-87.1%	1128.9%	1564.8%	2015.7%	2213.0%	2404.7%	2484.8%	2561.5%
EBIT margin						-15.1%	-3.3%	18.5%	24.7%	30.8%	32.8%	34.6%	34.9%	35.1%
NOPAT					-2.5	-1.5	-0.7	8.5	11.7	15.1	16.6	18.0	18.6	19.2
Depreciation				2.6	3.3	6.0	10.0	10.2	10.3	10.4	10.5	10.7	10.8	10.9
as a % of sales						45.1%	37.6%	16.7%	16.2%	15.9%	15.6%	15.4%	15.1%	14.9%
Capex				21.3	5.3	21.8	32.4	1.0	1.0	1.0	1.0	1.0	1.0	1.0
AGDER phase 1				21.3	5.3									
AGDER phase 2						21.3	31.9							
as a % of sales				0.0%	0.0%	45.1%	121.6%	1.6%	1.6%	1.5%	1.5%	1.4%	1.4%	1.4%
Change in WCR				0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Free cash flows				-18.6	-4.5	-17.3	-23.0	17.6	21.0	24.5	26.1	27.7	28.4	29.1
Discounted free cash flows				-18.0	-3.9	-13.8	-16.7	11.6	12.5	13.3	12.8	12.3	11.5	10.7
Sum of discounted FCF	40.7													
Terminal value	138.4													
Enterprise value	179.1													
Net debt	39.7			12.4	2.8	10.4	14.1							
Equity value before minorities	139.4													
o/w AGDER phase 1	65.9													
o/w AGDER phase 2	73.5													
Fair value minority interests	53.1													
o/w AGDER phase 1	25.1													
o/w AGDER phase 2	28.0													
total Equity value AGDER projects	86.3													
Diluted nbr of shares (m)	5.1													
Valuation per share (EUR)	17.0													
o/w AGDER phase 1	8.0													
o/w AGDER phase 2	8.9													

Risk-free interest rate

3.5%

Equity risk premium

7.0%

project risk premium

4.0%

Beta

2.0

Return expected on equity

21.5%

Interest rate on debt

5.5%

WACC

10.2%

Sales growth rate to perpetuity

2.5%

equity

10%

debt

60%

subsidies

30%

The current valuation of the native-hydrogen activity remains essentially **optional**. Our model does not assign any value to this project given its early stage. Any positive technical progress in Lorraine would therefore represent a significant **upside**, not reflected in current valuations, and could trigger a meaningful **rerating** of the stock.

Similarly, the potential linked to the **CEMEX partnership** remains underestimated in our scenario. The current agreement covers only a portion of the potential deployment of Cryo Pur technology across the company's 18 European plants. Any announcement of additional capture units thus represents an incremental **catalyst**, likely to drive a progressive increase in valuation. With a proven technology and a multi-billion-euro industrial market, the Group holds strong value-creation levers as the partnership materialises and expands.

We have also included only the projects considered to be at an advanced stage, limiting our scenario to **three Cryo Pur units** and the **Agder 1** project. Phase 2 of Agder has not yet been included: we expect the **electrolyzer purchase** before integrating it into our trajectory, given the still-high uncertainty surrounding the project's timeline and final configuration.

Risk-free interest rate	3.5%
Equity risk premium	7.0%
Beta	1.7
Return expected on equity	15.3%
Interest rate on debt	5.2%
Tax rate	25%
WACC	11.0%
Sales growth rate to perpetuity	2.5%

Native hydrogen highlighted during our roundtable

The roundtable we organised on 16 December 2025 on native hydrogen highlighted the potential of this resource through three complementary perspectives: a **scientific** view with Jacques Pironon (CNRS), an **operational** view with Yann Fouant (FDE), and an **investor** view with Gaëtan Bonhomme (Breakthrough Energy Ventures). All three converge on the same conclusion: a new energy resource may be emerging—one with unique characteristics, a pilot project already launched in Lorraine, and an attractive economic profile.

The story begins with the intuition of **Julien Moulin**, convinced that the Lorraine subsoil held still-untapped resources. This conviction led to a partnership with the University of Lorraine, bringing together researchers, industrial players and regional stakeholders around the **Regalor** programme. At the heart of this programme lies the identification of **natural hydrogen dissolved in water**, present at several thousand metres of depth. Analyses confirmed concentrations reaching **22% dissolved hydrogen at 1,300 metres**, revealing significant potential. This is a rare, local and clean resource whose properties open new perspectives for the energy transition.

Scientific perspective: a unique geological potential

A long-underestimated resource

Between **2017 and 2023**, FDE and the GeoRessources laboratory (CNRS) drilled several exploratory wells (900 to 1,350 m) under the REGALOR I programme, originally aimed at coal-bed gas. At **Folschviller**, analyses revealed the presence of dissolved hydrogen, making FDE the **first European company** to identify native hydrogen in a borehole (as early as 2023). This unexpected result opened the way to a new understanding of the Lorraine subsoil, where dissolved hydrogen levels of up to **22% at 1,300 m** have been confirmed.

The Lorraine discovery: an unexpected outcome of the REGALOR programme

Entre **2017 et 2023**, FDE et le laboratoire GeoRessources (CNRS) ont mené plusieurs forages exploratoires (900 à 1 350 m) dans le cadre du programme **REGALOR I**, initialement orienté vers le gaz de houille. À Folschviller, les analyses ont révélé la présence d'**hydrogène dissous**, faisant de FDE **la première entreprise européenne** à identifier de l'hydrogène natif en forage (dès 2023). Ce résultat, totalement inattendu, a ouvert la voie à une nouvelle compréhension du sous-sol lorrain, où des taux pouvant atteindre **22 % d'hydrogène dissous à 1 300 m** ont été confirmés.

What processes generate native hydrogen?

Several mechanisms are known worldwide:

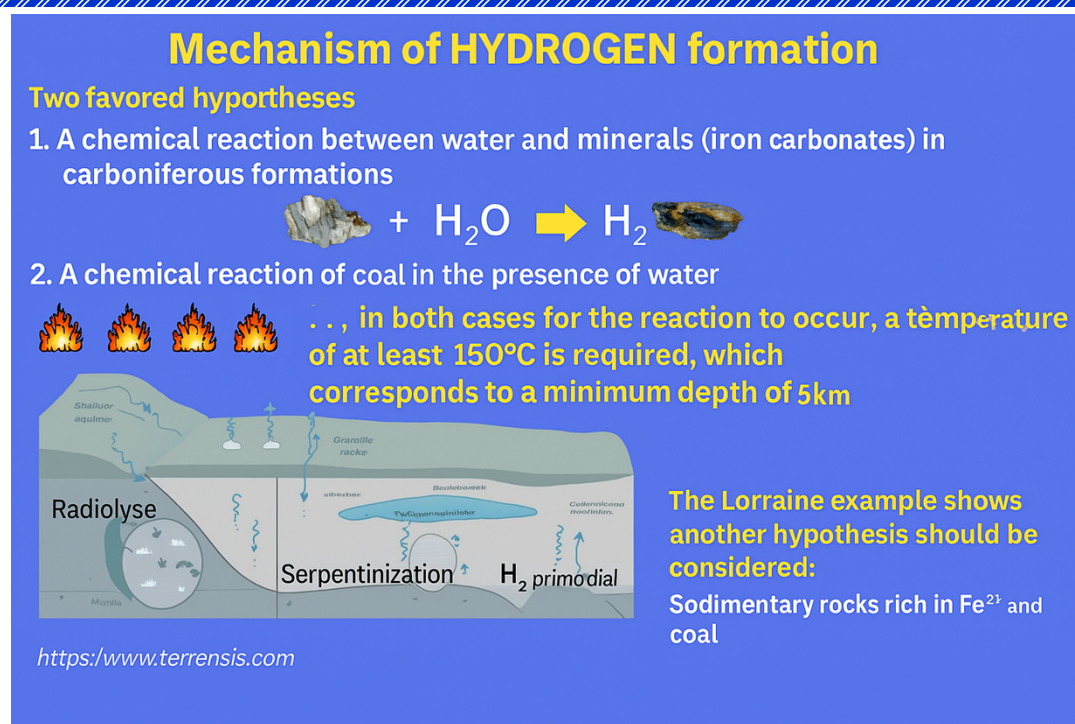
- **Serpentinisation** — interaction between water and deep ultrabasic rocks (rich in iron), releasing hydrogen.
- **Radiolysis** — dissociation of water due to natural radioactivity (uranium, thorium) in granitic rocks.

In contrast, the **Lorraine basin**, which is sedimentary and carboniferous, follows a different scheme. Two probable reactions occur around **5 km depth** (at approx. 150°C):

- **Water + iron-bearing minerals**: iron carbonates in coal layers are reduced upon contact with water, releasing hydrogen.
- **Natural coal gasification**: carbonaceous material produces hydrogen in the presence of water and heat.

These mechanisms explain the coexistence of **hydrogen and methane** in coal seams. Their continuous and long-lasting nature suggests a **geologically renewed resource**, potentially exploitable over the long term.

Fig. : Mechanism of HYDROGEN formation



Source : FDE, TP ICAP Midcap

A measurement tool that changes the game: the SysMoG probe

During the roundtable held on 16 December 2025, Jacques Pironon presented the **SysMoG probe**, a unique instrument developed with Solexperts and patented.

- **Semi-permeable membrane** allowing only dissolved gases (H₂, CH₄, etc.) to pass through.
- **Direct deployment at the bottom of the well**, with no need for water pumping.
- **Real-time analysis** as the gas rises.

This technology solves a major obstacle: with traditional methods, hydrogen would escape or react before it could be analysed. **SysMoG provides a reliable, in-depth gas signature**, measured directly at depth. Thanks to this tool, FDE was able to detect what no surface measurements could reveal.

Fig. : A world-unique tool for measuring gases in boreholes



Source : FDE, TP ICAP Midcap

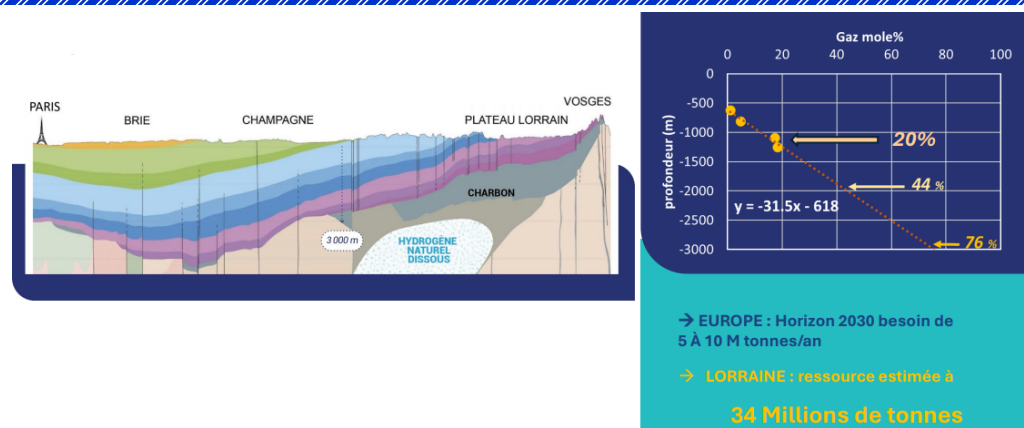
What resource in Lorraine? First-order estimate

Based on the measurements carried out ($\approx 1\%$ hydrogen in dissolved gases, the remainder being mainly methane), researchers produced a cautious extrapolation using: a coal aquifer of 16,000 km², 3 km thick, with $\sim 7\%$ average porosity. This leads to an estimated in place resource of ~ 34 Mt of dissolved hydrogen.

To put this magnitude into perspective:

- 34 Mt represents more than 13 years of the EU's targeted hydrogen consumption for 2030 (~ 2.5 Mt/year of low carbon hydrogen).
- An international study published in 2024 even suggests that the energy stored as natural hydrogen in the Earth's crust could exceed the proven reserves of natural gas — a strong indication of the potential scale of this resource.

Fig. : The stock of natural hydrogen beneath our feet



Source : FDE, TP ICAP Midcap

FDE and the REGALOR II project in Lorraine

FDE is not arriving on this topic by chance: the company already valorises mine gas (firedamp) to produce electricity and heat locally, and it has an in-depth understanding of the Lorraine subsurface. With complete geological archives (inherited from Charbonnages de France) and exploration campaigns conducted since 2006 (five wells drilled between 2006 and 2017), FDE already possessed an unparalleled knowledge base in its historical territory. CNRS researchers detected the first traces of native hydrogen in Lorraine in 2019–2020.

This pioneering lead relies on several advantages specific to France:

- **A regulatory framework for exploratory drilling** – France is the first country to recognise native hydrogen in its Mining Code (2022 law classifying natural hydrogen as a concessible substance);
- **A structured scientific ecosystem** (CNRS, University of Lorraine, BRGM, IFPEN, etc.) that has combined its expertise with FDE, providing a foundation of proprietary (and sometimes patented) data, analyses and tools that support the project’s scientific advancement;
- **An industrial step forward**, as FDE is today the only company in the world drilling a well specifically dedicated to exploring native hydrogen dissolved in water.

Five exploration permits for natural hydrogen have been granted in France (including FDE’s “Trois-Évêchés”, plus two held by TBH2 and two by the 45-8 Energy / Storengy partnership, all in Nouvelle-Aquitaine). At least three additional applications are awaiting review (Sudmine x2, G&OL), reflecting the growing interest in native hydrogen and its strategic potential. As of today, no permit has yet entered the production phase: these titles allow geological studies and exploratory drilling, prior to any potential exploitation concession.

REGALOR II: Research programme 2025–2028

Following the success of the initial phase (REGALOR I, 2018–2023), FDE launched in 2025 a new multi-year programme called **REGALOR II (2025–2028)**, aligned with energy-sovereignty objectives (turning a local resource into a strategic lever for France and Europe). Its goal is to confirm and characterise the native hydrogen reservoir in Lorraine, and to study the conditions for viable extraction.

Concretely, REGALOR II includes several components:

- **Drilling of an ultra-deep pilot well (4,000 m)** dedicated to native hydrogen on a new site (Pontpierre, Moselle) – the first time in Europe that such a deep well is explicitly targeting a hydrogen-bearing reservoir.
- **Advanced geological studies and 3D modelling** to understand the formation and distribution of the gas underground (identifying hydrogen-generating reactors and the traps where it accumulates).
- **Development of appropriate extraction engineering**: which techniques can extract the hydrogen/methane mixture while minimising environmental impact? How should hydrogen be separated and transported (gas grid or trailer trucks)?
- **Preparation of the regulatory framework** for potential production.

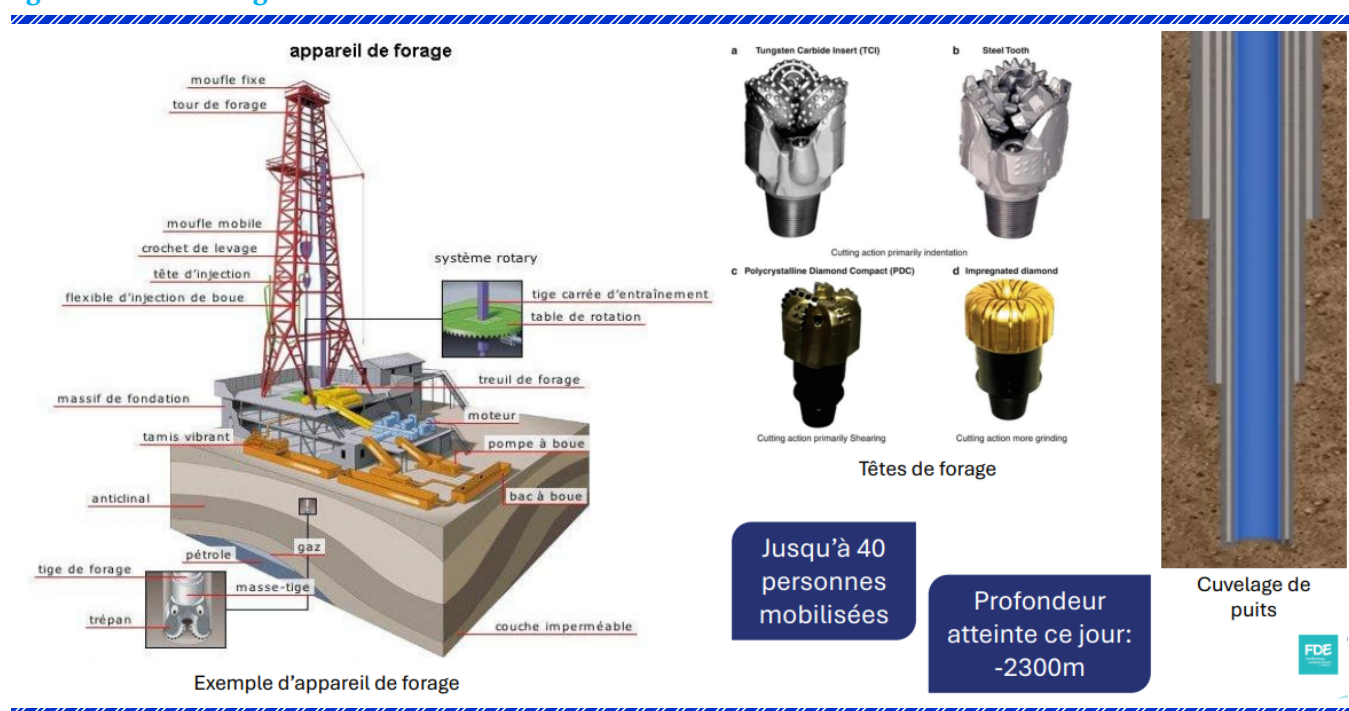
The prefectural authorisation was obtained at the end of 2025, and the drilling rig went into operation in November 2025. This vertical well will reach 4,000 m depth, crossing all targeted geological layers (from the basin top down to the basement rocks where gases form). Drilling and casing cementing should take around three months, i.e. until March 2026.

A crucial phase ahead: in-situ measurements and testing (2–3 years)

Once the well is drilled, a crucial phase will begin, lasting **2 to 3 years**: FDE and researchers will deploy new probes (next-generation SysMoG tools) to measure pressure, hydrogen concentration at various depths, collect samples, etc.

The objective is to determine: the hydrogen content of the rock, its renewal dynamics, and to estimate the extractable volumes of the reservoir. These data will be essential to refine the reservoir mapping and size a potential future production project.

Fig. : 4,000 m vertical drilling – deployment of several tools commonly used in mining, oil, water and geothermal drilling



Source : FDE, TP ICAP Midcap

The total project budget amounts to **€14m over 4 years** (of which €8m dedicated to infrastructure), financed by FDE and its industrial partners, with **€8.8m in European and regional grants**. The scale of this public support highlights the project's **strategic importance** in the eyes of the authorities. It is worth noting that this initiative is **distinct from the Trois-Évêchés project**, which covers **2,254 km²**, the largest perimeter in Europe (granted on 28/01/26 for five years).

The central element of REGALOR II is the drilling of the **PTH2 deep well in Pontpierre**, a few kilometres from Folschviller, with an estimated cost of **€8m**. FDE's management believes that subsequent wells will be **less expensive**, around **€5m** each.

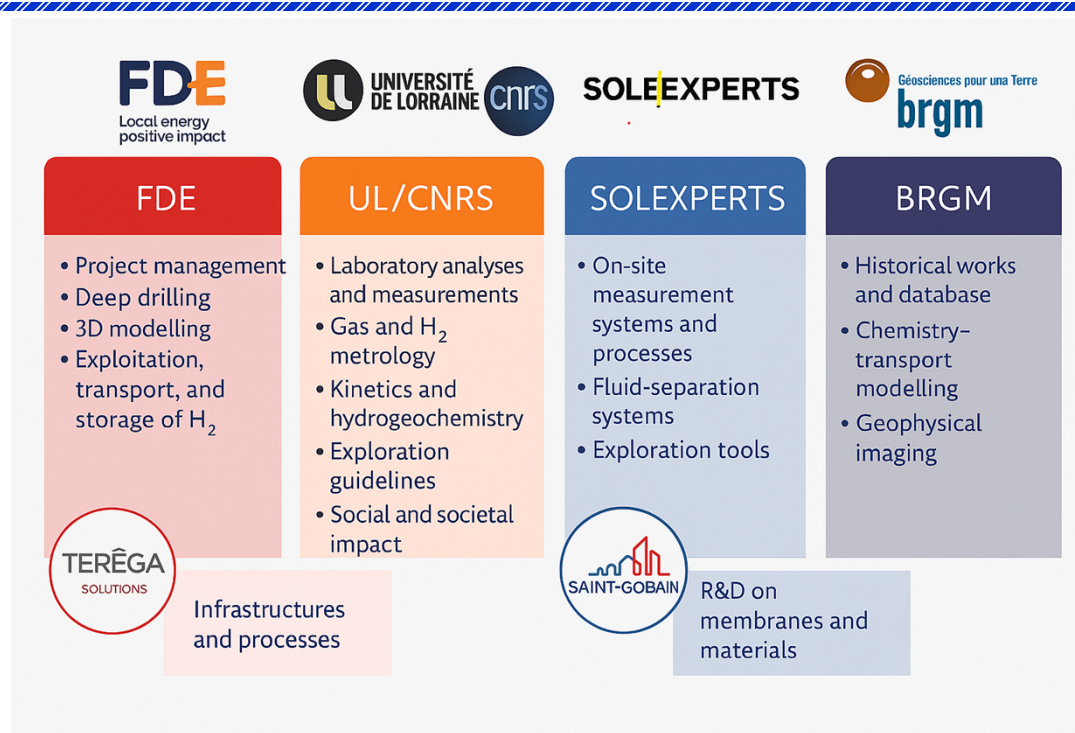
FDE has already drilled **four wells at 1,200–1,300 m**, with hydrogen contents between **18% and 22%**, and now hopes to find **higher concentrations (up to 76%)** between **4,000 m and 5,000 m**. Data are collected **in real time** using *logging-while-drilling*, a system that continuously measures gases (H₂, CH₄, CO₂, helium) during drilling – a kind of **electrocardiogram of the subsurface**. Once corrected and calibrated, these data will make it possible to convert **resources into extractable reserves**.

The first results are expected **within 12 to 24 months**, potentially leading to an **official certification of hydrogen resources (and possibly reserves)** for the site. Only after this step – depending on the results – could a production decision be made, **not before 2028–2029 at best**.

Partners and innovations

To deliver this unprecedented project, FDE is working with several specialised partners covering **the entire value chain**, from subsurface detection to end-use applications.

Fig. : REGALOR II : consortium and partners



Source : FDE, TP ICAP Midcap

Saint-Gobain is working on new, more resistant membranes for the probes: the first prototype (usable down to 3,000 m) will need to evolve to operate at 4,000 m, where temperature and pressure are higher.

The next-generation probe (**SysMoG Pro**) is even designed to **select hydrogen preferentially** (vs. other gases) and could remain permanently at the bottom of the well, acting as a **passive pump** to extract dissolved hydrogen continuously over time.

The gas network operator **Terega** is studying **transport and storage solutions** for the extracted gas. After partial separation and compression to ~100–200 bar, the hydrogen-methane mixture could be injected into regional pipelines (for example the future **MosaHYc** pipeline). Technically, such integration would not pose a major challenge: gaseous hydrogen can be transported like natural gas, with some material adaptations and by blending it with CH₄ for distribution.

BRGM contributes its expertise in geophysical imaging, while companies such as **Solexperts** (**Switzerland**) contribute to underground monitoring tools.

Operational outlook

Industrial advantages in the field

From an operational perspective, native hydrogen presents several advantages in Lorraine:

1) Existing local demand: Moselle lies at the centre of an industrial triangle (France–Germany–Luxembourg) hosting steel mills, cement plants, glassworks and chemical sites—major CO₂ emitters seeking hydrogen-based decarbonisation solutions. The European **MosaHYc** project aims to build a hydrogen pipeline by 2030 linking Lorraine to Saarland’s major industrial players. The pipeline will run less than **5 km** from Folschviller, offering FDE a direct, low-cost outlet: native H₂ could be supplied to nearby customers, significantly reducing transport expenses. As an order of magnitude, the network is sized for **50,000 tonnes of hydrogen per year**, whereas FDE’s internal estimates suggest a much larger potential.

2) No surface storage required: Native hydrogen is naturally stored underground (dissolved in the aquifer), avoiding the need for large surface tanks—unlike green hydrogen. The reservoir itself acts as a buffer. Only light surface infrastructure is required (a few containers housing compressors and separation equipment), similar to a small conventional gas well. The footprint is therefore minimal—an advantage for public acceptance.

3) Limited investment costs: Unlike green hydrogen projects requiring heavy infrastructure (electrolysers, wind/solar farms), native hydrogen production mainly involves a **well**, gas-treatment equipment, compression, and H₂/CH₄ separation. FDE estimates that **only a few tens of millions of euros** would be required to confirm and then develop the Lorraine resource—far below the capex needs of other hydrogen pathways. These investments can be phased progressively as geological results are obtained.

4) A price competitiveness that is hard to match: Hydrogen produced in Lorraine could be delivered at **€1–3/kg**, depending on purification needs and transport distance—below all other low-carbon hydrogen solutions currently available. Even at **€3/kg** (upper range), it would remain much cheaper than green hydrogen (**€8/kg**) while being just as carbon-neutral.

FDE’s indicative cost estimates: **Local injection (5 km): €1.2–1.5/kg, Long-distance transport (200 km): €2–3/kg**. Not only is the **production cost** far lower than competing technologies, but the **operating costs** are expected to remain extremely low. A site of this type would incur: **€200–250k per year** in routine maintenance, no significant energy costs, since production relies on a natural geological mechanism. These low operating costs strengthen the economic case of the model.

Competitiveness enabling multiple market outlets

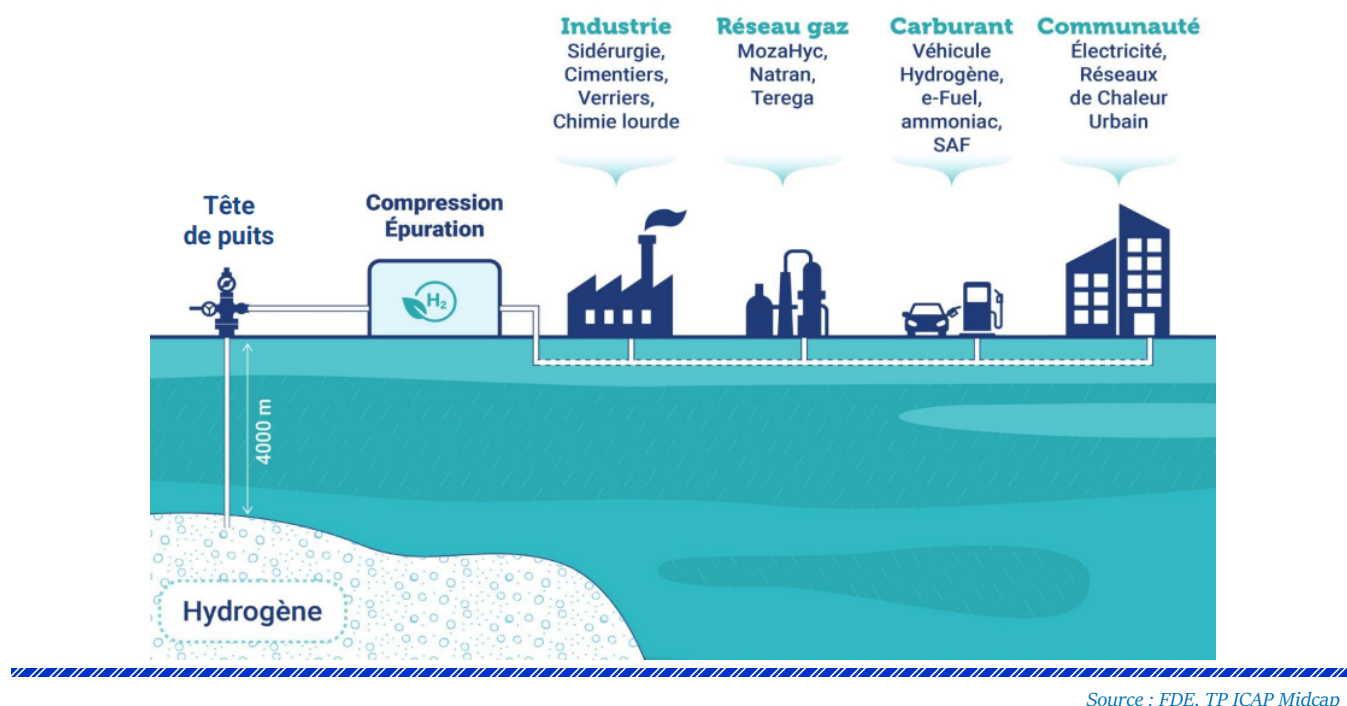
With production costs well below those of other low-carbon hydrogen pathways, native hydrogen could find markets in: **Industry, Heavy mobility, Power generation** —all **without subsidies** and without difficulty in finding customers.

Native hydrogen is not a resource in search of a market – the demand already exists

Its commercialisation is structured around four major categories of customers:

- **High-carbon industries:** Steel, cement, glass and lime producers—among the highest CO₂ emitters—are seeking hydrogen-based decarbonisation pathways. Their future processes depend on switching from natural gas (current use) to hydrogen (target use). Native hydrogen fits this immediate demand thanks to its competitiveness and minimal carbon footprint. Lorraine's potential volumes could cover a significant share of regional industrial needs.
- **Synthetic-fuel producers:** Aviation and maritime sectors face strict regulatory requirements (FuelEU Maritime, ReFuelEU Aviation). These sectors need growing volumes of **low-carbon hydrogen** to produce **e-kerosene**, **e-methanol** or **e-ammonia**. The ramp-up of e-fuels creates a natural outlet for native hydrogen, especially in the medium term.
- **Integration into gas networks:** FDE is assessing injection into existing grids with partners such as **MosaHYc**. This scenario requires: material compatibility assessments, acceptable hydrogen blending ratios, demand mapping, infrastructure calibration. This pathway is realistic by 2030, depending on grid-modernisation progress.
- **Local uses in short loops:** Some municipalities are considering hydrogen-based territorial projects (heavy mobility, heating, small local grids). This decentralised model requires local stakeholder engagement, safety communication, and lightweight, integrated infrastructure. It is well suited to proximity-based applications.

Fig. : Valorisation of native hydrogen – A wide spectrum of market opportunities for natural hydrogen



Source : FDE, TP ICAP Midcap

The demand already exists. Uses are identified, structured, and in some cases urgent. Native hydrogen can be integrated into multiple sectors **without the need to create new markets**. Its **price competitiveness** and **carbon-free profile** give it a natural advantage over other forms of low-carbon hydrogen.

Hydrogen distribution: two business models under consideration

Distribution is a key element in structuring the value chain of natural hydrogen. Two approaches are being evaluated, each addressing different industrial needs:

- **Decentralised production (hydrogen delivered directly to the customer)**

This model consists of supplying an industrial site directly with hydrogen, without using the existing gas grid. Its “on-site” nature avoids the costs associated with transport and grid injection. It primarily targets clients with **local, continuous demand**, for whom proximity to the source is a major competitive advantage. This approach is suitable for **high-emitting industrial players** located near Folschviller or Pontpierre, able to secure supply through a direct connection.

- **Injection into the MosaHYc network**

A centralised model leveraging existing and shared infrastructure across multiple customers and countries. It opens access to a broader market but introduces **strict technical constraints**. Hydrogen that is insufficiently pure could damage pipelines—particularly due to CO₂-induced corrosion—or disrupt industrial processes downstream. The model is effective for scaling up production but requires thorough upstream treatment. It relies on the growing infrastructure around the **MosaHYc project**, designed to connect Lorraine with industrial sites in Saarland and Luxembourg.

The **decentralised** model suits nearby sites with steady demand. The **centralised** MosaHYc-based model opens wider markets but requires strict technical conditions. FDE can arbitrate between the two depending on production volumes, client location and purity requirements.

Challenges to address for a viable commercial model

Several industrial players have already expressed concrete interest in contracting significant volumes of natural hydrogen. This confirms the project's economic potential. However, key uncertainties must be resolved before signing binding agreements:

- **Hydrogen purity guaranteed by the membranes**

Not all customers require fuel-cell-grade purity; some industrial uses (e.g., combustion) tolerate lower purity. To meet this diversity, Saint-Gobain is developing membranes capable of delivering different purity levels. A comprehensive testing campaign will begin after drilling (mid-March), evaluating membrane efficiency and durability under real conditions. These results will be critical to: segmenting the market, optimizing monetization of each gas flow, securing revenue assumptions.

- **Available volumes and ability to guarantee delivery**

Before signing contracts, FDE must obtain reliable data on **extractible volumes**. Key questions include the flow rate a well can sustain and the **reservoir recharge dynamics** after pumping. Long-duration tests planned between 2026 and 2027 will be required before these parameters can be confirmed. The ability to guarantee **stable, long-term supply** will directly determine commercial commitments.

- **Gas separation**

Early analyses indicate a mix of roughly **75% hydrogen and 25% methane**. Two options exist: **Co-value the mixed gas**, e.g., supply a local cogeneration unit; **Separate hydrogen** for high-purity applications and monetize methane separately. The second option requires additional purification infrastructure onsite but enables access to higher-value markets.

- **Regulatory framework**

Moving from exploration to production will require a dedicated **mining concession** for hydrogen extraction and a tailored fiscal regime. Discussions with authorities are ongoing. Technically, production **before 2030 is possible**, but depends on scientific results and a stabilized regulatory framework. Without this, turning a promising discovery into a robust economic model would be difficult.

Investor perspective

Natural hydrogen is gradually emerging as a **new class of energy asset**. The shift occurred when the world's most selective climate funds began investing. **Breakthrough Energy Ventures (BEV)**—known for backing technologies capable of avoiding at least 0.5 Gt of CO₂ by 2050—has invested in two companies: **Koloma (Colorado)** and **Mantle 8 (Europe)**, acknowledging native hydrogen as a potential strategic pathway. In Lorraine, **10 years of in-situ measurements** show a **0.92 correlation** between depth and concentration, along with an identified geological mechanism. These observations eliminate the main scientific doubt: native hydrogen can remain trapped, renew itself, and be extracted.

Meanwhile, the broader energy context creates a unique alignment: Grey hydrogen (long cheap) may become less available; Green hydrogen struggles to reach competitive cost levels; Europe needs vast amounts of low-carbon hydrogen to meet climate objectives. In this landscape, a **local, CO₂-free hydrogen at < €2/kg** becomes very attractive.

France combines several advantages: strong scientific base (CNRS, University of Lorraine), pioneering legal framework (first country with a hydrogen mining title), an advanced project (REGALOR II, FDE), a key infrastructure under construction (MosaHYc pipeline).

But this lead may erode quickly: In the US, the sector has raised **> \$400m in 2 years**; Europe is an order of magnitude behind. The gap reflects **underfunding**, not technical inferiority. A few tens of millions of euros would preserve the French lead — an exceptionally favorable cost-to-risk ratio compared to other low-carbon technologies. Scientific, industrial and financial players share the same diagnosis: **the next 3–5 years will be decisive**.

During this time: first industrial results will emerge, wells will enter production, geographic positions will be secured, concessions structured, industrial partnerships formed, and strategic investors will take stakes in emerging champions.

In this context, FDE benefits from several advantages:

- A **2,254 km² exploration permit**, the largest in Europe;
- A deep well already under way and funded;
- A robust scientific base built over a decade;
- Immediate industrial outlets;
- A transport infrastructure nearing completion (MosaHYc by 2028–2029);
- A legal framework already in place.

FDE's strategy is **prudent: prove first in Lorraine, deploy later in other identified zones, bring partners onboard once results are confirmed**. This approach reduces risk, maximises future value and prevents premature dilution. Funding needs before proof-of-concept are limited to **a few tens of millions of euros**, well below green hydrogen requirements and modest in light of the stakes.

Why open the capital of the native-hydrogen subsidiary ?

Natural hydrogen carries a **very different risk profile** from FDE's other businesses. While promising, the sector remains immature (emerging technology, geological uncertainties, untested scale-up). Conversely, FDE's other divisions rely on well-known capex, controlled costs and predictable revenues (FIT contracts, long-term agreements for bio-LNG/CO₂ and green hydrogen).

Opening the capital makes sense to: share geological risk, attract specialised investors in emerging technologies, accelerate learning with industrial partners (materials, sensors, geophysics), isolate a strategic asset so the market can value it independently – without giving up control.

Koloma (Colorado) raised **\$400-500m** into a dedicated subsidiary over 4 years at extremely high valuations, even though its level of maturity is not superior to the work done in France. The valuation gap reflects **how the asset is presented to the market**, not its intrinsic quality. This creates a rare window to transform a still “hidden” asset into a vehicle capable of attracting **deep-tech capital**. A targeted capital opening could immediately unlock part of this value. The main barrier is not only financial but also technological: **the SysMoG probe**, capable of real-time *in situ* measurement of dissolved hydrogen, provides a **unique competitive advantage** where historical methods failed. Partnerships with industrial players like **Saint-Gobain**, essential for developing adapted membranes, would accelerate learning and secure the early exploration phases. Execution will be decisive – but the momentum is promising: the market has not yet priced the potential, while FDE is already building the value chain.

Annex 1: Exclusive Natural Hydrogen Exploration Permits in France

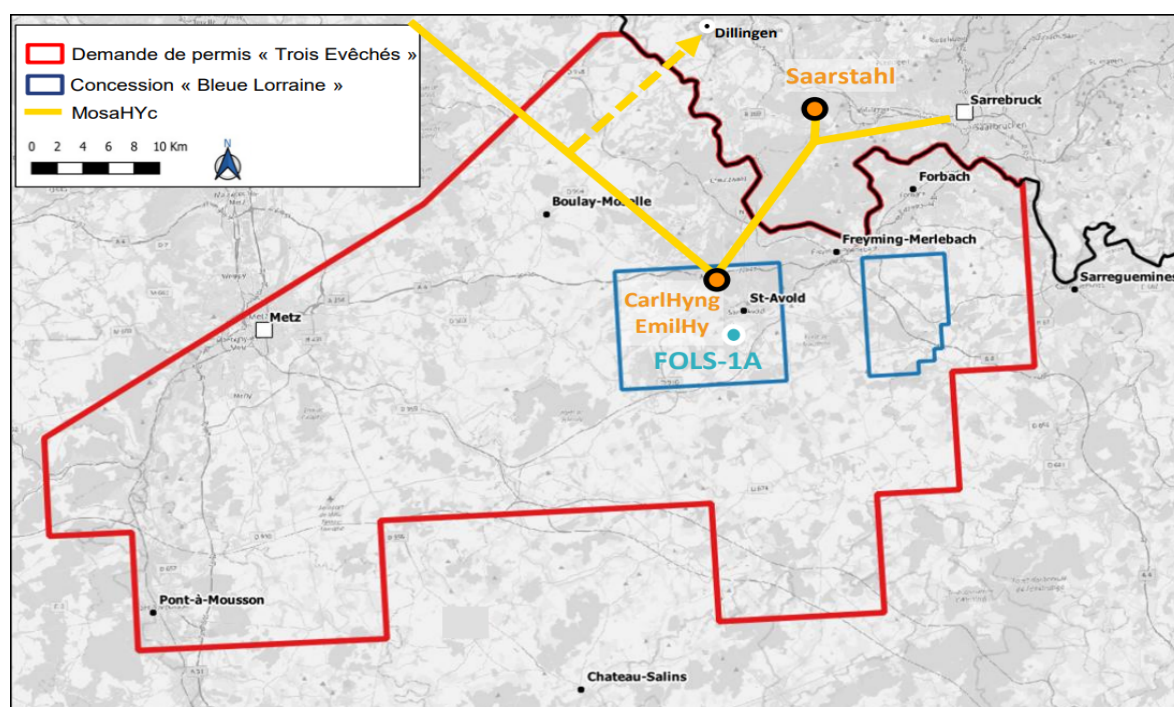
Since the 2022 reform of the French Mining Code – which introduced native hydrogen as a concessible substance – **four Natural Hydrogen Exploration Permits (PER)** have been granted in France.

- **Sauve Terre H₂ Permit** is the first natural hydrogen PER granted in France, issued by ministerial decree on 23/11/2023 to TBH2 Aquitaine in the Pyrénées-Atlantiques. This 5-year permit covers **225 km²** and targets native hydrogen as well as associated helium.
- In February 2025, two additional permits were jointly awarded to 45-8 Energy and Storengy (an Engie subsidiary) in Southwest France: **Grand Rieu Permit** (266 km² in Béarn, Pyrénées-Atlantiques), **Marensin Permit** (691 km² in the Landes department) Both valid for 5 years and aimed at exploring native hydrogen (and related gases) in Nouvelle-Aquitaine.
- More recently, on 12/12/2025, the Coucourou Permit was granted to TBH2 Aquitaine over 524 km² in the Pyrénées-Atlantiques. Like TBH2's initial permit, Coucourou targets native hydrogen and helium and is valid for 5 years.
- FDE submitted an application on 13 March 2023 for the “Trois-Évêchés” Permit, covering 2,254 km² across Moselle and Meurthe-et-Moselle in the Lorraine coal basin. On 28 January 2026, FDE was granted this 5-year permit, marking the official launch of the REGALOR II programme, centred on a deep well in Pontpierre to confirm the presence of hydrogen-generating zones. The first results from well PTH2, launched in November 2025, are already encouraging, showing a strong increase in hydrogen concentrations at depths shallower than 2,000 m, validating FDE's geological assumptions and positioning the Lorraine basin as one of the most promising in Europe.

All currently awarded permits are exploration titles (PER) – no industrial production has begun yet. Their objective is to conduct geological studies (gravimetry, soil measurements, exploratory drilling, etc.) to confirm significant natural hydrogen accumulations.

Several additional PER applications are under review

- The company SUDMINE (a start up based in Orléans) has submitted two applications combining native hydrogen and lithium exploration: Vinzelle Permit (5.9 km² in Puy de Dôme), Bugey Permit (9 km² in Ain).
- G&OL SAS submitted in May 2024 an application for the Comminges Permit, covering a large area across Haute Garonne and Hautes Pyrénées. This project targets part of the Pyrenean foothills (Saint Gaudens / Lannemezan), where signs of native hydrogen may exist, and focuses on native hydrogen, helium and related gases. The permit application is led by a subsidiary of MANTLE 8, which raised €3.4m in February 2025 in a seed round led by Breakthrough Energy, alongside Kiko Ventures and several private investors. This fundraising – aimed at accelerating the development of natural hydrogen detection technologies – is Mantle 8's first financing round since its creation.



ANNEX 2: How does natural hydrogen change the game compared to green or grey hydrogen ?

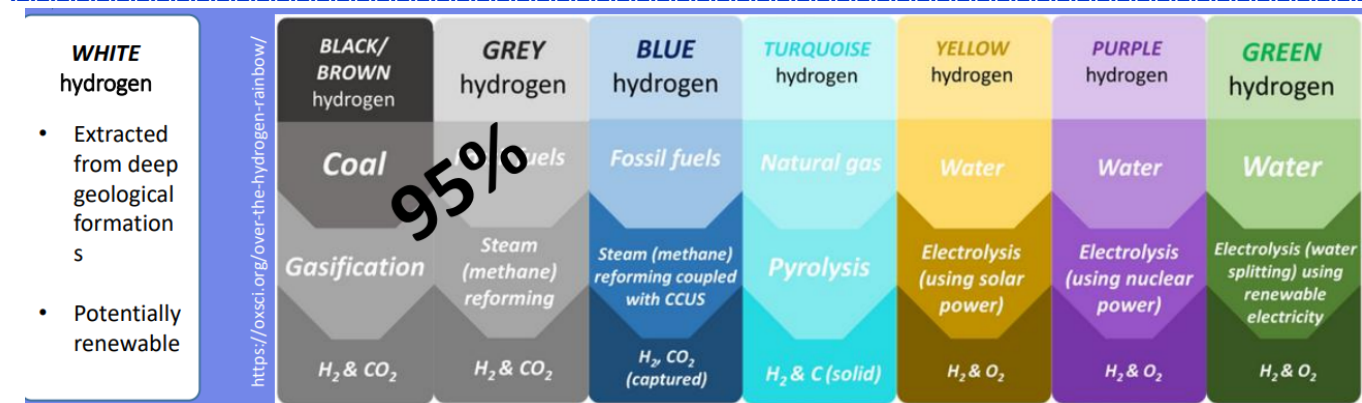
White hydrogen is fundamentally different from the other hydrogen pathways known to date:

- Unlike **green hydrogen** (produced by electrolysis of water using renewable electricity) or **grey hydrogen** (produced by reforming natural gas, emitting large amounts of CO₂), **white hydrogen is directly available underground**.
- **No energy is required to generate it** (no electricity, no superheated steam), and its production **emits no CO₂**.
- It is an **already-available resource**, a **ready-to-use molecule**, that simply needs to be extracted—similar to natural gas, except that its extraction is **carbon-neutral**.

Moreover, white hydrogen could prove **much cheaper**: it does not rely on any complex industrial process (no electrolyser, no CO₂ capture) and requires only relatively simple infrastructure (drilling, gas separation, transport).

The target production cost mentioned for native hydrogen is **around €1/kg**, far below the current production cost of green hydrogen in Europe. Even after adding compression and transport, the delivered price would remain very competitive (**€2-3/kg all-inclusive**), compared with **€8/kg** for European green hydrogen.

Fig. : Emergence (2023) of “natural or native” hydrogen dissolved in water, associated with the colour white



ANNEX 3 : Global overview of natural hydrogen players – an emerging sector already highly competitive

Natural hydrogen is no longer a geological curiosity but an exploration field rapidly evolving into a true industry. In just three years, around ten players have launched drilling programmes, secured permits and, importantly, raised significant capital. Across the United States, Canada, Europe, Australia and Africa, the same dynamic is emerging: the race for the first commercial production is underway, and each region is working to secure its position.

The number of companies exploring natural hydrogen has grown from around ten in 2020 to more than fifty in 2025. This late surge is explained by a paradigm shift: only recently has the scientific community recognised the existence of exploitable hydrogen deposits, thanks to accidental discoveries (Mali) and new in-well detection technologies.

Faced with these prospects, leading investors have financed native-hydrogen start-ups (e.g., Koloma in the US raised \$245m in 2024 from Khosla, Amazon, United Airlines, etc.). Industrial groups are also entering through joint ventures: for example, Fortescue Metals acquired 40% of HyTerra (Australia/USA), and in 2025 Getech partnered with Sound Energy to explore natural hydrogen in Morocco..

United States: the financial and technological centre of gravity

The US currently concentrates the largest number of advanced projects and, above all, the most substantial funding. Kansas and Nebraska form a geological laboratory simultaneously explored by several companies.

Among them, Koloma has emerged as the emblematic figure of this emerging sector. Koloma has structured several successive funding rounds: a \$91m Series A in 2023 (BEV, EIP, Evok, Prelude, Piva), followed by a \$245m Series B in February 2024 led by Khosla Ventures with participation from Amazon's Climate Pledge Fund and United Airlines Ventures. In October 2024, a \$50m extension from Mitsubishi Heavy Industries and Osaka Gas completed the round. In total, Koloma has raised more than \$350-400m since its creation in 2021. Koloma also received ARPA-E funding (\$900k) from the US government for R&D in 2024.

This financial firepower—unique within the sector—allows it to conduct an ambitious multi-well campaign on the Midcontinent Rift. Several shallow wells have already confirmed the presence of hydrogen, and Koloma is now drilling deeper wells to test the continuity of flows. The company aims to demonstrate a continuously producing well, a decisive milestone toward industrial deployment.

On the technological front, Koloma collaborates closely with Ohio State University (internal laboratory on the Columbus campus led by Dr Darrah) and with Xcalibur for airborne reservoir mapping. As early as 2022-2023, the company acquired more than 100,000 acres of private leases and drilled five shallow exploratory wells in northern Kansas, confirming the presence of hydrogen (precise concentrations undisclosed but considered significant). Encouraged by these results, Koloma moved in 2024 to multi-well production testing: it is drilling between four and seven deeper wells in Kansas (Clay, Riley and Washington counties) to determine whether a sustained hydrogen flow can be extracted continuously.

In parallel, Koloma is exploring other areas: a volcanic site in Idaho (Cascade Project, drilling planned for 2025 in iron-rich basaltic rocks), and in 2025 the company created an Australian branch (Koloma Australia, based in Adelaide) to explore native hydrogen on the continent. The absence of public permitting requirements on private US land has enabled Koloma to progress rapidly (mining leases were signed as early as 2021-2022). In 2024, it also received support from the US Department of Energy (ARPA-E) to develop hydrogen-reservoir stimulation techniques.

Alongside Koloma, HyTerra (focused on the Nemaha Project in NE Kansas) has taken another route: that of the publicly listed first mover (2022), with the backing of Fortescue Metals (38.9% stake / 21.9m AUD). HyTerra has raised 28m AUD since inception—small compared to the mega-rounds in the sector, but sufficient for a targeted, fast-evolving campaign.

Drilling in 2025 revealed record concentrations: at the Sue Duroche 3 well (1,052 m), air-corrected analyses reached 96.1% hydrogen and ≈5% helium at greater depth. At 1.3 km, the Blythe 13-20 well aims to confirm the lateral extension of these zones. Logging performed by Schlumberger—the global benchmark in well imaging—confirmed fractured reservoirs and favourable porosity, both essential for sustainable hydrogen flow.

In Nebraska (Geneva Project, JV with NH₂E), the re-entry into Hoarty NE#3 showed 44% hydrogen and 13% helium after reducing hydrostatic pressure: an active system exists, albeit more diluted than in Kansas. HyTerra holds 16% and can increase to 51%.

By late 2024, backed by Fortescue funding, HyTerra launched four new wells in Kansas, for a total of six wells, with the goal of identifying the “sweet spot” using all available data. It then re-entered Sue Duroche 3 for a long-duration production test (2025-2026): installation of a production wellhead, multi-month sensors, measurement of flow and pressure, and hydrogen/helium separation at the surface where relevant. This test will be the tipping point, revealing whether the reservoir holds, recharges, or depletes too quickly.

If successful, HyTerra aims for a first pre-commercial development in 2026: a handful of connected wells producing a few hundred kg H₂/day, located near existing infrastructures (pipelines, ethanol/ammonia plants)—a valuable logistical advantage. Helium is an added bonus: Kansas has historical production, and an onsite liquefaction unit would offer quick additional revenue.

The partnership with Fortescue opens the door to joint ventures and expansion options in Australia and North Africa. HyTerra brings technical expertise, Fortescue provides capital and infrastructure. If 2026 delivers stable flows, HyTerra could claim the world's first developing native-hydrogen field—modest at first, but pivotal for the emerging industry.

Australia: the other major hub for natural hydrogen

Gold Hydrogen, a young Australian company listed in early 2023, is progressing rapidly on what could become one of the most promising native-hydrogen projects globally. Its main asset, the Ramsay Project, covers an 8,000 km² perimeter in South Australia, a region historically linked to mine gas and where recent geochemical indicators suggested an active H₂-He system. Around this core permit, the company has secured or requested more than 75,000 km², forming one of the world's largest footprints in the sector.

Initial exploratory drilling in 2023 (Ramsay 1 and Ramsay 2: short wells designed to “sniff” formations) revealed 95.8% hydrogen (air-corrected) and helium pockets up to 36.9%, one of the richest combinations ever recorded for such a system, including rare helium-3. Within a few hundred metres, Gold Hydrogen demonstrated an almost pure H₂-He mixture. Recorded pressures, gradient analysis and gas compositions all suggest an active reservoir generating hydrogen continuously, likely via serpentinisation and radiolysis in neighbouring Precambrian basement rocks.

These early results immediately placed Ramsay among the world's potential “sweet spots” for native hydrogen, but they are not sufficient to declare a viable commercial deposit. In Q4 2025, Gold Hydrogen launched a second, deeper drilling campaign (beyond 1,000 m) to map lateral extension, test deeper pressures and prepare wells for long-duration flow tests—an essential step toward an industrial pilot. Financially, the company is well supported: the 2023 IPO raised 20m AUD, strengthened in July 2025 (14.5m AUD for 22% of capital) by investments from Toyota, Mitsubishi Gas Chemical and ENEOS. A technical collaboration has been launched to prepare downstream solutions: H₂/He purification, logistics, industrial offtakes and, later, e-methanol or green ammonia production using extracted hydrogen. This alliance provides Gold Hydrogen not only with potential customers, but also a credible industrial network from the outset.

The next 12 to 18 months will be decisive. If the appraisal wells launched in 2025 confirm initial pressures and concentrations, Gold Hydrogen could plan an industrial pilot as early as 2026—one or two continuous-flow wells capable of supplying early demonstration clients. This pilot would pave the way for pre-commercial development from 2027–2028, potentially in partnership with Japanese groups. The company is already studying downstream value chains: H₂/He separation onsite, direct monetisation of the gas mixture, e-fuel production, underground storage, or conversion to local green methanol/ammonia.

Annex 4 : Main players involved in natural hydrogen exploration

Société	Pays	Principaux projets & localisations	Avancement des travaux	Partenaires	Capitaux levés / Cap.	Perspectives de production commerciale	Permis obtenus
FDE	France	Lorraine (Folschviller, Pontpierre / « Trois-Évêchés »)	H ₂ dissous détecté (2019.2023) ; forage profond PTH.2 ~4 000 m lancé 12/2025 (REGALOR II) ; mesures 2026.27	CNRS, Univ. Lorraine, BRGM, Solexperts ; soutien UE/ Grand Est	Cap. ~160 M€ (groupe) ; subventions 8,8 M€ REGALOR II	Pilote industriel visé ~2029 si flux confirmés	PER «Trois-Évêchés» (2254km²)
Koloma Inc.	USA	Rift Midcontinental (Kansas, Nebraska)	~5 puits tests 2022.23 (H ₂ détecté) ; campagne multi.puits plus profonde depuis 2024 ; extension Idaho ; flow tests visés 2025.26	BEV, Khosla, Amazon, United Airlines ; Mitsubishi Heavy Industries, Osaka Gas	~245 M\$ (Série B 2024) + 50 M\$ (extension 2024) ; total > 350-400 M\$ depuis 2021	Tests de production 2025.26 (Kansas)	Baux privés Kansas (dès 2021)
Natural Hydrogen Energy (NH ₂ E)	USA	Geneva (Nebraska) ; JV Nemaha (Kansas)	1er puits ciblé H ₂ (Nebraska 2019) ; ré.entrée Hoarty NE3 (analyses H ₂ / He) ; essais prolongés	HyTerra (JV Nebraska)	Privé (non divulgué)	Démonstration technique visée ~2026	Permis forage Nebraska (2019)
Québec Innovative Materials (QIMC)	Canada	Ville-Marie (Témiscamingue, Québec)	Anomalies sol > 1000 ppm (2024) ; géophysique et forages pilotes prévus 2025.26	INRS	Cap. ~80 M\$ CAN (indicatif)	Forages 2025.26 ; pilote possible ~2028	Claims d'exploration (Québec, 2024)
MAX Power Mining	Canada	Saskatchewan (Genesis / Grasslands)	1er forage H ₂ au Canada annoncé fin 2025 (Lawson) ; 2ème cible Bracken en 2026	—	Cap. ~30 M\$ CAN	Validation ressource 2026+ puis pilote	Licences provinciales (Sask., 2023)
Desert Mountain Energy	Canada (ops USA)	Holbrook Basin (Arizona)	Découverte H ₂ lors d'un programme hélium (2022) ; unité H ₂ -He pilote en construction (2024.25)	Beam Earth (tech.)	Cap. ~60 M\$ CAN	Pilote combiné H ₂ /He fin 2025	Permis hélium Arizona (2022)
Sound Energy plc	RU (ops Maroc)	Tendrarra (Maroc oriental)	JV "HyMaroc" créée (2025) ; screening achevé ; cibles H ₂ /He ; forages 2026	Getech (JV 50/50), ONHYM	Cap. ~50 M€ (groupe)	Exploratoire 2026 ; possible production associée au gaz ~2028+	Concession Tendrarra (2018)
Helios Aragon	Espagne / Oman	Monzón (Aragon) ; Djebel Akhdar (Oman)	Espagne : permis obtenu ; forage profond ~3,6 km planifié (cadre légal en finalisation) ; Oman : JSA 2024	Rex International (Oman)	Privé (projet Aragon ~900 M€ annoncé)	Production ~2028 visée en Aragon si autorisations ; Oman en étude	Monzón (Esp., 2023) ; accord Oman (2024)
Snowfox Discovery	RU / multi.pays	Tech de détection H ₂	Dév. d'outils ; Série A ~30 M\$ (2025) ; pas de prod. directe	bp, Rio Tinto, AP Ventures	~30 M\$ (Série A)	Solutions techno à l'industrie dès 2025.26	— (activité R&D)
Getech Group	RU (JV Maroc)	Tendrarra (Est Maroc, JV HyMaroc)	Étude géologique achevée (2024.25) ; préparation des forages 2026	Sound Energy (JV 50/50)	Cap. ~3,5 M€	1er forage H ₂ au Maroc en 2026 ; rôle data/ IA	Accord ONHYM (2025)
80 Mile plc	RU (ops Finlande)	Hammaslahti (Finlande)	> 1000 ppm sur carottes historiques (2024) ; analyses en cours ; forages envisagés post.2028	Geological Survey Finland, KoBold (JV Ni)	Cap. ~5 M€	Exploratoire (pas de prod. avant 2028)	Permis exploration (2024)
Hydroma Inc.	Mali (CAN)	Bourakébougou (Mali) ; Niger, Sénégal	Production pilote locale (électricité) depuis 2012 ; extensions via MoU	États/ Mali. Niger. Sénégal	Privé	Augmentation progressive (quelques dizaines t/ an envisageables)	Permis Bourakébougou (2012)
Rex International	Singapour (ops Oman)	Djebel Akhdar (Oman)	Accord d'étude 2024 ; cibles H ₂ ; forages possibles 2025.26	Helios Aragon (tech.)	Cap. ~500 M\$ SG (groupe O&G)	Forage test 2025.26 ; pilote via infra O&G existantes si découverte	Étude conjointe Oman (2024)
Gold Hydrogen Ltd	Australie	Ramsay (Yorke Peninsula, SA)	2 puits 2023 ; Stage.1 2024 : H ₂ jusqu'à 95,8 % (air.corr.) ; He significatif ; campagne profonde Q4.2025	Toyota, Mitsubishi Gas Chemical, ENEOS (22 % / 14,5 M AUD)	Cap. ~50 M\$ US+ 14,5 M AUD (2025)	Pilote 2027.28 si débit confirmé	PEL 687 (2022) ; PELA 792 (2024)
HyTerra Ltd	Australie (ops USA)	Nemaha Ridge (Kansas) ; Geneva (Nebraska)	~3 puits 2025 ; Sue Duroche.3 : H ₂ jusqu'à 96,1% (air.corr.) ; Fortescue 39,8 % / 21,9 M AUD ; flow test longue durée 2026	Fortescue (~40 %), NH ₂ E (JV)	~28 M AUD levés (2024)	1er champ H ₂ exploitable visé 2026 si flux stables	Baux Kansas (72 k acres, 2022) ; permis Nebraska (2019)
Top End Energy	Australie	Serpentine (Kansas, USA) ; NT & WA (Australie)	Ressource prospective ~716 kt H ₂ (2024) ; farm.out en cours ; forages après partenaire	—	Cap. ~8 M\$ US	Forage dès partenaire (≥ 2025) ; prod. potentielle ≥ 2028	Baux Kansas (30k acres, 2023) ; permis explor. NT/WA (2021)
Thor Energy PLC	Australie/UK	HY.Range (Australie.Méridionale)	Licence H ₂ / He (2025) ; anomalies sol > 1000 ppm ; forages 2025.26 ; pas de prod. < 2030	— (Thor 80 %)	Cap. ~7 M AUD	Exploratoire (LT)	PEL 120 (2020)

The table highlights a sector that is still pre-mature, with the United States–Australia–France trio shaping the race

Matrix : maturity × quality, milestone & options

société	Type de ressources	Qualité mesurée (H ₂ / He)	Maturité technique	Prochain jalon daté	Optionnalités / Offtake
FDE (Lorraine)	H ₂ dissous	15-22 % (1-1,3 km) ; zone de génération > 3 km	Puits profond PTH.2 lancé 12/2025 ; mesures 2026,27	Mesures/logs 2026,27 →, décision pilote 2028,29	Intégration réseau via MosaHYc ; alignement cadre UE H ₂ ; potentiel ancrage industriel régional.
Koloma	Gaz libre H ₂ (Kansas)	Teneurs détaillées non publiques	Appraisal multi.puits ; imagerie/ IA/ capteurs	Flow tests 2025,26	Syndicat industriel (MHI / Osaka Gas) ; discussions préliminaires sur futurs volumes.
Gold Hydrogen	Gaz libre H ₂ ,He (Ramsay)	H ₂ jusqu'à 95,8 % (air.corr.) ; He significatif	Appraisal avancé ; campagne profonde > 1000 m planifiée	Forages Q4.2025 →, Pilote 2027,28 si débit	Partenaires Toyota- MGC- ENEOS (22 %) ; débouchés mobilité et chimie.
HyTerra (Kansas)	Gaz libre H ₂ ,He	H ₂ jusqu'à 96,1 % (air.corr.) ; He présent	6 puits (plan) ; flow test long 2026	Flow test 2026 ; 1er champ 2026 si flux stables	Support Fortescue (capex/infra) ; offtake possible selon stabilité des débits.
NH ₂ E/ HyTerra (Nebraska)	Gaz libre H ₂ ,He	H ₂ ~44 % ; He ~12,8 %	Ré.entrée / extended tests	Démo 2026 (si flux)	JV HyTerra (option 51 %) ; offtake régional lié à la démo 2026.
QIMC (Québec)	Indices sol (soil.gas)	> 1000 ppm (zone ~70 km²)	Pré.forage (géophysique + géochimie)	Forages 2025,26 ; pilote ~2028	Partenariat INRS ; débouchés locaux possibles (élec, chimie, mobilité) après pilote.
MAX Power (Canada)	Gaz libre H ₂ (à confirmer)	Teneurs non confirmées publiquement	1er puits 2025 (Lawson) ; 2e cible 2026	Bracken 2026 (licensing)	Valorisation He régional ; accès infra Saskatchewan.
Desert Mountain (Arizona)	Gaz libre H ₂ ,He	Teneurs non publiées ; He valorisable	Unité pilote H ₂ ,He en construction	Mise en service pilote fin 2025	Revenus court terme He ; offtake H ₂ dépendant des performances pilote fin 2025.
Sound Energy / Getech (Maroc)	Exploration H ₂ / He	n.c. (screening favorable)	JV créée ; phase data →, forages	1er forage 2026	Accès ONHYM ; potentiel export MENA →, UE en maturité.
Helios Aragon / Rex	Exploration H ₂ (Espagne/ Oman)	n.c. (profondeurs ciblées)	Espagne : pré.forage ; Oman : étude JV	Forage 3,6 km (Esp.) une fois le cadre finalisé	Synergies O&G (Oman) ; offtakers industriels à définir après découverte.
Hydroma (Mali)	Gaz H ₂ (mix ?)/dissous	n.c. public (cas pilote élec.)	Production pilote locale continue		Offtake local (production électrique) ; extension dépendante volumes & cadre.

Sources :Companies data, press releases, TP ICAP

FINANCIAL DATA

Income Statement	06/23	06/24	06/25	06/26e	06/27e	06/28e
Sales	39.2	31.4	30.4	33.8	51.2	103.0
Changes (%)	49.6	-19.8	-3.4	11.2	51.6	101.1
Gross profit	35.1	25.4	20.6	29.7	43.1	84.5
% of Sales	89.4	80.9	67.9	88.0	84.2	82.0
EBITDA	26.7	19.7	17.3	11.7	23.7	50.8
% of Sales	67.9	62.7	56.9	34.7	46.4	49.3
Current operating profit	24.1	15.8	12.0	5.3	13.2	34.8
% of Sales	61.5	50.1	39.5	15.8	25.9	33.7
Non-recurring items	-8.1	0.0	0.0	0.0	0.0	0.0
EBIT	16.0	15.8	12.0	5.3	13.2	34.8
Net financial result	-1.8	-3.9	-6.8	-6.3	-6.9	-6.4
Income Tax	-2.5	-2.8	-2.2	0.2	-1.4	-6.0
Tax rate (%)	19.4	20.0	20.4	20.8	21.0	21.0
Net profit, group share	10.8	9.7	3.7	-0.6	6.2	22.3
EPS	2.31	1.86	0.72	na	1.23	4.39
Financial Statement	06/23	06/24	06/25	06/26e	06/27e	06/28e
Goodwill	4.6	9.7	9.0	9.0	9.0	9.0
Tangible and intangible assets	101.9	113.3	145.7	191.1	183.9	171.8
Right of Use	0.0	0.0	0.0	0.0	0.0	0.0
Financial assets	1.8	9.7	12.3	12.3	12.3	12.3
Working capital	-3.4	-1.9	3.3	2.8	5.4	13.9
Other Assets	3.8	4.1	6.6	6.6	6.6	6.6
Assets	108.7	134.8	176.9	221.8	217.2	213.6
Shareholders equity group	74.0	82.5	86.1	86.3	93.4	115.7
Minorities	-0.3	7.9	14.7	14.7	14.7	14.7
LT & ST provisions and others	3.2	4.0	3.7	3.7	3.7	3.7
Net debt	25.1	33.5	62.5	107.2	95.5	69.5
Other liabilities	6.7	6.9	10.0	10.0	10.0	10.0
Liabilities	108.7	134.8	176.9	221.8	217.2	213.6
Net debt excl. IFRS 16	25.1	25.4	51.2	96.2	84.5	58.5
Gearing net	0.3	0.4	0.6	1.1	0.9	0.5
Leverage	0.9	1.7	3.6	9.1	4.0	1.4
Cash flow statement	06/23	06/24	06/25	06/26e	06/27e	06/28e
CF after elimination of net borrowing costs and taxes	14.7	14.4	13.6	14.9	26.0	44.1
ΔWCR	-0.3	-1.4	-5.2	0.6	-2.6	-8.5
Operating cash flow	14.3	13.0	8.4	15.4	23.4	35.7
Net capex	-10.2	-9.2	-19.6	-80.6	-67.0	-52.0
FCF	4.1	3.8	-11.2	-65.1	-43.6	-16.3
Acquisitions/Disposals of subsidiaries	0.0	-13.5	0.0	0.0	0.0	0.0
Other investments	1.7	-16.4	-2.6	0.0	0.0	0.0
Change in borrowings	8.1	4.2	29.9	11.5	11.5	11.5
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Repayment of leasing debt	0.0	0.0	0.0	0.0	0.0	0.0
Equity Transaction	-3.2	2.7	1.1	0.0	0.0	0.0
Others	-0.1	-0.2	0.0	0.0	0.0	0.0
Change in net cash over the year	10.6	-6.0	17.3	-53.6	-32.1	-4.8
ROA (%)	7.9%	6.0%	1.6%	na	2.1%	8.6%
ROE (%)	14.6%	11.8%	4.3%	na	6.7%	19.3%
ROCE (%)	19.3%	16.3%	9.7%	3.3%	8.5%	22.7%

DISCLAIMER

Analyst certifications

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Methodology

This Report may mention evaluation methods defined as follows:

1. DCF method: discounting of future cash flows generated by the company's operations. Cash flows are determined by the analyst's financial forecasts and models. The discount rate used corresponds to the weighted average cost of capital, which is defined as the weighted average cost of the company's debt and the theoretical cost of its equity as estimated by the analyst.
2. Comparable method: application of market valuation multiples or those observed in recent transactions. These multiples can be used as references and applied to the company's financial aggregates to deduce its valuation. The sample is selected by the analyst based on the characteristics of the company (size, growth, profitability, etc.). The analyst may also apply a premium/discount depending on his perception of the company's characteristics.
3. Assets and liabilities method: estimate of the value of equity capital based on revalued assets adjusted for the value of the debt.
4. Discounted dividend method: discounting of estimated future dividend flows. The discount rate used is generally the cost of capital.
5. Sum of the parts: this method consists of estimating the various activities of a company using the most appropriate valuation method for each of them, then realizing the sum of the parts.

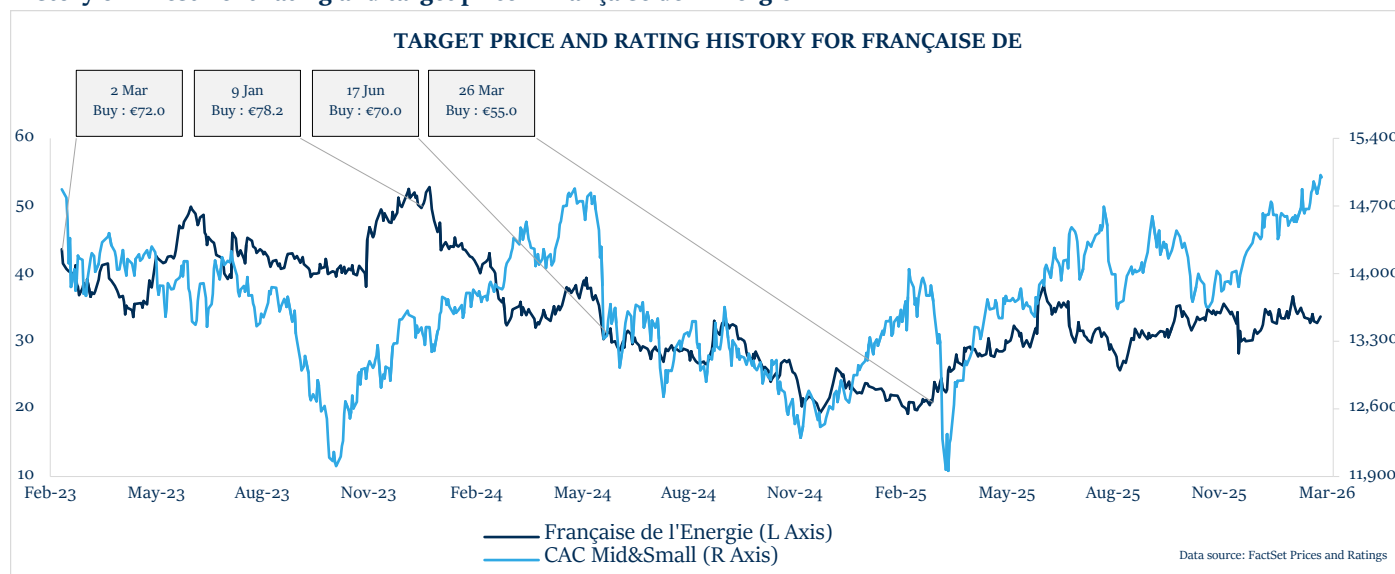
Conflict of Interests between TP ICAP Midcap and Issuer

D. Midcap or any related legal entity is a market maker or liquidity provider with whom a liquidity agreement has been entered into in respect of the Issuer's financial instruments: Française de l'Energie

F. Midcap or any legal entity related to it is party to any other agreement with the Issuer relating to the provision of investment services in connection with the corporate activity: Française de l'Energie

G. Midcap and the Issuer have agreed to the provision by the former to the latter of a service for the production and distribution of the investment recommendation on the said Issuer: Française de l'Energie

History of investment rating and target price – Française de l'Energie



Historical recommendations and target price (-1Y)

Date	Analyst	Old Target Price	New Target Price	Closing Price	Old Recommendation	New Recommendation
30 Jan 26 - 08:42:59	Veneta Nikolova	€ 55.00	€ 55.00	€ 33.45	Buy	Buy
22 Jan 26 - 06:31:20	Veneta Nikolova	€ 55.00	€ 55.00	€ 34.70	Buy	Buy
09 Jan 26 - 08:17:14	Veneta Nikolova	€ 55.00	€ 55.00	€ 33.65	Buy	Buy
18 Dec 25 - 07:54:12	Veneta Nikolova	€ 55.00	€ 55.00	€ 28.25	Buy	Buy
05 Dec 25 - 07:52:45	Veneta Nikolova	€ 55.00	€ 55.00	€ 35.55	Buy	Buy
30 Oct 25 - 08:32:54	Veneta Nikolova	€ 55.00	€ 55.00	€ 33.65	Buy	Buy
24 Oct 25 - 07:57:26	Veneta Nikolova	€ 55.00	€ 55.00	€ 33.75	Buy	Buy
26 Aug 25 - 07:08:22	Veneta Nikolova	€ 55.00	€ 55.00	€ 30.55	Buy	Buy
23 Jul 25 - 06:26:29	Veneta Nikolova	€ 55.00	€ 55.00	€ 35.85	Buy	Buy
27 Jun 25 - 06:50:48	Veneta Nikolova	€ 55.00	€ 55.00	€ 35.80	Buy	Buy
18 May 25 - 22:47:24	Veneta Nikolova	€ 55.00	€ 55.00	€ 27.90	Buy	Buy
27 Apr 25 - 18:06:32	Veneta Nikolova	€ 55.00	€ 55.00	€ 29.00	Buy	Buy
10 Apr 25 - 08:58:41	Veneta Nikolova	€ 55.00	€ 55.00	€ 25.70	Buy	Buy
26 Mar 25 - 06:43:45	Veneta Nikolova	€ 70.00	€ 55.00	€ 21.30	Buy	Buy

Distribution of Investment Ratings

Rating	Recommendation Universe*	Portion of these provided with investment banking services**
Buy	73%	72%
Hold	17%	63%
Sell	4%	29%
Under review	6%	78%

Midcap employs a rating system based on the following:

Buy: Expected to outperform the markets by 10% or more over a 6 to 12 months horizon.

Hold: expected performance between -10% and +10% compared to the market over a 6 to 12 months horizon.

Sell: Stock is expected underperform the markets by 10% or more over a 6 to 12 months horizon.

The history of ratings and target prices for the Issuers covered in this report are available on request at <https://researchtpicap.midcapp.com/en/disclaimer>.

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