

INITIATION

Wednesday 22 April 2026

Buy

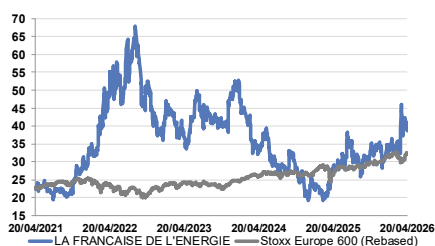
Initiation

Price (€) 38.60

Market cap. (€m) 204

Closing price at (20/04/2026)

Target Price (€) 59.00



Source : Factset

	06/25A	06/26E	06/27E
Sales (€m)	30	34	44
EBITDA adj. (€m)	17	11	20
EBITDA margin (%)	56.9	33.6	46.3
EBIT adj. (€m)	12	5	11
EBIT margin (%)	40.0	15.2	25.7
Net profit adj. (€m)	4	(1)	2
ROE (%)	4.3	ns	2.4
ROCE adj. (%)	3.7	1.5	2.7
Net debt/(cash) (€m)	51	96	165
Gearing (%)	50.8	96.3	161.4
Debt/EBITDA	3.6	ns	9.4
Interest cover (x)	2.4	1.6	2.4
EV/CA (x)	9.1	9.9	9.3
EV/EBITDA adj. (x)	16.0	29.5	20.1
EV/EBIT adj. (x)	17.8	65.2	36.1
P/E adj. (x)	38.3	ns	ns
P/BV (x)	2.3	2.4	2.4
OpFCF yield (%)	-4.7	-24.7	-35.8
Dividend yield (%)	0.0	0.0	0.0
EPS adj.(€)	0.69	(0.16)	0.39
Revision (%)	-	-	-
BVPS (€)	16.16	16.00	16.39
DPS (€)	0.00	0.00	0.00
Payout (%)	0.0	0.0	0.0

CIC has signed a sponsored research contract with La Française de l'Energie in accordance with the Charter of Good Practice for Sponsored Research of May 2022. Analysis partially paid for by the issuer with restricted distribution.

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La Française de l'Energie

The local response to energy shocks

The energy crisis, exacerbated by the conflict in Iran, is bolstering La Française de l'Energie's (FDE) outlook, just as it did in 2022 following the invasion of Ukraine. The intrinsic value of its existing energy infrastructure will benefit in the medium term from rising gas and electricity prices. Its portfolio of local, low-carbon energy production projects is expanding, driven by European priorities for energy sovereignty and decarbonisation. Recent access to 18 additional gas sites and the first positive results on natural hydrogen in Lorraine reinforce this positive trajectory, which is set to accelerate over the coming years. We are initiating coverage of FDE with a Buy recommendation and a €59 target price.

Producing a local, decarbonised energy in Europe

With a business model based on long-term exclusive concessions, strong patents, and cutting-edge expertise, FDE produces local, carbon-free energy. This makes it a key strategic player in providing a sovereign solution to the third energy crisis in five years (Covid-19, Ukraine, Iran) currently affecting Europe.

Entering a new phase of growth...

FDE plans to invest approximately €200m by the end of 2028 to double its mine gas-fired cogeneration capacity (+30 MW), build 330 MW of renewable natural gas (RNG) production capacity from the ground up, and develop 60 MW of green hydrogen capacity in Norway. The activation of other options (natural hydrogen, CO₂ capture) will also bolster the investment case.

...financed by projects' steady cash flows

FDE can rely on the free cash flow generated by its existing infrastructure as well as its green bond issuance subscribed by EDRAM, which so far comes to €85m, to finance its ambitious capacity program. Once commissioned, these projects will be refinanced through loans from a broad banking pool at low rates.

With a promising natural hydrogen opportunity

Recently confirmed by a deep drilling operation (3,655 m), the presence of natural hydrogen positions FDE as a European pioneer. This "native" source – requiring no processing – complements the portfolio, offering significant value creation potential to be confirmed by subsequent exploration and evaluation phases.

Valuation remains attractive – Buy/Target Price €59

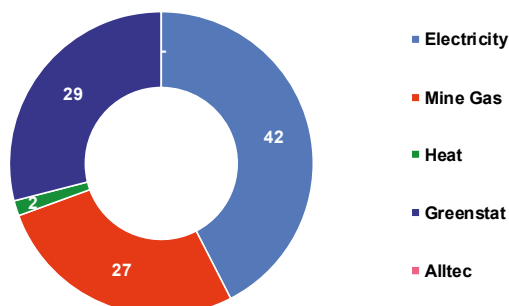
Driven by the conflict in the Middle East and related sovereignty issues, FDE shares are up more than 20% in 2026. Using the SOP method, we arrive at a 12-month target price of €59, with several upside catalysts linked to the projects' progress. This TP does not include the value creation potential of natural hydrogen, which, in a positive scenario, amounts to billions of euros.

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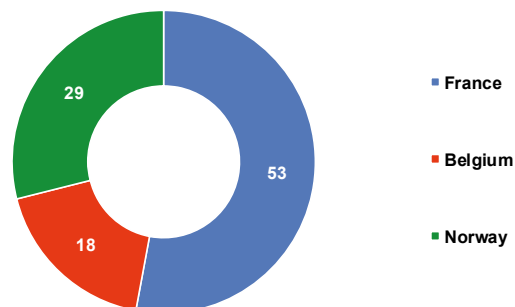
The company at a glance

FDE: 2025 revenues by business (%)



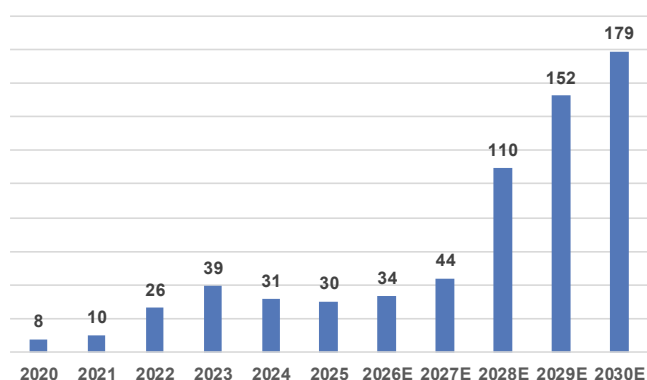
Source: La Française de l'Energie

FDE: 2025 revenues by region (%)



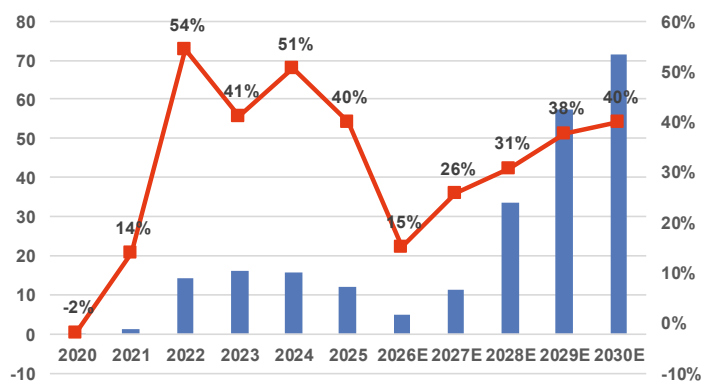
Source: La Française de l'Energie

FDE: revenues (€m)



Sources: La Française de l'Energie, CIC CIB

FDE: EBIT (€m) & margin (%)



Sources: La Française de l'Energie, CIC CIB

SWOT analysis

STRENGTHS

Unique and well-protected position in abandoned mine methane
Patented technology for various type of gas purification and liquefaction
Strong and stable cash flow generation on existing assets
Norway's strong commitment to carbon neutrality

OPPORTUNITIES

European priority given to development of local & decarbonised energy sources
Natural hydrogen exploration following discovery in France
CO2 Capture market
Higher energy prices following Middle-East conflict

Source: CIC CIB

WEAKNESSES

Long time to get administrative authorisations
Small player in an industry with major companies

THREATS

Delays and cost overruns on projects
Local communities opposition to new drilling projects
Rising interest rates hurting project profitability
Lower than expected demand for hydrogen

Management

Julien Moulin	Chairman
Antoine Forcinal	CEO
Aurélien Tan	CFO
Denis Clodic	CTO

Sources: La Française de l'Energie

Board of Directors

Number of members	5
o/w independent members	2
o/w women	1
o/w scrutineer	1

Sources: La Française de l'Energie

Shareholder structure

	Capital	Vot. Rights
Julien Moulin	16,2	24,2
Famille Mulliez, Gras Savoy	6,5	8,4
InfraWealth	5,7	5,7
Famille Michaud	3,9	5,7
Free float	67,8	56,0

Sources: La Française de l'Energie

Producing a local, decarbonised energy in Europe

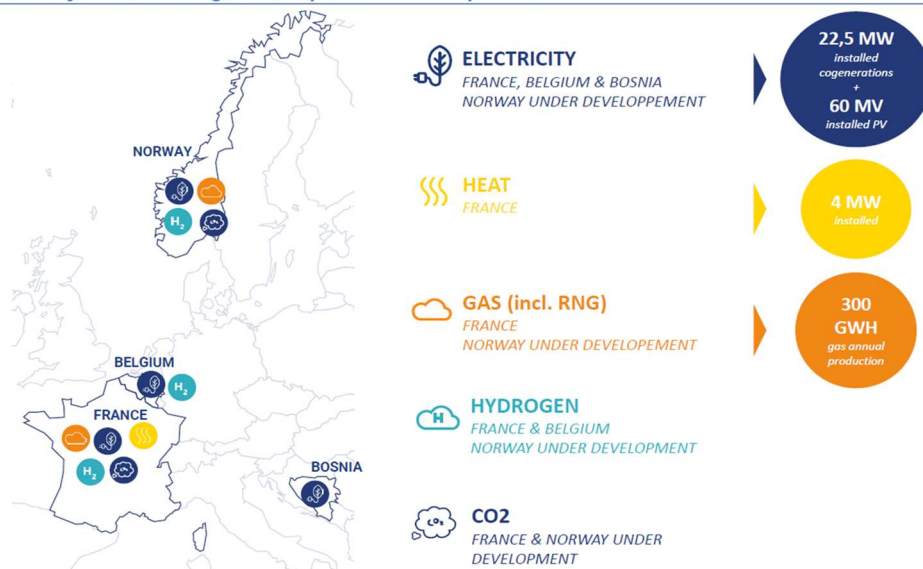
FDE has developed a platform for local, carbon-free energy sources. The common features of the solutions developed by the company are:

- They represent niche areas of the energy market, shielded from major players who have no competitive advantage there.
- They have a local economic impact thanks to short-circuit energy production.
- They have a significant impact on efforts to reduce CO₂ emissions in the regions concerned.
- They are protected by exclusive concession contracts enabling the generation of predictable, long-term revenue from power purchase agreements.
- They benefit from additional barriers to entry based on patented technologies and the high level of expertise of FDE's teams.
- They have short development cycles (from launch to production). 1-2 years for methane from abandoned coal mines, 3-5 years for biogas/renewable natural gas (RNG) and 3-6 years for hydrogen. This time to market is short compared to onshore wind power (7-10 years) or offshore wind power (over 10 years), or even nuclear power (15-20 years).

These characteristics give FDE a business model tailored to the latest developments in European energy policy and, in particular, to the issue of energy sovereignty, which has once again been brought to the fore by the Iranian war. The European Union's approach is shifting towards:

- taking into account the full life cycle of energy sources;
- classifying hydrogen based on its CO₂ footprint per kg of hydrogen rather than its origin;
- moving beyond the fossil versus non-fossil energy debate;
- impact as the key and sole focus;
- a goal of simplifying existing regulations to accelerate projects and enhance their efficiency.

La Française de l'Energie – European bases of operations



Source : FDE

An industrial opportunity arising from former mining areas

— The basics of Abandoned Mine Methane

Abandoned Mine Methane (also known as AMM) is a gas naturally present in coal seams. It consists of methane, which has a greenhouse effect 80 times greater than that of CO₂, albeit over a shorter timeframe of around 20 years. Since the closure of coal mines in the Hauts-de-France region starting in the 1990s, this gas has continued to rise towards the

surface. Without capture, it is released into the atmosphere, contributing significantly to greenhouse gas emissions. Coal mines are thus the fourth largest source of anthropogenic methane emissions, behind livestock, oil and gas, and landfills. Its recovery therefore transforms an environmental constraint into a local energy resource. Once captured, this gas can be used to generate electricity and heat via cogeneration units, or recycled for use as gas for injection into the networks. The resource potential appears significant in relation to the identified needs. At the end of June 2025, FDE had proven and probable (2P) reserves of 320 billion cubic feet (BCF), representing over 120 years of production (2.6 BCF in 2025).

— Coalbed methane extraction: a protected core business

Beyond its environmental benefits, coalbed methane is a particularly strategic energy asset. Its production is local, continuous and controllable, unlike many intermittent renewable energy sources such as solar or wind power. Furthermore, FDE holds an exclusive operating monopoly over its Abandoned Mine Methane capture and utilisation concessions in France and Belgium. Indeed, FDE holds an exclusive operating right until 2042 in the former mine galleries of Hauts-de-France, and until 2038 for the concession located in Wallonia. The group's activities are protected by long-term exclusive permits and licences, for which competitive tendering has already taken place. Combined with relatively standardised infrastructure and secure outlets, this resource offers strong visibility on the volumes and revenues generated. Coalbed methane recovery thus represents a low-carbon energy source capable of ensuring stable cash flows over the long term.

Electricity

The mine gas recovered by FDE is used to power its cogeneration units. The electricity generated by cogeneration (22.5 MW of capacity) is produced at six sites (Divion, Béthune, Avion, Lens, Lourches and Anderlues), located in the former Nord-Pas-de-Calais mining region, with Anderlues situated in Belgium.

In January 2026, it secured access to 18 additional Abandoned Mine Methane sites by signing a concession agreement with the French government, enabling it to commence construction of 20 further cogeneration units by 2028.

Regarding prices and existing cogeneration units, FDE has a feed-in tariff minimum price (indexed to inflation) in France until 2032 for its electricity sales to EDF. In Belgium, it is solely dependent on market prices. Future power generation facilities may benefit from the same 15-year feed-in tariff scheme, with a minimum price of €80 per MWh.

Injected gas

Methane extracted directly from abandoned mines can be injected directly into the network. Production is currently limited to two sites in the Hauts-de-France region (Béthune and Avion), with an annual production capacity of 220 GWh. Gas sold directly is priced at market rates, with FDE putting in place the necessary hedging arrangements. In FY 2025, FDE produced 180 GWh of gas and generated €8.1m in revenue from gas sales. The future, however, lies more in renewable natural gas, for which FDE has several projects through its subsidiary CRYO PUR (96.1% owned).

Heat

Heat is a by-product of cogeneration that can be supplied to local authorities or industrial customers. FDE currently supplies heat at two sites in France:

- In Béthune (Pas-de-Calais): since 2021, the town has been served by one of the largest district heating networks in France. This network is operated by Dalkia and supplies the equivalent of 6,500 households. The heat is sold to Dalkia under a 20-year contract (until 2041).
- In Creutzwald (Moselle): since 2021, FDE has been operating a district heating network in partnership with ENES Creutzwald, using a solar thermal power plant to supply residential neighbourhoods, as well as numerous businesses and public facilities, via a short-circuit system.

With these two sites, FDE has an installed heating capacity of 8 MW. This activity, which generates less than €1m in annual revenue, remains marginal. There are no significant plans for the development of district heating networks at FDE. At present, these are limited

to assisting the municipality of Avion in establishing its district heating network, which will eventually be able to benefit from the green heat generated by the group's combined heat and power plants.

As a secondary activity and as part of an opportunistic strategy, FDE is also active in the solar photovoltaic sector. The group currently has 65 MW of gross capacity (36.25 MW net). It generates solar power at three sites: in France (Tritteling, with a capacity of 15 MW), in Norway, where the first plant, with a capacity of 5 MW, was commissioned in Engene, and in Bosnia (Petjnik). In Bosnia, the 45 MW solar farm is only 49.5% owned and is therefore not consolidated.

A unique and highly protected model

In addition to the protection afforded by the operation of its energy infrastructure (through exclusive concession agreements in specific regions and long-term power and gas purchase agreements signed by its customers) FDE's technologies are protected by patents and a high level of in-house expertise.

— Full integration of the value chain

FDE is first and foremost an energy infrastructure developer. With the help of local expertise and in close collaboration with various stakeholders, FDE identifies promising projects based on key factors such as access to competitively priced land, the ease of obtaining the necessary permits and authorisations, access to electricity and gas networks, and the local capacity to absorb the energy produced.

For its cogeneration units, FDE employs proven technology and a standardised industrial approach to the production of 1.5 MW capacity units, designed for large-scale deployment, enabling it to maintain a 15-month timeframe between the start of construction and commissioning. The same applies to RNG, where units with a capacity of between 110 and 130 GWh are to be deployed in Norway.

La Française de l'Energie – Standardised cogeneration 1.5 MW unit



Source: FDE

FDE retains ownership of its assets and their long-term cash flow. However, where necessary, the group can benefit from strategic partnerships or to join forces with other shareholders within SPVs.

Finally, FDE systematically operates and maintains its production units, drawing on its expertise to enhance efficiency and optimise costs. The company also manages energy purchase and sale contracts and operates in several markets for price hedging purposes.

— Unique expertise

FDE's development is primarily based on organic growth, driven by the deployment of proprietary technologies, engineering expertise and project delivery capabilities. This in-house expertise has been bolstered since 2022 by three acquisitions, which have added a technological component (CRYO PUR) and a delivery component (Greenstat and Alltec), while also establishing FDE's presence in Norway.

Extensive experience in the energy sector

Founded in 2006 to explore the potential for capturing and producing gas from coal mines in Lorraine, FDE went public in June 2016, a few weeks before acquiring Gazonor, which was exploiting coalbed methane in the Pas-de-Calais mining basin. Since then, FDE has not sought to raise equity by tapping the market. Between 2016 and 2022, FDE's activities

focused solely on the production and utilisation (in the form of electricity, heat or injection into gas networks) of coalbed methane. In 2022, the conflict in Ukraine proved to be a turning point for FDE, necessitating the search for domestic solutions to replace Russian gas subject to an embargo. The company then embarked on a diversification of its activities towards other forms of renewable gas, hydrogen and carbon capture.

Its two senior executives have extensive experience in the energy sector. Executive Chairman Julien Moulin joined FDE in 2011 after a career in investment banking (Barclays, UBS); the establishment of Maoming Investment Manager Ltd, an investment firm based in Shanghai specialising in energy (renewable and conventional); and involvement in the launch of Envision, which has become one of the world's top five wind turbine manufacturers. He is the company's largest shareholder with a 16.2% stake. Antoine Forcinal, CEO of FDE since November 2015, began his career at Perenco as a production engineer in West Africa, working on the operation and optimisation of oil and gas assets. He then joined SCDM Energy in Canada, where he contributed to the development and enhancement of energy assets. With over eighteen years of international experience in the energy sector, he has developed expertise spanning the exploitation of energy resources and the management of industrial projects.

Patented technologies and research focused on CO₂ capture

In April 2022, FDE acquired a 94% stake in CRYO PUR for ~€2.5m. This transaction enabled FDE to acquire a technology in which more than €30m had already been invested. Cryo Pur can draw on 35 years of R&D and technologies capable of purifying and liquefying all types of gas (e.g., biogas, landfill gas, industrial flue gas, flare gas, rare gases) to produce liquefied biomethane (bio-LNG) and liquid CO₂ that can be utilised for various applications. These technologies offer a competitive advantage over traditional biogas purification technologies due to their energy efficiency, lower costs and CO₂ capture. They are already in operation at two industrial plants sold at the time by CRYO PUR, in Omagh, Northern Ireland, commissioned in 2018 and producing 3 tonnes of LNG per day; and in Stord, Norway, commissioned in 2022 and capable of producing approximately 8 tonnes of LNG and 10 tonnes of liquid CO₂ per day. These technologies for converting biogas and CO₂ into renewable natural gas and Bio-CO₂ are protected by eight families of global patents.

The founder of CRYO PUR, Denis Clodic, is now head of R&D and innovation at FDE. A co-winner of the 2007 Nobel Peace Prize alongside the IPCC for his work on climate change, he is a recognised expert on energy and climate issues.

La Française de l'Energie - Technologies protected by international patents



Source : FDE

Through its subsidiary Cryo Pur, FDE is now also focusing on CO₂ capture. More specifically, this involves capturing CO₂ from industrial flue gases to recover it in liquid form, with a purity of 99.9%, a process that has already been proven on an industrial scale. This

would then enable the CO₂ to be used and marketed for e-fuels or food applications, or even stored deep underground in disused mine shafts, where it would be mineralised.

To this end, FDE is developing a carbon capture pilot project in partnership with Cemex to treat the flue gases from its cement plants. The production of one tonne of clinker (which, when ground with a few additives, becomes cement) generates 600 to 660 kg of CO₂. These emissions cannot be significantly reduced, as they are largely due to the fact that limestone (CaCO₃), when heated to high temperatures, breaks down into two molecules: CaO (clinker) + CO₂. The CO₂ capture technology developed is fully electric and powered by renewable energy sources. A pilot unit (CFG4000), currently under construction, will test the technology on the treatment of 4,000 Nm³/h (120,000 to 400,000 Nm³/h at a cement plant scale) of flue gas from Gazonor's combined heat and power units. The corresponding Capex is €6.6m (€4m was committed in H1 2026), partly covered by €2m in grants from Ademe and €4m paid by Cemex. Trials are expected to begin in September 2026 and to last six months. If the results and associated costs are positive, this project could be rolled out across all 18 of Cemex's cement plants in Europe. These are located in the UK (1 plant with a capacity of 1.5 Mt of clinker), Germany (2 plants totalling 2.8 Mt), Spain (5 plants totalling 5 Mt), Poland (2 plants totalling 2.5 Mt), the Czech Republic (1 plant with a capacity of 0.9 Mt) and Croatia (2 units with a total capacity of 2 Mt). According to our estimates, this partnership could therefore result in a potential reduction of approximately 9 Mt of CO₂ emissions.

Project leadership expertise

In the EPC (Engineering, Procurement & Construction) segment, FDE's expertise - demonstrated by the standardisation and industrial production process of its small cogeneration units (1.5 MW) – has been further strengthened by the acquisitions of Greenstat and Alltec.

The acquisition of Greenstat forms part of FDE's strategy to diversify into green hydrogen and renewable energy in Northern Europe. In 2024, FDE acquired a 56.35% stake in Greenstat. Today, the group holds 61.9% following a capital increase carried out during the 2025 financial year. Based in Norway, Greenstat is a renewable energy developer specialising in green hydrogen, solar power and associated energy infrastructure. The company generated €3.1m in revenue in 2025, mainly through the EPC (Engineering, Procurement and Construction) activities related to the development and construction of photovoltaic projects. The acquisition of Alltec in Norway in February 2025 (100% of the share capital) further strengthened FDE's industrial and engineering capacity in the Northern European low-carbon energy market. Alltec is a company specialising in EPC (Engineering, Procurement, Construction) solutions for low-carbon energy projects, with advanced expertise in electrical automation and control systems for low-carbon energy infrastructure, as well as a test centre dedicated to green energy technologies such as biogas, hydrogen and ammonia. The company employs around 50 staff and generated revenue of nearly €9.4m in 2024, with the business already profitable. Its portfolio comprises around €100m worth of identified projects through to 2030.

These two entities, which have now merged into one, have enabled FDE to strengthen its engineering and project delivery capacity by in-sourcing part of the skills required to develop its energy infrastructure. In particular, these acquisitions are expected to reduce development costs and speed up the implementation of the group's projects, while supporting the roll-out of its technologies.

Entry into a new phase of growth

Following a transition phase during which FDE strengthened its technological and operational platform, the group is now entering a new phase of growth with the launch of several projects. A number of projects have been approved and are currently under construction with regard to Abandoned Mine Methane and renewable natural gas (RNG). In addition to these, there is a pipeline of projects in green hydrogen and a promising opportunity in natural hydrogen. FDE is accelerating its roll-out: AMM cogeneration (+20 units), RNG (330 MW in Norway via Cryo Pur), green hydrogen (60 MW). A standardised time-to-market (15 months per unit) and internal expertise strengthened through acquisitions (Greenstat/Alltec/Cryo Pur) ensure smooth execution. In addition to these, there is a pipeline in green hydrogen and a particularly promising opportunity in natural hydrogen.

A large-scale roll-out of new cogeneration units

Electricity generation from AMM is set to reach a new stage in its development. In France and Belgium, FDE plans to gradually roll out 24 additional green power generation units by 2028, compared with the current 15, representing an additional installed capacity of 36 MW. Four units totalling 6 MW will be commissioned during 2026 in Angres (Q2) and Rouvignies (Q4). The Angres unit (Pas-de-Calais) is complete and connected to the grid. Final administrative approval is expected shortly, with commissioning to follow before the end of the 2025/26 financial year. For the two units at Rouvignies (Nord), connection works are currently being finalised and commissioning is scheduled by the end of 2026.

A recently signed agreement with the French government has opened up access to 18 additional wellheads in the Hauts-de-France region, thereby securing access to a larger gas field. At these sites, the DREAL (Regional Directorate for the Environment, Development and Housing) is currently carrying out an inventory before making them available to FDE. In 2027, six additional cogeneration units with a total capacity of 9 MW are expected to come online in France. In 2028, a further 14 units (21 MW) are expected, including two in Belgium at Petria, totalling 3 MW. Beyond 2029, FDE has already identified around ten projects for additional units, totalling 15 MW.

Française de l'énergie – Cogeneration development plan by calendar year

Cogeneration	2026	2027	2028	>2029
City	Angres	Noeux	Divion	
Capacity (MW)	3	3	3	
Number of Units	2	2	2	
City	Rouvignies	Anzin	Estevelles	
Capacity (MW)	3	3	4.5	
Number of Units	2	2	3	
City		Hulluch	Escaudain	
Capacity (MW)		3	6	
Number of Units		2	4	
City			Somain / Aniche	
Capacity (MW)			3	
Number of Units			2	
City			Loos-en-Gohelle	
Capacity (MW)			1.5	
Number of Units			1	
City (Country)			Petria (Belgium)	
Capacity (MW)			3	
Number of Units			2	
Total additional capacity (MW)	6	9	21	15
Total units	4	6	14	10

Source: FDE

The business model for these new cogeneration units is particularly robust, offering:

- Limited execution risk given the standardised nature of its 1.5 MW capacity facilities. The level of investment required is known and construction deadlines are well managed.
- High returns, as maintenance shutdowns reduce capacity utilisation by only 5-6% and 6-7% of the electricity generated will be used to power the cogeneration units.
- Revenues and cash flows from the new units are predictable, as they benefit from a 10-year feed-in tariff contract with EDF at €80/MWh (minimum sale price), indexed to inflation.

By the end of 2026, six units, in addition to the four commissioned during the year, will be operating under a purchase obligation (representing 57% of electricity generation capacity), with the remainder at market price. Belgium is a special case, as the unit there operates under a PPA.

Française de l'énergie – Power production business model

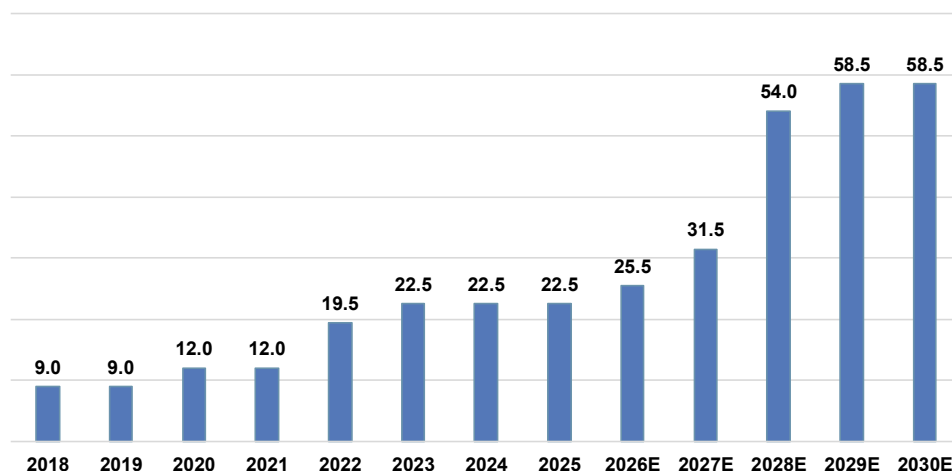
	Combined Heat Power
Capacity	1.5 MW
Total capex per site	Up to €2.5m
<i>o/w financed by :</i>	
Equity	10%
Debt	90%
Time to market (months)	12-24
Recurrent annual revenues per site (€k)	900*
<i>10-year feed-in tariff of €80/MWh</i>	
Annual opex per site (€k)	250
Payback	<3 years
Project IRR	>20%
NPV at 8% after taxes (€m)	>3

Source: FDE

*Based on a 94% availability rate

Our forecasts for electricity generation capacity only take into account the 20 cogeneration units scheduled to come on stream in 2027 and 2028. We do not include the 15 MW of projects in the pipeline, as their locations have not been disclosed. On this basis, we estimate 58.5 MW of installed cogeneration capacity and nearly 400 GWh of electricity generated annually by 2030.

Française de l'Energie – Cogeneration capacity growth (installed MW at fiscal year-end)



Sources: FDE, CIC CIB

With these new capacities, FDE's revenue from electricity generation is projected to increase 2.6x between the 2025 and 2030 financial years. We are including electricity sales generated by photovoltaic units in this revenue without factoring in any new capacity in this regard.

Française de l'énergie – Electricity production and revenue increase (€m)

Fiscal year	2025	2026E	2027E	2028E	2029E	2030E
Electricity production (GWh)	144	177	213	310	403	418
% change y-o-y	-5.3%	23.1%	20.2%	45.7%	29.7%	3.8%
<i>o/w cogeneration</i>	128	159	195	292	384	400
<i>o/w solar PV</i>	16	18	18	18	18	18
Average electricity price (€ per MWh)	94	82	80	80	80	80
% change y-o-y	-34.7%	-12.8%	-2.4%	0.0%	0.0%	0.0%
Electricity revenue (€m)	12.9	14.5	17.1	24.8	32.2	33.4
% change y-o-y	-41.1%	12.7%	17.3%	45.7%	29.7%	3.8%

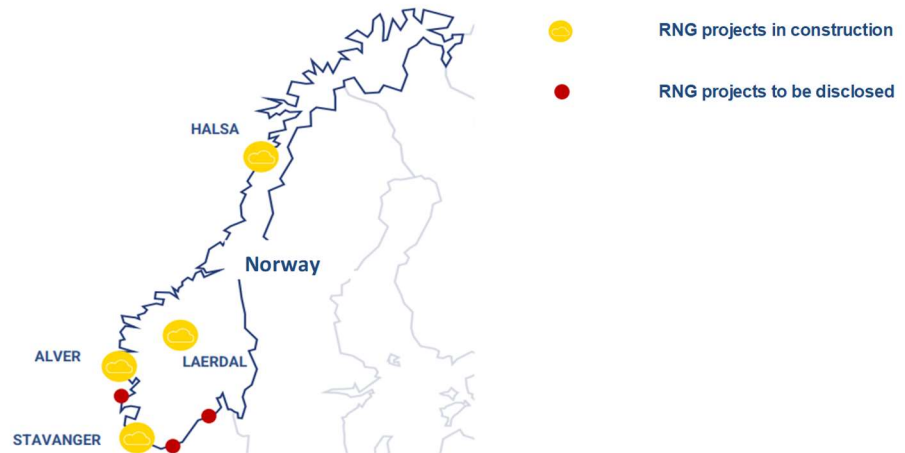
Sources: FDE, CIC CIB

Development of energy infrastructure in Norway

— In RNG (Renewable Natural Gas)

Committed to a net-zero trajectory and with authorities deeply concerned about environmental issues, Norway is pursuing an ambitious energy policy in anticipation of the predicted depletion of its natural gas reserves. Unlike the member states of the European Union, it is able to pursue an independent policy with its own levels of subsidy to promote renewables (~15% for investments in RNG and 40% for green hydrogen).

La Française de l'Energie – RNG development plan in Norway



Source: FDE

FDE is currently carrying out three projects in Norway, with the aim of generating approximately 360 GWh of green RNG generation capacity by the end of the 2028 financial year:

- The most advanced project is Halså's RNG and Bio-CO₂ production unit, which is scheduled to come on stream in Q3 2027. Earthworks are currently underway, and the processing and liquefaction unit has been built and is awaiting transfer to the site. A key feature of this facility will be its ability to produce, from the gas derived from organic salmon farming waste, approximately 14,200 tonnes of liquid Bio-CO₂ for the agri-food sector and 165,000 tonnes of fertiliser from ammonia.
- Stavanger should follow in Q4 2027.
- Alver is scheduled for Q1 2028.

For these last two units, the land and 85% of raw materials have been secured. As with cogeneration, the units are standardised and operate using Cryo Pur's gas processing and liquefaction technologies. The next significant step in mitigating the execution risk of these projects will be the signing of offtake agreements by the future customers of these units. Discussions are currently underway, with the aim of signing an offtake contract with a single customer for the output of all three units.

Française de l'Energie – RNG business model (Norway)

	Renewable natural gas sites
Standard capacity	120 GWh par year
Total capex per site (€m)	40
<i>o/w financed by :</i>	
Equity	15%
Subsidies	15%
Debt	70%
Time to market (months)	18
Recurrent annual revenues per site (€m)	15
<i>19 tonnes/d RNG @ €109/MWh</i>	
<i>c. 15 tonnes/d Bio-CO₂ @ 80 €/tonnes</i>	
Annual opex per site (€m)	7.0
- Intrants	3.6
- Electricity	1.7
- Maintenance	1.7
Payback (years)	c. 5
Project IRR	c. 20%
NPV at 8% after taxes (€m)	c. 30

Source: FDE

With the commissioning of these Norwegian units, the group's gas sales are expected to increase more than 5x by 2030. Sales of RNG will account for the vast majority of the business, representing 85% of gas revenue by the end of the period.

Française de l'énergie – Gas production and revenue increase (€m)

Fiscal year	2025	2026E	2027E	2028E	2029E	2030E
Gas production (GWh)	180	220	220	400	580	580
% change y-o-y	0.0%	22.2%	0.0%	81.8%	45.0%	0.0%
<i>o/w mine gas</i>	<i>180</i>	<i>180</i>	<i>180</i>	<i>180</i>	<i>180</i>	<i>180</i>
<i>o/w RNG</i>			<i>0</i>	<i>220</i>	<i>400</i>	<i>400</i>
Average gas price (€ per MWh)	46	52	48	89	101	101
% change y-o-y						
<i>o/w mine gas (€ per MWh)</i>	<i>46</i>	<i>52</i>	<i>59</i>	<i>46</i>	<i>46</i>	<i>46</i>
<i>o/w RNG (€ per MWh)</i>			<i>0</i>	<i>125</i>	<i>125</i>	<i>125</i>
Gas revenue (€m)	8.2	9.4	10.6	35.8	58.3	58.3
% change	12.3%	14.8%	12.6%	237.6%	62.9%	0.0%

Sources: FDE, CIC CIB

— In green hydrogen

FDE has ambitious plans in the field of low-carbon hydrogen and aims to supply this energy to the transport sector – either to power buses and boats directly, or for use as sustainable aviation fuel (SAF) – and to industry, by supplying it in the form of green ammonia for fertiliser production. With a current capacity of around 0 GWh, it aims to increase this to 640 GWh by 2030.

In this case, H₂ is produced by electrolysis using water and electricity from renewable sources. The acquisition of Greenstat in 2024 positioned FDE in the green hydrogen sector. The company operates a 1 MW green hydrogen pilot production site in Stord, Norway. It has a pipeline of green hydrogen projects, the first of which is a wholly-owned site in Agder, with the aim of supplying green hydrogen to the maritime industry. Operational agreements have been signed for the construction of the project with ITM Power (for the electrolyzers) and with Hoerbiger (hydrogen compressors). Capacity will be 20 MW at start-up and subsequently increased to 60 MW (timeline to be confirmed; CIC CIB's assumption: Q4 2029). Commissioning is scheduled for early 2027. A second 20 MW project in partnership with Neptune Tromso is currently under development to supply an existing ammonia plant with green hydrogen. This unit, located in Glomfjord, is expected to commence production in Q4 2027.

Française de l'Energie – Renewable H2 business model

	Combined heat power
Standard capacity	20 MW
Total capex per site (€m)	Up to 37
<i>o/w financed by :</i>	
Equity	10%
Subsidies	40%
Debt	50%
Time to market (months)	36
Recurrent annual revenues per site (€m)	25
Annual opex per site (€m)	15
Payback (years)	5
Project IRR	>20%
NPV at 8% after taxes (€m)	>30

Source: FDE

For a 20 MW electrolyser to generate €25m in annual revenue, the assumption is that it operates for 8,000 hours per year (load factor ~91%), resulting in energy generation of 160 GWh and equivalent hydrogen production of 4,800 tonnes per year. The price per tonne of hydrogen used is ~€5,200. If its green hydrogen production programme in Norway is successful, according to our estimates, FDE could generate around €75m in revenue by 2030 (with the expansion of the Agder site).

Française de l'énergie – Green hydrogen production and revenue increase (€m)

Fiscal year	2025	2026E	2027E	2028E	2029E	2030E
Hydrogen production capacity (in MW)	1	1	20	40	40	80
Hydrogen production (tonnes/year)			1,200	7,200	9,600	14,400
Avg. hydrogen price (€ per tonne)			5,200	5,200	5,200	5,200
Total hydrogen revenue (€m)			6.2	37.4	49.9	74.9
% change				500.0%	33.3%	50.0%

Sources: FDE, CIC CIB

A promising option for natural hydrogen

— What is natural hydrogen?

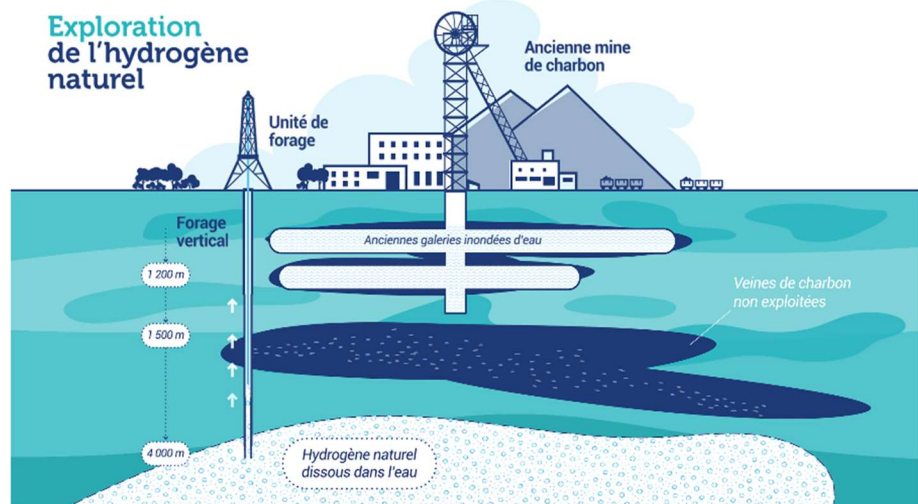
Natural hydrogen, also known as "white", "native" or "geological" hydrogen, refers to hydrogen found in its natural state underground. Its origin is not yet fully understood, but it appears to be formed by natural geological reactions (where water reacts with iron-rich or highly radioactive rocks, causing them to oxidise). Unlike industrially produced hydrogen, it is a primary energy source that can be used directly to generate electricity or as an alternative to fossil fuels, without producing any direct CO₂ emissions. As it is not produced through the industrial processing of another energy source, its cost is very low. FDE estimates the cost at €2 per kg, compared with €4-5 for grey hydrogen and €10 per kg for green hydrogen. The main challenge lies in identifying and characterising it, which remains difficult due to the lack of suitable tools for accurately measuring concentrations underground. In this context, the geoscience and exploration expertise developed by FDE in the gas sector represents an advantage in identifying and developing this emerging resource.

— A discovery unique in the world

In January 2026, FDE was awarded an exclusive exploration permit for natural hydrogen in Lorraine covering an area of 2,254km² (the entire Lorraine basin) for an initial term of five years (the so-called "Trois Evêchés" permit). Since then, preliminary results indicating a very sharp increase in hydrogen concentration at medium depth have been confirmed by a deep borehole (PTH-2) at 3,655 metres. This has validated the presence of natural hydrogen across numerous intervals. An 18-to-24-month analysis phase is expected to follow in order to confirm the feasibility of exploiting this carbon-free energy source at competitive costs.

In Lorraine, this natural hydrogen is present in the form of a gas dissolved in water.

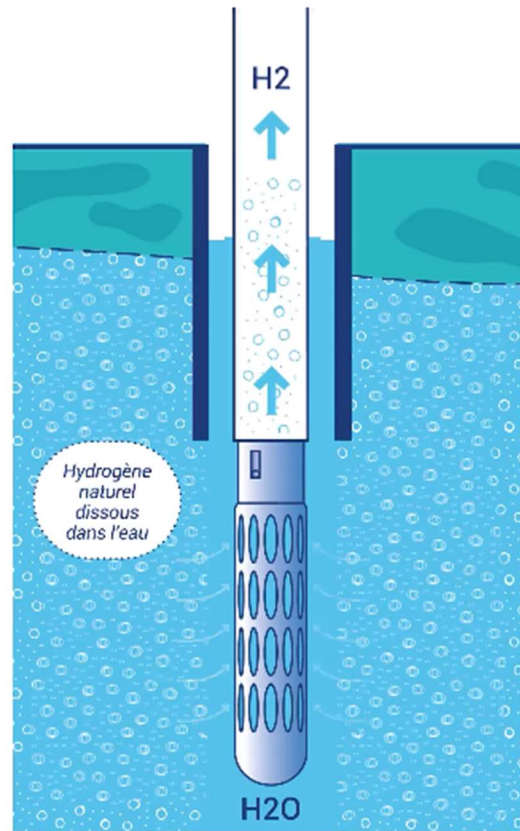
Natural hydrogen found dissolved in groundwater in Lorraine



Source: FDE

This research forms part of the REGALOR II programme, which was awarded a grant of €8.8m (from the Grand Est Region and the EU's Just Transition Fund) in December 2025. This research programme, led by FDE, aims to investigate the mechanisms behind the formation of natural hydrogen and the methods for its exploitation on an industrial scale. In order to extract this hydrogen without injection or pumping, FDE is working in partnership with the CNRS (France's national centre for scientific research) and Solexperts. Their researchers have developed a probe featuring a semi-permeable membrane that allows gas to pass through but not water. At present, this probe operates at a depth of 1,200 metres. The challenge over the coming months is therefore to continue refining it to make it effective down to 4,000 metres.

Natural hydrogen extraction process



Source: FDE

— Hydrogen is ideally positioned to meet demand

The Lorraine region lies at the geographical heart of the European industrial belt, which roughly stretches from northern England to northern Italy, encompassing Belgium, the Netherlands and the German Ruhr region. A low-carbon hydrogen transport infrastructure project, MosaHYc (Moselle Sarre Hydrogen Conversion), has already been launched in this region. This is a project for a cross-border pipeline for the transport of low-carbon hydrogen, approximately 90km in length, linking the Grand Est region (France), the Saarland (Germany) and the Luxembourg border. It is led by Natran (formerly GRTgaz), a subsidiary of Engie, in partnership with Creos Deutschland (Creos is the Luxembourg operator of the electricity and gas networks). It relies on the conversion of existing networks rather than the construction of a new network, which halves construction costs. The total investment is expected to be €110m, of which €40m will be provided by NaTran and the remaining €70m by Creos Deutschland. The investment agreement was signed in April 2024, with operations scheduled to commence in 2027. A first customer, the German steelmaker SHS, has reserved 80% of the network's capacity for 25 years (green steel production in Dillingen in Saarland).

— A potentially game-changing discovery for FDE

According to estimates, the Moselle hydrogen deposit is believed to be the largest in the world, representing a reserve of around 34 Mt of hydrogen. This means that these reserves alone would potentially be sufficient to meet the European target set out in the 2022 RepowerEU plan, which is to produce 10 Mt of renewable hydrogen by 2030 and to import an equivalent amount. This target was set following the invasion of Ukraine but is now significantly behind schedule. Sold at €2,000 per tonne – its estimated production cost – this hydrogen could generate total revenue of €68bn for FDE, which is 2,000 times its current revenue! This does, however, depend on several uncertainties being resolved: verification of the level of proven reserves, measurement of the well's flow rate, reliable extraction methods capable of extracting this hydrogen from water and bringing it up from

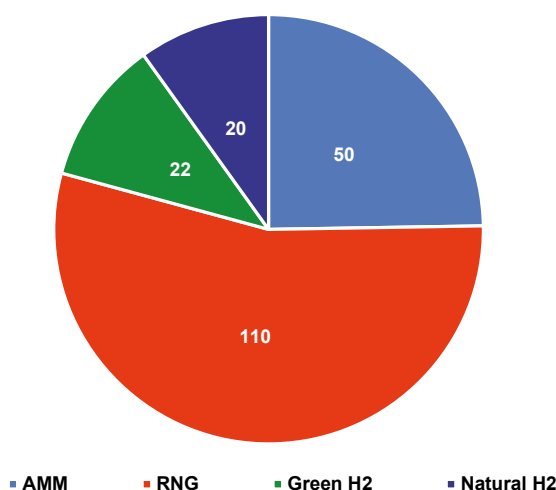
great depths to the surface, and the existence of a sufficiently large market to absorb this hydrogen.

Other regions around the Lorraine Basin are also considering exploring for natural hydrogen. The Hauts-de-France region would like to launch a Reganord programme. In Belgium, Jean-Luc Crucke, the Minister for Climate and Environmental Transition, has secured a budget of €3.2m to continue exploring the reserves on the Belgian side, with the support of European funds.

A near sevenfold increase in the annual capex rate

Over the period 2026–28, FDE has forecast approximately €200m in investment (excluding grants and maintenance expenditure, estimated at €4m annually). This represents a significant increase compared with the €10m spent annually on average since 2020. Capex can be broken down as follows:

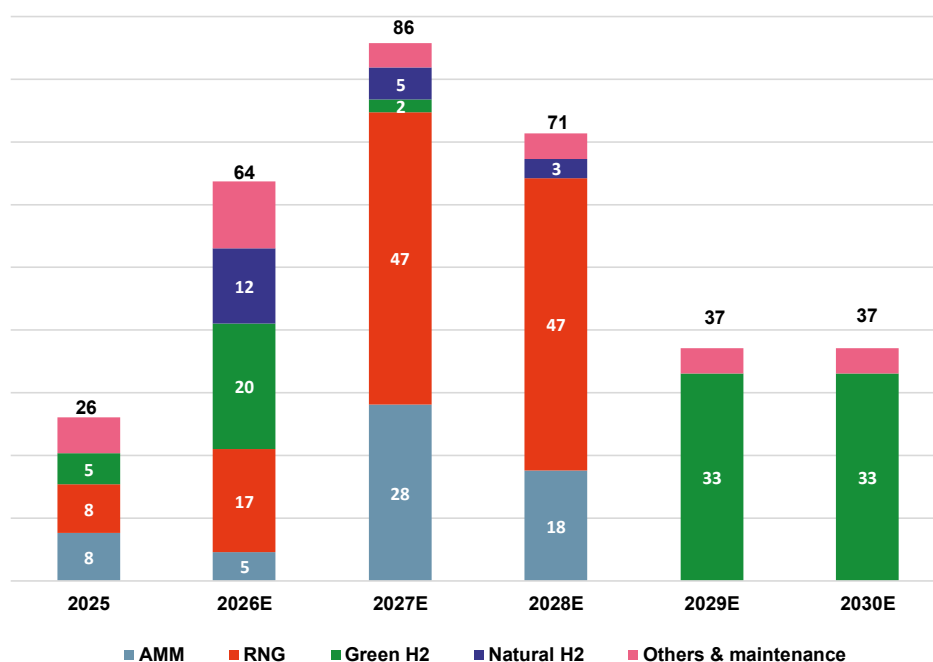
FDE – Development capex net of grants 2026-28 (€m)



Sources: FDE, CIC CIB

The majority of investment will focus on new developments in RNG and the rollout of new cogeneration units (80%), with the remainder going towards hydrogen. On an annual basis, up to 2030 and including the expansion of the Agder site and the construction of the Glomfjord site under green hydrogen, as well as other and maintenance investments, there would be a peak of €86m in FY2026/27, followed by a decline in subsequent years:

FDE – Development capex net of grants 2026-28 (€m)



Sources: FDE, CIC CIB

Secure financing

According to our estimates, public grants for Norwegian projects are expected to account for around 26% of the total investment. Excluding grants, we estimate that, on average, financing will consist of 70% debt and 30% equity.

To finance its ambitious capacity programme, FDE can draw on its €51m in available cash as at the end of December 2025, as well as on the free cash flow generated by its existing infrastructure which will grow as investment increases. It also benefits from green bond issues underwritten by EDRAM, totalling €85m, which enable it to begin financing projects through equity. During construction or once commissioned, these are refinanced through standard asset-backed loans (non-recourse). These loans benefit from low interest rates, given that the income is secured by long-term sales contracts and the high degree of predictability regarding their future cash flows. These loans can be obtained from a wide range of banks. The green bonds subscribed by EDRAM carry an interest rate of 5.5-6%.

In terms of financial leverage, a peak is expected to be reached on 30 June 2027E, with a net debt-to-EBITDA ratio of 10.1x. This ratio is expected to fall rapidly and return to around 3x by the end of June 2030E. In absolute terms, net debt could reach €271m in June 2029E.

FDE has limited scope to reduce this level of debt through asset disposals. However, the company could divest itself of its solar operations, which are unprofitable and have become non-strategic. This would involve the 49.5% minority stake in the Petjnik solar farm (Bosnia). The French and Norwegian solar power plants could also open up their share capital to third parties.

Française de l'énergie – Net debt and financial gearing evolution (€m)

Fiscal year	2025	2026E	2027E	2028E	2029E	2030E
Net debt (excl. lease)	62	113	191	258	271	266
% change y-o-y	186.3%	81.7%	67.9%	35.5%	5.1%	-2.0%
Net debt to equity	62%	113%	186%	217%	178%	136%
Net debt to EBITDA	3.6x	10.1x	9.4x	5.7x	3.9x	3.1x

Source: FDE, CIC CIB

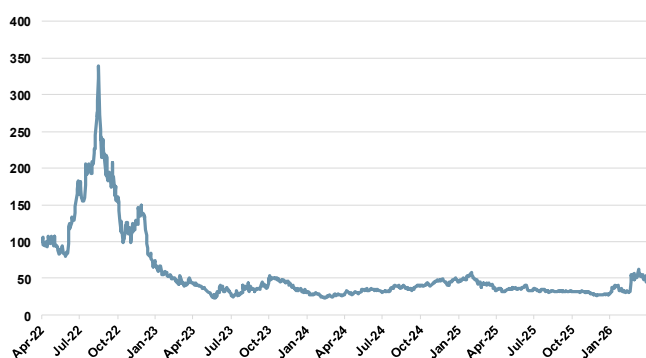
Results are expected to rise sharply after 2027

A limited short-term impact from rising energy prices

FDE is an energy producer. High gas and electricity prices enable it to increase its revenue, but at the same time drive up the cost of the electricity required to operate its facilities, excluding self-consumption.

With the conflict in the Middle East, gas prices in Europe (accounting for 30% of revenue in H1 2025/26) had, at the height of the crisis, doubled since 1 January 2026. This sharp rise must, however, be put into perspective over a longer timeframe. In 2022, the invasion of Ukraine caused gas prices in Europe to rise more than threefold. Supply is currently constrained by a shortage of Qatari LNG (due to the shutdown of liquefaction facilities and the inability of LNG carriers to pass through the Strait of Hormuz), which accounts for just under 10% of gas imports into the EU. Given the partial destruction of these liquefaction facilities, it will take a long time to get them up and running again. Current projections suggest that most facilities will reopen in August, with the hardest-hit ones remaining out of service for four to five years. This means that for several years, Qatar will only be operating at 84% of its LNG export capacity.

Dutch TTF gas monthly near-term price (€/MWh), last 2 years



Source: FactSet

Dutch TTF gas monthly near-term price (€/MWh), last 4 years

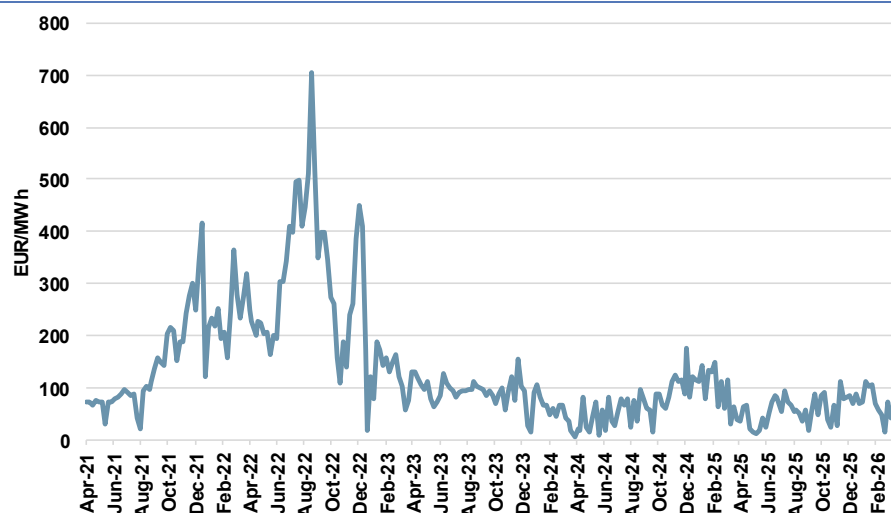


Source: FactSet

For FDE, the benefits of rising energy prices are limited by their high volatility, which complicates the implementation of hedging policies. Currently, with gas prices having fallen back to €46/MWh, the impact of the crisis in the Middle East on FDE's results is limited. For FY2025/26, 42% of the group's sales are in fact hedged at a price of €50/MWh. For FY2026/27, this figure stands at 15% at a price of €52/MWh.

For electricity (40% of revenue in H1 2025/26), the potential impact on FDE's results is even smaller. Intraday price fluctuations are becoming increasingly pronounced, with renewables accounting for a growing share of the production mix, which makes tracking spot prices less relevant. Furthermore, an increasing proportion of the electricity sold by FDE is sold through long-term contracts with prices fixed in advance. In H1, prices in France were close to the floor price of €80/MWh (€74/MWh). In Belgium, where FDE sells at market prices, the figure was close to €97/MWh. Given that electricity is traded in France at spot prices exceeding €100/MWh, we model the price of electricity generated by FDE's cogeneration plants at around €80/MWh.

EPEX spot France day base price (€/MWh), last 5 years



Source: FactSet

Overall, the impact of the energy crisis on FDE's results is limited. However, by driving forward the phase-out of imported fossil fuels, events in the Middle East are accelerating the development of FDE.

2026 and 2027: transition years

FDE is currently in an investment phase, and its numerous projects will not begin to have an impact on its cash flow until FY2027/28.

— Strong revenue growth as projects get underway

We have set out our revenue forecast in the table below. With its new cogeneration plants, FDE expects additional annual revenue of €18m, plus €45m from Norway and renewable natural gas units. A total of €63m in additional revenue, excluding solar and hydrogen projects, which, based on our forecasts, will enable the group to achieve its 2030 target of annual revenue in excess of €175m. Overall, over the next five years, average annual revenue growth rate is expected to exceed 40%.

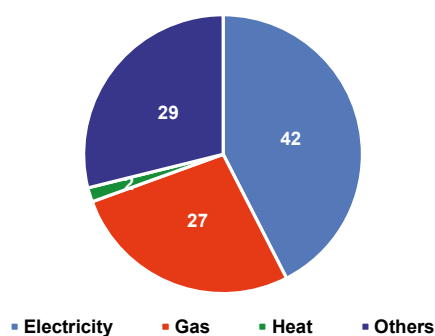
Française de l'énergie – Revenue forecasts (€m)

Fiscal year	2025	2026E	2027E	2028E	2029E	2030E
Electricity						
Gas cogeneration production (GWh)	128	159	195	292	384	400
Solar electricity production (GWh)	16	18	18	18	18	18
Electricity production (GWh)	144	177	213	310	403	418
Average electricity price (MWh€)	94	82	80	80	80	80
Electricity revenue	12.9	14.5	17.1	24.8	32.2	33.4
% change y-o-y	-41%	13%	17%	46%	30%	4%
Heat						
Heat production (GWh)	64	64	64	64	64	64
Average heat price (MWh€)	7.8	7.8	7.8	7.8	7.8	7.8
Heat revenue	0.5	0.5	0.5	0.5	0.5	0.5
% change y-o-y	13%	0%	0%	0%	0%	0%
Gas						
o/w abandoned mine methane (AMM)	180	180	180	180	180	180
o/w renewable natural gas (RNG)				220	400	400
Gas production (GWh)	180	180	180	400	580	580
Average AMM price (MWh€)	46	52	59	46	46	46
Average RNG price (MWh€)			0	125	125	125
Gas revenue	8.2	9.4	10.6	35.8	58.3	58.3
% change y-o-y	12%	15%	13%	238%	63%	0%
Hydrogen						
Hydrogen production per year (GWh)			88	175	175	350
Hydrogen production (tonnes m/year)			1,200	7,200	9,600	14,400
Avg. hydrogen price (€ per tonne)			5200	5200	5200	5200
Hydrogen revenue			6.2	37.4	49.9	74.9
% change y-o-y				500%	33%	50%
Other products						
Bio CO ₂ production (tonnes)				10,650	14,200	14,200
Bio fertiliser production (tonnes)				123,750	165,000	165,000
Bio CO ₂ price (€ per tonne)				70	70	70
Bio fertiliser revenue (€ per tonne)				3	3	3
Other products revenue				1.1	1.5	1.5
% change y-o-y					33%	0%
EPC						
Greenstat + Alltec revenue	8.8	9.1	9.7	9.9	10.0	10.2
% change y-o-y	389%	4%	6%	2%	2%	2%
TOTAL REVENUE	30.4	33.6	44.0	109.5	152.5	178.9
% change y-o-y	-3%	11%	31%	149%	39%	17%

Source: FDE, CIC CIB

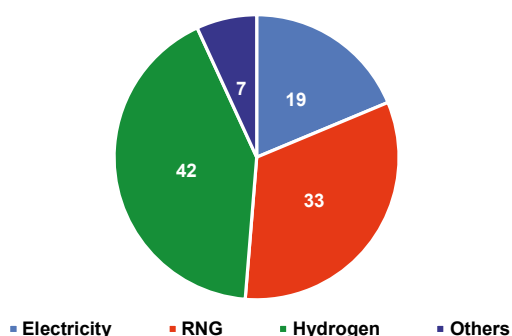
Over the next four years, as projects come on stream, FDE's profile will undergo a significant transformation. Beyond the change in scale, the geographical breakdown of revenue will shift, with Norway becoming the main contributor to revenue (76%). The business portfolio, meanwhile, will be expanded to include the production of hydrogen, renewable natural gas and other gases such as bio-CO₂.

FDE – 2025 sales by product (%)



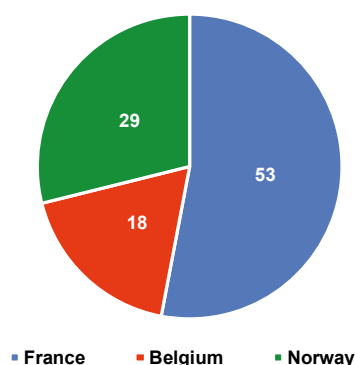
Source: FDE

FDE – 2030E sales by product (%)



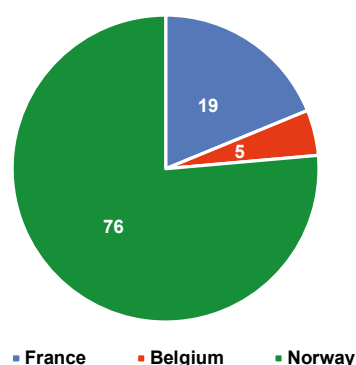
Source: CIC CIB Estimates

FDE – 2025 sales by country (%)



Source: FDE

FDE – 2030E sales by country (%)



Source: CIC CIB estimates

— A tenfold increase in net profit over five years

Our model supports FDE's EBITDA target of over €85m by 2030. Following two years of decline, in 2025 and 2026E, operating results are expected to return to growth. We do not expect a significant improvement in the operating margin given the low operating leverage, in the absence of significant movements in energy prices.

The group's attributable net profit is expected to grow sharply as from FY2027/28, as debt and financial costs begin to fall. Until then, net profit is expected to remain modest and only marginally positive for the current financial year.

Française de l'énergie – Results forecasts (€m)

Fiscal year	2025	2026E	2027E	2028E	2029E	2030E
Revenue	30	34	44	110	152	179
% change y-o-y	-3%	11%	31%	149%	39%	17%
EBITDA	17	11	20	45	70	85
% change y-o-y	-12%	-35%	81%	122%	56%	22%
% EBITDA margin	57%	34%	46%	41%	46%	48%
Operating profit	12	5	11	34	58	71
% change y-o-y	-24%	-58%	122%	197%	71%	24%
% EBIT margin	40%	15%	26%	31%	38%	40%
Net result group share	4	-1	2	16	33	44
% change y-o-y	0%	-123%	-344%	689%	103%	32%
% net result margin	12%	-3%	5%	15%	22%	24%

Sources: FDE, CIC CIB

A valuation of €59 per share

Given the significant phase of investment, the major change in size and the transformation of its business profile that FDE is currently undergoing, a sum-of-the-parts approach appears to be the best way to assess its valuation.

The following valuation methods have been adopted for the various asset classes:

- **Operations in service** – We assume that, over their operating cycle, these are capable of generating annual EBITDA of €20m (the level recorded in FY2023/24). To this figure, we apply a multiple of 10x, which corresponds to the average 2026 EV/EBITDA ratio currently observed across a sample of regulated European utilities in the electricity and gas sectors (Elia, Enagas, Italgas, Redeia, Ren, Terna).
- **New cogeneration units** – Having validated the FDE calculation, which concludes that each unit has an NPV (discounted at 8%) greater than €3m (taken as the threshold), we have estimated their present value based on the current commissioning schedule for these various units. However, we are using a lower discount rate of 5.8% (vs. 8% for FDE). This allows us to factor in the reduction in the risk premium observed for FDE following the various energy crises (historical beta of the FDE share over 6 months = 0.72x). This lower rate is also used because the discount period is short (a maximum of three years).
- **RNG projects in Norway** – As with cogeneration units, we base our FDE calculation on a net present value (discounted at 8%) per project of around €30m. Based on their current commissioning schedule, we discount each project to its present value using a rate of 5.8%. However, we then apply a 30% discount to the resulting value to account for the fact that no off-take agreement has been signed with one or more customers. Any announcement on this matter would remove this discount, resulting in a positive impact of €4.60 per FDE share.
- **Green hydrogen project in Norway** – We are also revising our valuation to €30m per unit. As the Glomfjord project and the 40 MW extension at Agder are subject to greater uncertainty, we are applying a higher discount (50%) to them than to phase 1 of the Agder project (30%), which appears to be well underway. The removal of the discount on these assets following the conclusion of long-term marketing contracts would result in a positive impact of €6.50 per FDE share.
- **Regarding Lorraine white hydrogen** – For illustrative purposes, we value this project at €20m, which is the amount FDE plans to invest in it between 2026 and 2028. As there is currently no data available on the expected annual hydrogen production, the selling price per tonne of this hydrogen and the amount of EBITDA generated per tonne sold, it is difficult to value the project at this stage. The potential is, however, enormous. A quick ballpark figure, based on 10 Mt of hydrogen produced annually as from 2030 (the European target), with an EBITDA of €600 per tonne discounted at 8% to infinity, would value this asset at over €10bn.
- **We regard the photovoltaic assets as non-core** – In France, they are valued at €150,000 per MW of capacity, whilst in Bosnia a 30% discount is applied to this figure, as it is a minority stake (49.5%).

Française de l'Energie – Sum of the parts valuation (€m)

	Amount	Valuation Method
Cogeneration	263.3	
o/w existing assets	200.0	10 x €20m EBITDA
o/w future units	63.3	DCF of €3m NPV per unit
o/w 2026 commissionings	11.8	4 units
o/w 2027 commissionings	16.1	6 units
o/w 2028 commissionings	35.4	14 units
RNG projects in Norway	57.1	30% discount on DCF of €30m NPV per unit
o/w Halså	19.3	
o/w Stavanger	19.0	
o/w Alver	18.8	
Green hydrogen projects in Norway	45.6	Discount on DCF of €30m NPV per unit
o/w Agder (phase 1)	19.8	30% discount
o/w Glomfjord	13.6	50% discount
o/w Agder (phase 2)	12.1	50% discount
Natural hydrogen	20.0	Estimated 2026-28 capex
TOTAL GROSS ASSET VALUE	386.0	
Net financial debt	-79.2	Net debt at 31 December 2025
Non-core assets	5.3	Photovoltaic assets
NET ASSET VALUE	312.1	
Total number of shares (€m)	5.3	
VALUE PER SHARE	59.11	
Current share price (€)	40.40	
Premium (discount)	-32%	

Sources: CIC CIB, FDE

As further factors contributing to a downward revision of our sum-of-the-parts valuation, we have measured the impact of a one-year delay in the commencement of all projects (-€1.7 per share) and a 1% increase in our short-term discount rate (from 5.8% to 6.8%). The impact of this would be modest (-€0.6 per share).

Française de l'Energie – Valuation sensitivities

	Updated NAV per share (€)	Impact per share (€)
Discounts on Norwegian RNG projects reduced to 0	63.7	+4.6
Discounts on Norwegian Green hydrogen projects reduced to 0	65.6	+6.5
One year delay on project commissioning	57.4	-1.7
+1% on short-term DCF discount rate (6.8%)	58.5	-0.6

Sources: CIC CIB, FDE

We are using this valuation of €59 per share as our 12-month target price. As you can see, valuation multiples fall sharply after the two-year transition period in 2026E and 2027E.

Française de l'Energie – Implied valuation multiples at €59 per share

	2026E	2027E	2028E	2029E	2030E
P/E	219.1x	112.6x	12.9x	9.3x	7.1x
EV/Sales	12.7x	11.4x	5.1x	3.8x	3.2x
EV/EBITDA	28.3x	23.7x	10.2x	8.2x	6.6x
EV/EBITDA	48.0x	41.1x	12.9x	9.9x	7.9x

Source: CIC CIB

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La Française de l'Energie

Summary

As a multi-energy group, FDE is at the forefront of the transition challenges. The group develops local, low-carbon, decentralised energy-production assets in Europe. It generates electricity (~144 GWh in 2024/25) from cogeneration facilities powered by Abandoned Mine Methane (AMM) and from solar farms. This portfolio of operational assets is funding a new phase of growth in biogas and green hydrogen. While it is still too early to assess the feasibility of exploiting white hydrogen - or native hydrogen - the presence of which has been confirmed in Lorraine, this could strengthen FDE's position as a major player in the energy transition. Admittedly, the group produces methane captured from disused coal mines. However, without its intervention, this gas would be released into the atmosphere. FDE therefore prevents greenhouse gas emissions, and, with this prevention in mind, is working to develop CO₂ capture technologies. Extra-financial reporting is still under development and is expected to expand in the future.

Sustainability risks: exposure and management

The key challenge facing the group, as an energy company, is its impact on climate change. While the group makes extensive use of methane, this gas is captured from disused coal mines, thereby preventing it from escaping into the atmosphere and, consequently, reducing its carbon footprint. This gas is then recovered by being injected directly into the network or converted into electricity and heat. For its future developments, FDE is focusing on the production of low-carbon energy sources such as renewable natural gas (RNG) or green hydrogen. As methane is a fossil fuel, FDE's main challenge is to demonstrate and quantify the carbon impact of its energy production from Abandoned Mine Methane (reduction of methane leaks) and to implement the capture and storage of emissions associated with combustion. Employee health and safety is also a major concern in an industrial sector such as the energy sector. Combustion and drilling facilities carry a risk of accidents that could lead to the shutdown of operations and pose a risk to employees' health. The group has demonstrated that it has put policies in place, but reporting still needs to be improved.

Challenges and opportunities

La Française de l'énergie is positioning itself in technologies that address the sector's key challenge: the energy transition. Among the most promising solutions is white hydrogen. Currently, the vast majority of hydrogen is produced from methane and is a major source of GHG. Solutions for decarbonising industrial processes are still very energy-intensive and costly. However, capturing hydrogen in its natural state would amount to producing low-carbon hydrogen at a controlled cost.

In addition, the group is establishing a presence in CO₂ capture by leading a research programme with the CNRS and the University of Lorraine aimed at capturing and storing CO₂ in coal. Although this activity does not currently generate revenue, it would complement methane extraction and extend beyond that into the cement sector.

Environmental analysis

Organisation

Given the size of the group (113 employees), expectations in this area are naturally lower. The group has shown elements of good governance (see below) but provided little information regarding the organisation of its CSR activities.

The company's environmental impact

- **Climate:** the group has stated that it has begun a carbon assessment but has not yet published the results.
- **Biodiversity:** no information provided on this subject.

Mitigation measures

- **Operational processes:** capturing CO₂ from coal gas that would otherwise have been released into the atmosphere helps to limit the carbon footprint of energy production from methane.
- **Products & Services:** the group offers numerous low-carbon products and services and intends to accelerate their development. Currently, FDE operates 15 cogeneration units fuelled by abandoned mine methane (22.5 MW installed), three photovoltaic power generation sites (65 MW of installed capacity), and supplies France's largest district heating network (4.3 MW for the town of Béthune) using decarbonised gas. In a few months' time, it will also produce renewable natural gas from biomass and green hydrogen in Norway (now under construction). The group also intends to expand its offering through the development of white hydrogen and CO₂ capture, while leading a research programme.

Targets

- **Climate:** no objective
- **Biodiversity:** no objective

ESG synopsis (1)

The following topics are not exhaustive, but according to our analysis, they are worthy of attention from the group's sustainability perspective.

Sustainable development contribution (Sustainable Development Goals and taxonomy)

- The group contributes to SDG 7 on “affordable and clean energy”, SDG 9 on “industry, innovation and infrastructure”, SDG 11 on “sustainable cities and communities”, SDG 12 on “responsible consumption and production”, SDG 13 on “climate action” and SDG 17 on “partnerships for the goals”.
- The **EU taxonomy** sets out overarching criteria that an economic activity has to meet in order to qualify as ‘environmentally sustainable’, namely: (i) make a substantial contribution to at least one of six environmental criteria; (ii) without causing significant harm to the others (see the technical criteria defined in EU texts); and (iii) while respecting international principles (defined by the OECD and the United Nations). Based on the **taxonomy**, the group does not publish any information.

Environmental issues – Policies / metrics / targets

FDE					
Selection of metrics concerning the Environment					

General information					
CSR report review	Targets / objectives	GHG Scope 1	GHG Scope 2	GHG Scope 3	Eco-design
Limited *	Yes	Yes	Yes	Yes	No

Historical metrics	Scope	Units	Year		Numbers	Change (%)
GHG emissions	1 & 2	kCO ₂ eq	2025		N/A	N/A
GHG emissions	3	tCO ₂ eq	2025		N/A	N/A
GHG intensity	1 & 2 & 3	kgCO ₂ eq/m ²	2025		N/A	N/A
Targets	Scope	Units	Base year	Target year	Estimated target	Implied reduction
GHG emissions	1 & 2 & 3	tCO ₂ eq	N/A	2050	100%	Carbon neutrality

Other environmental issues					
Historical metrics	Scope	Units	Year	Numbers	Change (%)
Water withdrawal	N/A	cu. m	2025	N/A	N/A
Water consumption	N/A	cu. m/m ²	2025	N/A	N/A
Water intensity	N/A	MWh	2025	N/A	N/A
Energy use	N/A	kWh/m ²	2025	N/A	N/A
Waste (operational)	N/A	t	2025	N/A	N/A
Waste intensity					
Targets	Target Year	Comments			
Water					
Energy use					
Waste					

* "Limited assurance" of Statutory Auditors on the consolidated non-financial performance report
Sources: Company, CIC Market Solutions

ESG synopsis (2)

The following topics are not exhaustive, but according to our analysis, they are worthy of attention from the group's sustainability perspective.

Governance and social issues

The group has adopted a board-based governance structure. The roles of Chairman and Chief Executive Officer are separate and the Board of Directors, which is small (four directors), is half independent. A new independent member has been appointed, counterbalancing the long-standing tenure of the other independent member, who was appointed 10 years ago. The company's managing director holds more than 16% of the share capital. Overall, the company's governance complies with best practice standards, despite the existence of double voting rights.

In terms of social responsibility, the group states that it is "fundamentally" committed to its employees. Against a backdrop of strong workforce growth, driven mainly by external expansion (+113% over 12 months), this issue will become increasingly significant. The group has therefore implemented a health, safety and environment (HSE) policy, but provides little detailed information. In terms of results, the frequency rate of workplace accidents has risen sharply, doubling between 2024 and 2025: 1.58% vs. 0.76%. We have no explanatory information or severity rates.

The group has a strong track record when it comes to social responsibility. Given its position as a local player, the group has adopted an innovative approach combining educational communication with dialogue at grassroots level. All of this is underpinned by a code of conduct and professional ethics.

FDE					
Selection of metrics concerning Governance					
Board of Directors					
Size	Average age	% women	% independent	Chairman / CEO duality	Lead Director
4	50	25%	50%	No	No
Other committees					Structure
	CSR-sustainability *	Audit	Compliance and ethics	Remuneration	1 or 2-tier structure
Size	N/A	3	N/A	3	1
% independent	N/A	67%	N/A	33%	Different voting rights
Chairperson	N/A	Independent	N/A	Independent	Yes
Other criteria					
No. of employees	Average age	% women	% temporary employees	Supplier-audits done	Social supply chain
113	35	19%	N/A	Yes	Yes
Anti-bribery policy	Ethics policy	Human rights policy	UN Global Compact	ESG linked pay **	
Yes	Yes	Yes	No	Yes	

NB: All information about the board of directors and its committees, except their sizes, excludes directors representing the employees or employee shareholders

* Social and Environmental Responsibility Committee

** If the remuneration of the executive directors is linked to ESG metrics

Sources: Company, CIC Market Solutions

"Raison d'être", "Entreprise à Mission" or "B Corp certification"

A company can choose to engage in a progression process by setting social and environmental objectives. There are three ways to formalise this approach: (i) adoption of a "raison d'être" (within the meaning of Article 1835 of the French Civil Code), which may or may not be included in the articles of association, (ii) adoption of an "Entreprise à Mission" status (in accordance with Article L210-10 of the French Commercial Code), (iii) a B Corp certification process (internet links: bcorporation.net or www.bcorporation.fr).

No information is available in this area at present.

Consolidated Key Operating Metrics & Performance Indicators

La Française de l'Energie: Profit & Loss account

(€m)	2017A 30/06/17	2018A 30/06/18	2019A 30/06/19	2020A 30/06/20	2021A 30/06/21	2022A 30/06/22	2023A 30/06/23	2024A 30/06/24	2025A 30/06/25	2026E 30/06/26	2027E 30/06/27	2028E 30/06/28
Revenues	3.68	6.65	7.91	7.86	10.24	26.22	39.23	31.45	30.37	33.58	44.05	109.54
Change (%)	-	80.89	18.99	-0.74	30.31	156.15	49.61	-19.84	-3.42	10.57	31.17	148.67
EBITDA - Adjusted	-2.21	-1.60	2.40	0.92	3.25	15.10	26.65	19.73	17.28	11.28	20.37	45.13
Change (%)	-	-27.67	-250.34	-61.65	252.45	364.79	76.57	-25.99	-12.42	-34.72	80.65	121.53
Margin (%)	-60.11	-24.04	30.37	11.73	31.73	57.57	67.95	62.73	56.89	33.59	46.25	41.20
Exceptional items	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EBITDA - Reported	-2.21	-1.60	2.40	0.92	3.25	15.10	26.65	19.73	17.28	11.28	20.37	45.13
Change (%)	-	-27.67	-250.34	-61.65	252.45	364.79	76.57	-25.99	-12.42	-34.72	80.65	121.53
Margin (%)	-60.11	-24.04	30.37	11.73	31.73	57.57	67.95	62.73	56.89	33.59	46.25	41.20
Depreciation & amortisation	-0.67	-1.18	-1.01	-1.06	-1.83	-0.84	-3.67	-3.84	-5.13	-6.18	-9.04	-11.41
Depreciation of rights-of-use assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EBITA - Reported	-2.88	-2.78	1.40	-0.14	1.42	14.25	16.13	15.89	12.15	5.10	11.34	33.72
Change(%)	-	-	-	-	-	905.19	13.18	-1.51	-23.53	-58.04	122.34	197.49
Margin (%)	-78.46	-41.80	17.65	-1.82	13.85	54.36	41.13	50.53	40.01	15.18	25.73	30.78
EBITA - Adjusted	-2.88	-2.78	1.40	-0.14	1.42	14.25	16.13	15.89	12.15	5.10	11.34	33.72
Change (%)	-	-	-	-	-	905.19	13.18	-1.51	-23.53	-58.04	122.34	197.49
Margin (%)	-78.46	-41.80	17.65	-1.82	13.85	54.36	41.13	50.53	40.01	15.18	25.73	30.78
Depre. & amort. of intangible Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EBIT - Reported	-2.88	-2.78	1.40	-0.14	1.42	14.25	16.13	15.89	12.15	5.10	11.34	33.72
Change(%)	-	-	-	-	-	905.19	13.18	-1.51	-23.53	-58.04	122.34	197.49
Margin (%)	-78.46	-41.80	17.65	-1.82	13.85	54.36	41.13	50.53	40.01	15.18	25.73	30.78
EBIT - Adjusted	-2.88	-2.78	1.40	-0.14	1.42	14.25	16.13	15.89	12.15	5.10	11.34	33.72
Change(%)	-	-	-	-	-	905.19	13.18	-1.51	-23.53	-58.04	122.34	197.49
Margin (%)	-78.46	-41.80	17.65	-1.82	13.85	54.36	41.13	50.53	40.01	15.18	25.73	30.78
Net Financial Interest	-0.50	-0.43	-0.52	-0.56	-1.20	-4.57	-1.76	-2.65	-5.88	-4.90	-7.12	-11.15
Other Non Recurrent Items	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EBT	-3.38	-3.21	0.88	-0.70	0.22	9.69	14.38	13.24	6.27	0.20	4.22	22.57
Change (%)	-	-	-	-	-	4,268.92	48.43	-7.92	-52.65	-96.84	2,027.18	435.45
Margin (%)	-92.06	-48.25	11.10	-8.97	2.17	36.94	36.65	42.10	20.64	0.59	9.57	20.61
Corporate taxes	1.06	1.94	-0.04	0.75	0.07	-2.49	-2.55	-2.80	-2.21	0.95	-1.05	-5.64
Corporate tax rate (%)	13.33	16.14	24.02	9.29	1.63	-12.89	-109.45	21.18	35.25	-479.63	25.00	25.00
Net profit from consolidated companies	-2.32	-1.27	0.84	0.05	0.29	7.20	11.83	10.43	4.06	1.15	3.16	16.93
Change (%)	-	-	-	-94.30	510.30	2,359.82	64.34	-11.80	-61.10	-71.70	175.24	435.45
Discontinued Operations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Associates	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-1.30	-0.90	-1.80	-0.90	-0.45
Net Profit - Consolidated - Reported	-2.32	-1.27	0.84	0.05	0.29	7.20	11.83	9.14	3.16	-0.65	2.26	16.48
Change (%)	-	-45.29	-166.14	-94.30	510.30	2,359.82	64.34	-22.76	-65.41	-120.48	-449.63	628.01
Margin (%)	-63.23	-19.13	10.63	0.61	2.86	27.45	30.16	29.06	10.41	-1.93	5.14	15.04
Minorities	0.00	0.00	0.00	0.06	-0.02	0.12	0.14	0.58	0.52	-0.20	-0.20	-0.20
Net Profit - Group share - Reported	-2.32	-1.27	0.84	0.11	0.27	7.31	11.97	9.72	3.68	-0.85	2.06	16.28
Change (%)	-	-	-	-87.10	152.03	2,573.51	63.71	-18.81	-62.17	-	-	688.87
Margin (%)	-63.23	-19.13	10.63	1.38	2.67	27.89	30.52	30.91	12.11	-2.52	4.68	14.86
Net Profit - Group share - Adjusted	-2.32	-1.27	0.84	0.11	0.27	7.31	11.97	9.72	3.68	-0.85	2.06	16.28
Change (%)	-	-	-	-87.10	152.03	2,573.51	63.71	-18.81	-62.17	-	-	688.87
Margin (%)	-63.23	-19.13	10.63	1.38	2.67	27.89	30.52	30.91	12.11	-2.52	4.68	14.86
EPS - Reported	-0.46	-0.25	0.16	0.02	0.05	1.41	2.31	1.86	0.69	-0.16	0.39	3.06
Change (%)	-	-	-	-87.11	151.63	2,568.95	63.45	-19.54	-62.88	-	-	688.87
EPS - Adjusted	-0.46	-0.25	0.16	0.02	0.05	1.41	2.31	1.86	0.69	-0.16	0.39	3.06
Change(%)	-	-	-	-87.11	151.63	2,568.95	63.45	-19.54	-62.88	-	-	688.87
Book Value per share	10.32	10.52	10.52	10.54	10.71	12.24	14.27	15.79	16.16	16.00	16.39	19.44
Change (%)	-0.57	1.87	0.07	0.19	1.60	14.28	16.60	10.62	2.34	-0.98	2.42	18.64
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Change (%)	-	-	-	-	-	-	-	-	-	-	-	-
Dividend pay-out ratio(%)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Number of shares - Basic	5.065	5.065	5.151	5.156	5.164	5.173	5.181	5.228	5.280	5.280	5.280	5.280
Number of shares - Diluted	5.065	5.065	5.151	5.156	5.164	5.173	5.181	5.228	5.328	5.328	5.328	5.328

Sources: La Française de l'Energie, CIC Corporate & Institutional Banking.

La Française de l'Energie: Cash flow statement

(€m)	2017A 30/06/17	2018A 30/06/18	2019A 30/06/19	2020A 30/06/20	2021A 30/06/21	2022A 30/06/22	2023A 30/06/23	2024A 30/06/24	2025A 30/06/25	2026E 30/06/26	2027E 30/06/27	2028E 30/06/28
EBITDA - Reported	-2.21	-1.60	2.40	0.92	3.25	15.10	26.65	19.73	17.28	11.28	20.37	45.13
Net Financial Interest	-0.50	-0.43	-0.52	-0.56	-1.20	-4.57	-1.76	-2.65	-5.88	-4.90	-7.12	-11.15
Corporate taxes	1.06	1.94	-0.04	0.75	0.07	-2.49	-2.55	-2.80	-2.21	0.95	-1.05	-5.64
Other	0.30	-0.58	0.85	0.20	1.04	7.77	1.69	2.24	3.43	-1.63	3.53	6.11
Cash flow from operations	-1.35	-0.67	2.69	1.31	3.16	15.81	24.04	16.51	12.62	5.69	15.73	34.46
Change in Working Capital	-2.19	0.55	-0.48	-0.51	2.13	-7.90	-2.19	-2.30	-2.97	7.54	-2.86	-31.79
Operating cash flow (A)	-3.54	-0.12	2.21	0.80	5.29	7.91	21.84	14.21	9.65	13.24	12.87	2.66
CAPEX - Net	-10.25	-6.67	-3.96	-2.31	-9.04	-11.75	-8.00	-9.47	-18.96	-63.60	-85.75	-71.25
Financial investments	-0.12	0.00	-0.16	-0.07	-0.46	-1.89	0.05	-1.89	-4.86	0.00	0.00	0.00
Investing cash flow (B)	-10.36	-6.66	-4.12	-2.37	-9.49	-13.64	-7.95	-11.36	-23.82	-63.60	-85.75	-71.25
Free Cash Flow	-13.90	-6.79	-1.90	-1.58	-4.20	-5.73	13.89	2.85	-14.17	-50.36	-72.88	-68.59
Dividends	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Capital increase	0.00	0.00	0.00	0.00	0.00	0.00	0.14	0.20	0.00	0.00	0.00	0.00
Share Buy Backs	0.00	0.00	0.00	0.00	0.00	0.00	-3.15	-2.68	-1.15	-50.36	-76.88	-72.59
Repayment of lease liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-0.26	0.00	0.00	0.00
Other	2.73	9.77	-0.71	4.18	7.28	22.87	8.10	4.28	30.53	0.00	0.00	0.00
Financing cash flow (C)	2.73	9.77	-0.71	4.18	7.28	22.87	5.09	1.80	29.13	-50.36	-76.88	-72.59
Change in net cash (debt)(A+B+C)	-11.17	-2.99	-2.61	2.60	3.07	17.15	18.98	4.65	14.96	-100.72	-149.75	-141.17

Sources: La Française de l'Energie, CIC Corporate & Institutional Banking.

La Française de l'Energie: Balance sheet

(€m)	2017A 30/06/17	2018A 30/06/18	2019A 30/06/19	2020A 30/06/20	2021A 30/06/21	2022A 30/06/22	2023A 30/06/23	2024A 30/06/24	2025A 30/06/25	2026E 30/06/26	2027E 30/06/27	2028E 30/06/28
Capital Employed	60.45	67.87	72.39	76.05	80.29	106.13	106.05	130.16	173.23	223.59	302.92	387.09
o/w Fixed assets	68.61	70.62	74.71	77.53	87.44	102.11	105.35	129.90	163.66	221.56	298.04	350.42
o/w Working Capital	-8.16	-2.75	-2.32	-1.48	-7.15	4.02	0.70	0.26	9.57	2.03	4.88	36.68
o/w Equity - Total	52.29	53.26	54.20	54.30	55.27	63.09	73.68	90.47	100.81	100.17	102.43	118.91
o/w Net financial debt (inc. Op. lease)	3.77	9.77	12.33	15.63	20.13	31.79	25.14	33.53	62.46	113.47	190.54	258.23
o/w Other liabilities	4.40	4.83	5.86	6.13	4.88	11.25	7.23	6.15	9.96	9.96	9.96	9.96
Net financial debt (ex. Op. lease)	3.77	9.77	12.33	14.96	19.21	30.96	22.45	25.40	51.16	96.49	165.37	231.36

Sources: La Française de l'Energie, CIC Corporate & Institutional Banking.

La Française de l'Energie: Ratios

	2017A 30/06/17	2018A 30/06/18	2019A 30/06/19	2020A 30/06/20	2021A 30/06/21	2022A 30/06/22	2023A 30/06/23	2024A 30/06/24	2025A 30/06/25	2026E 30/06/26	2027E 30/06/27	2028E 30/06/28
CAPEX / Revenues (%)	278.7	100.3	50.0	29.4	88.3	44.8	20.4	30.1	62.4	189.4	194.7	65.0
CAPEX / Depreciation & amort. (%)	1519.4	564.4	393.4	216.6	494.0	1396.3	76.1	246.6	369.8	1029.1	948.7	624.3
Working capital / Revenues (%)	-	-41.3	-29.3	-18.8	-69.9	15.3	1.8	0.8	31.5	6.0	11.1	33.5
Net debt* / Total Equity (%)	7.2	18.4	22.7	28.8	36.4	50.4	34.1	37.1	62.0	-	-	-
NFD* / EBITDA adj. (x)	-1.7	-6.1	5.1	-	6.2	2.1	0.9	1.7	3.6	-	9.4	5.7
NFD* / (EBITDA-CAPEX) (x)	-0.3	-1.2	-7.9	-	-3.5	9.5	1.3	3.3	-	-2.2	-2.9	-9.9
Adjusted EBITDA / Financial expense (x)	-	-	4.6	1.6	2.7	3.3	12.7	6.0	2.4	1.6	2.4	3.7
LT fin. debt (excl. leases)/Tot. fin. debt (%)	39.6	91.5	81.6	63.7	76.3	87.5	87.4	92.1	96.9	97.7	98.4	98.5
ROE (% , Adjusted NP/ Shareholders' Eq.)**	-	-	1.6	0.2	0.5	11.5	16.2	11.8	4.3	-	2.4	15.7
ROCE post-tax (% , Adjusted EBITA/CE)**	-	-	1.7	0.0	2.3	9.7	12.4	10.2	4.8	1.8	2.9	6.7
o/w EBIT / Sales (%)	-78.5	-41.8	17.6	-1.8	13.9	54.4	41.1	50.5	40.0	15.2	25.7	30.8
o/w Sales / CE (x)	0.1	0.1	0.1	0.1	0.1	0.2	0.4	0.3	0.2	0.2	0.1	0.3
o/w corporate tax rate (%)	31.3	60.4	4.2	106.8	-32.0	25.7	17.7	21.2	35.2	25.0	25.0	25.0

Sources: La Française de l'Energie, CIC Corporate & Institutional Banking, * including operating leases, ** one year average.

La Française de l'Energie: Enterprise Value and Market Capitalisation

	2017A 30/06/17	2018A 30/06/18	2019A 30/06/19	2020A 30/06/20	2021A 30/06/21	2022A 30/06/22	2023A 30/06/23	2024A 30/06/24	2025A 30/06/25	2026E 30/06/26	2027E 30/06/27	2028E 30/06/28
EV / Sales (x)	23.5	15.8	10.8	13.2	11.6	7.8	6.8	8.2	7.1	9.9	9.3	4.4
EV / EBITDA (x)	-	-	35.5	-	36.7	13.6	9.9	13.0	12.5	29.5	20.1	10.6
EV / EBIT (x)	-	-	61.1	-	84.1	14.4	16.4	16.1	17.8	65.2	36.1	14.2
P / E (x)	-	-	-	-	-	23.7	20.0	22.1	38.3	-	-	12.6
P / B (x)	1.6	1.8	1.3	1.6	1.8	2.7	3.2	2.6	1.6	2.4	2.4	2.0
D / P (%)	-	-	-	-	-	-	-	-	-	-	-	-

Sources: La Française de l'Energie, CIC Corporate & Institutional Banking, FactSet (price data).

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Was this report submitted to the issuer prior to its publication?	Yes/
If so, were the analysts' conclusions modified?	No

The full list of potential conflicts of interest is available [here](#)

Recommendation history

Date	Recommendation	Target price	Price at change
15/04/2026	Buy	59.00	40.50

Sources: CIC CIB, Factset (market data – closing prices)

The above table shows the history of CIC CIB' changes in recommendation and target price during the twelve months prior to the publication of this report; the current analyst may or may not have covered this stock over the entire period.

Current analyst(s): Arnaud Palliez Jean-Luc Romain (since 22/04/2026)

Recommendation breakdown of stocks covered or distributed by CIC CIB

	Stocks covered by CIC Market Solutions		Coverage with investment services	
Buy	64.9%	111	74.1%	60
Accumulate	0.6%	1	0.0%	0
Neutral	31.0%	53	25.9%	21
Reduce	0.0%	0	0.0%	0
Sell	3.5%	6	0.0%	0

Source: CIC CIB

*The above table sets out the breakdown of recommendations for all stocks covered and distributed by CIC CIB as at of the production date of this report. The figures in the column "Coverage with investment services" provide the breakdown for stocks for which CIC CIB has supplied other investment services as per the definition given in the Article 6 paragraph 3 of Delegated regulation (EU) No. 2016/958.

The valuation and resulting investment recommendation are based on an analysis of publicly-available information at a given date, which is that indicated on the document consulted. Changes in the economic, competitive, regulatory and other environments and at the company analysed may lead to a change in this valuation and recommendation.

In accordance with the regulation, a list of all stock recommendations published in the last 12 months by CIC CIB' equity research teams and by independent analysts whose research is distributed by CIC CIB is available [here](#).

Production date: 22/04/2026 - 09:25

First distribution date: 22/04/2026 - 09:29

Valuation method

CIC CIB's recommendation system is absolute. It means that each stock is rated based on the total return, measured by the upside/downside potential (including dividend payments and share buybacks) over a **12-month horizon**.

The recommendation and target price fixed by an analyst on a given stock are correlated, but not entirely, as the analyst may include qualitative elements in the recommendation, such as market and earnings volatility, specific short-term news flow, M&A scenarios, or other subjective elements.

Meaning of each recommendation or rating:

Buy: the stock is expected to generate a total return of over 15% during the next 12 months;

Accumulate: the stock is expected to generate a total return of 5% to 15% during the next 12 months;

Neutral: the stock is expected to generate a total return of -5% to +5% during the next 12 months;

Reduce: the stock is expected to generate a total return of -5% to -15% during the next 12 months;

Sell: the stock is expected to generate a total return below -15% during the next 12 months;

Rating suspended: the rating is suspended due to a capital transaction (takeover bid, SPO, etc.) or a change of analyst;

Not rated: there is no rating for a stock when a company is being floated or prior to initiation of coverage.

Under the ESN framework, CIC CIB favours three recommendations: Buy, Neutral and Sell.

CIC CIB uses five valuation methods in its research:

DCF: The discounted cash flow method involves determining the present value of future cash flows. It uses a model based on estimates built around a number of different assumptions. We discount the sum of future cash flows using the weighted average cost of capital. This represents the company's cost of debt and the cost of equity, as estimated by the analyst, weighted in relation to the proportion of each in the company's funding.

Peer comparison: This method involves comparing the company's multiples to those of a sample of companies operating in the same field or having a similar profile (the "peers"). The average multiple of the sample is taken as a benchmark. The analyst may apply a premium or a discount depending on his or her view of the company (growth outlook, level of profitability, etc.)

Sum of the parts: This method involves carrying out separate valuations for each of the company's different businesses, on the basis of methods deemed appropriate for each business, and then adding them together.

NAV: The net asset value is used to estimate the fair market value of assets recognized on a company's balance sheet, on the basis of methods deemed appropriate for each of them.

Return to average: We may apply the method in which we determine the present value based on the expected return to average normative multiples x normative earnings (return to normal, mid-cycle), with respect to companies that we consider have strong visibility on their business and that are temporarily operating below their normative earnings capacity.

NB: For all the above methods, the shares are valued after carrying out a clean-up of liabilities (hybrid securities, provisions, off-balance sheet commitments, seasonality of activity, etc.).

CIC CIB includes extra-financial analysis (ESG) in its valuations either through its forecasts, or through the risk premium in the case of DCF valuations, or through an absolute premium or discount, or according to the stock's quality relative to its competitors when we apply methods involving multiples.

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