

## 2022 annual results

- **Net profit as of 31 December 2022: €21.6m**
- **NAV<sup>1</sup> of €138m at 31 December 2022, up 14.2% from 30 June 2022 and 32.8% from 31 December 2021**
- **NAV per share: €3.44 (vs. €3.28 as of 30 June 2022 and €2.93<sup>2</sup> as of 31 December 2021)**
- **Increase in fair value of +€12.2m over six months and +€32.7m over 12 months**

## Robust Q1 2023 performance in investees

**Paris – 27 April 2023 – 8:00 a.m.**

Transition Evergreen (FR0000035784 – EGR), the first French-listed investment fund dedicated to the ecological transition and reducing the carbon footprint, reported its 2022 annual results and net asset value as of 31 December 2022, which were approved by the Board of Directors at its meeting held on 26 April 2022. The investment fund also delivered an update for early 2023 activity, with a focus on the performance of investees in Q1 2023.

The 2022 annual financial report will be available on 30 April 2023 at the latest, on Transition Evergreen's website, [www.transition-evergreen.com](http://www.transition-evergreen.com), in the Investors section under Financial documents.

### **Lionel Le Maux, Chairman of the Board of Directors of Transition Evergreen, commented:**

*"The 2022 financial year was characterised by soaring and highly volatile energy prices, and the resulting inflation, coupled with significantly rising interest rates. In this particular context, Transition Evergreen's investees, which are positioned in strategic and buoyant sectors of the energy transition (biogas, hydrogen and solar energy), have all seen significant changes in terms of activity and outlook, accelerated by the increased appeal among investors for renewable and decentralised energy sources.*

*For the 2022 financial year, Transition Evergreen achieved growth of 32.8% in its net asset value compared with 31 December 2022, generating a NAV per share of €3.44.*

*In 2023, Transition Evergreen will continue to support its investees in their growth trajectory as they scale up to Small and Medium-sized Enterprises (SMEs) and midcaps, while maintaining its strategy of optimising capital allocation with the aim of developing a balanced portfolio of companies focused on their own business lines and with appropriate financing needs. This may drive up sales of all or part of assets as well as allocations to new investees and simplification transactions designed to unlock the underlying value of certain companies, thereby adding higher value to the assets held by Transition Evergreen."*

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<sup>1</sup> NAV: net asset value corresponds to the Company's IFRS shareholder equity, i.e. €138m. The +17.1m increase between 30 June and 31 December 2022 stemmed from the change in the fair value of investees (+€12.2m), transactions involving the Company's equity in the second six months of the year (+€9.2m) and net profit restated for the fair value effect (-€4.3m).

<sup>2</sup> Before dilution and €2.91 per share after dilution.

## 2022 ANNUAL RESULTS

### NAV<sup>3</sup> of €138m at 31 December 2022

Transition Evergreen's net asset value (NAV) amounted to €138m at 31 December 2022 vs. €120.9m at 30 June 2022, relative to €103.9m at 31 December 2021. NAV was up 14.2% from 30 June 2022 and 32.8% compared with 31 December 2021.

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As of 31 December 2022, NAV per share amounted to €3.44<sup>4</sup> (vs. €3.28 at 30 June 2022 and €2.93 per share before dilution (€2.91 after dilution) at 31 December 2021).

The fair value of investees increased from €113.9m at 1 January 2022 to €134.6m at 30 June 2022 and €146.6m at 31 December 2022. The rise in value stemmed especially from:

- soaring energy prices as a result of the conflict in Ukraine, which has led to an inflationary environment. As such, in its efforts to revalue the renewable and sovereign energy companies in the Transition Evergreen portfolio, notably 3 E Biogas, Aqua SAS/Evergaz SA and Everwatt, the Aqua Asset Management asset management company has considered the following in this market environment;
- the updated business plans, which include the various developments (organic growth and acquisitions) and the capital-raising operations that will drive these business plans;
- the change in the weighting of methods used to determine the values at 31 December 2022, giving less weight to equity transactions considering their remoteness and more weight to discounted cash flow (DCF) methodologies, market multiples and comparable transactions.

The methodology used is specified in section 8.1.1.2 "Changes in the fair value of investees" of the Universal Registration Document (URD) published on 9 February 2023, under number R.23-004, and in Note 3.1 of its Annual Financial Report.

A table showing changes in fair value since 31 December 2021 is included in the appendices of this press release.

### Net profit of €21.6m at 31 December 2022

Operating profit totalled €26m at 31 December 2022, compared with €35.4m a year earlier. It includes:

- +€32.7m in fair value adjustments to non-current financial assets;
- -€0.4m in staff costs;
- -€6.9m in other operating costs (fees and similar charges);
- +€0.6m in revenue from financial assets.

The cost of financial debt amounted to -€1.3m. After booking tax of -€2.9m, net profit was €21.6m at 31 December 2022, compared to €30.9m at 31 December 2021.

<sup>3</sup> NAV: net asset value corresponds to the Company's IFRS shareholder equity, i.e. €138m (vs. €120.9m as of 30 June 2022, compared against €103.9m as of 31 December 2021).

<sup>4</sup> Identical before and after dilution in the absence of a dilutive instrument outstanding at the given date

## Financial structure

Transition Evergreen's shareholders' equity was €138m at 31 December 2022, compared with €103.9m at 31 December 2021, factoring in capital-raising operations completed during the financial year (€12.5m in a funding round initiated as part of a private placement, including €9.0m in cash).

As of 31 December 2022, Transition Evergreen had available cash of €0.9m, versus €0.1m as of 31 December 2021. For the record, the Company has a maximum current account advance of €12m authorised by Financière Evergreen<sup>5</sup>, €1m of which had been used as of 31 December 2022. The Company's financial debt – comprising bond issues (including new ordinary bond issues totalling €7.3m for the financial year) – amounted to €16.7m at 31 December 2022 versus €11.7m at December 2021.

After closing the financial year, in January and March 2023, Transition Evergreen completed two ordinary bond issues for respective amounts of €3.7m and €1.3m. In addition, Transition Evergreen is planning a new funding round of between €8m and €12m by 30 September 2023 to strengthen its financing structure and to continue supporting its investees.

## Q1 2023 ACTIVITY FOR THE MAIN TRANSITION EVERGREEN INVESTEES

### Evergaz: €5m equity financing round

Q1 2023 saw Evergaz raise €5 million in the form of bonds subscribed by nearly 2,500 investors. In particular, this financing will enable Evergaz to expand the capacity of its existing portfolio of biogas units and to seize potential acquisition opportunities to acquire new units.

### Everwatt: focusing on collective self-consumption and regional decarbonisation

During Q1 2023, as part of its inaugural self-consumption project, Everwatt is lending its support to Compagnie de Phalsbourg, one of France's leading private property companies and the country's first real estate developer to build a brand village in the Auvergne-Rhône Alpes region, equipped with 10,000m<sup>2</sup> of photovoltaic panels on roofs and car park shading. The latter initiative has generated 2.27 GWh of green electricity per annum. The energy produced will be fully self-consumed by the shopping centre and distributed between common areas, electric recharging stations and certain retailers. Thanks to this project, electricity will be produced at the local level.

On top of this, EverWatt also renewed its trust in Selfee – the all-in-one supplier, aggregator and balance responsible entity – by kick-starting a new €11m funding round in collaboration with Crédit Agricole Normandie Seine and Crédit Agricole Transitions et Energie. As a result, Selfee intends to industrialise its self-consumption electricity solution for regions and invest alongside its local partners.

Parallel to this, the Everwatt subsidiary – Phynix – demonstrated its commitment to addressing the challenges of decarbonised transport by launching the Retrofit H2 Coalition, an initiative to industrialise hydrogen retrofitting for heavy road vehicles. The initiative seeks to mobilise the entire transport value chain (shippers, transporters and logisticians, equipment manufacturers, retrofitters, financiers and leasers, politicians and public administrations) in an effort to attain its target of 10,000 hydrogen retrofitted trucks per year in France by 2030.

Furthermore, in early 2023, BoucL Energie – an Everwatt subsidiary – successfully completed a €4m financing package (funding round and debt) with Banque Populaire Auvergne Rhône-Alpes and Crédit Agricole Sud Rhône-Alpes to fund the development of its largest collective self-consumption project located in Saint-Martin-D'Hères, near Grenoble (south-east France).

<sup>5</sup> A 0.72% shareholder in Transition Evergreen as of 31 December 2022

At-end April 2023, BoucLEnergie secured further substantial capital-raising, amounting to €34m, with the Conquest asset management firm. This capital-raising operation, which aims to develop the collective self-consumption of solar energy, will enable the roll-out of 300 MWc solar projects in France as well as deliver an identified pipeline of around sixty development projects located in 11 regions. After closing, Everwatt remains the majority shareholder of BoucLEnergie.

### **Everwood: start of exclusive negotiations to acquire a majority interest in an international third-party forestry asset management company**

Everwood continues to step up its development in wood energy and is planning further consolidations, as illustrated by the recent acquisition of Brazeco, a company consolidated in the new Wood energy division (combining Bois Energie Nord and Brazeco). Currently, this division is cementing its position as a fully-integrated producer/distributor with two transactions nearing completion in north-west France.

At the same time, Everwood has begun exclusive negotiations to become the majority shareholder of a global-leading group that manages forestry assets on behalf of third parties, with the aim of consolidating its second strategic pillar focused on the sustainable management of natural heritage. This transaction would mark a major milestone in Everwood's strategy aimed at international expansion, which kick-started in January 2021 following the merger with Forestry France and the creation of Forestry Europe in October 2022.

### **SAFRA: request to approve the H2 PACK® retrofit kit**

A veritable trailblazer in hydrogen mobility and precursor in coach retrofitting, SAFRA has applied for approval of its H2 retrofit kit – registered under the brand name H2-PACK® and supported by the French Environment and Energy Management Agency (ADEME) – which makes it possible to transform a diesel coach's engine into a zero-emission vehicle that runs on hydrogen and only emits water vapor. With this approval, SAFRA will be positioned to industrialise the hydrogen retrofit of a first series of vehicles. For the record, SAFRA won the largest retrofit order in France, for installation on 15 intercity coaches (Mercedes Intouro), as ordered by Occitania, the country's southernmost region.

Lastly, SAFRA joined the ITxPT (Information Technology for Public Transport) association as an associate member, thereby confirming the entity's commitment to design and manufacture its products according to the ITxPT association's standardisation criteria, i.e. to allow the interoperability of its onboard systems with all public transport stakeholders.

## **NEXT KEY DATES**

**July 2023** – Activity & Significant events for investees in Q2 2023

**End-September 2023** – 2023 half-year results

**October 2023** – Activity & Significant events for investees in Q3 2023

### About Transition Evergreen

Transition Evergreen is the first French-listed investment fund, with a focus on accelerating the ecological transition and reducing the carbon footprint.

Leveraging the expertise of asset management company, Aqua Asset Management, Transition Evergreen seeks to provide concrete solutions to the challenges of building a carbon-neutral world. To achieve this, the Group invests in unlisted French and European companies. Transition Evergreen is a proven accelerator of green growth. The Group's corporate purpose is to invest in high-growth French and European SMEs focused on the ecological transition.

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

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

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

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

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### Disclaimer

It should be noted that any investment includes the risk of partial or total loss of the capital invested. For further information on the risks of investing in the portfolio, please refer to the "Risk Factors" section of the Universal Registration Document.

Recognition of extra-financial criteria is likely to encounter methodological limitations. In particular, there may be inconsistencies in investee reporting, owing to their size and stage of development). Also note that past performance is no guarantee of future performance and performance is not constant over time.

## APPENDICES

### INCOME STATEMENT

(€k)	31-12-21	31-12-22
Revenue from financial assets	123	596
Change in fair value of financial assets	42,412	32,655
Payroll costs	(616)	(382)
Other operating costs	(6,547)	(6,901)
<b>Operating profit (loss)</b>	<b>35,372</b>	<b>25,969</b>
Gross cost of financial debt	(1,730)	(1,299)
<b>Net cost of financial debt</b>	<b>(1,730)</b>	<b>(1,299)</b>
Other financial income and expenses	(54)	(108)
<b>Net profit before tax</b>	<b>33,588</b>	<b>24,561</b>
Income tax	(2,599)	(2,963)
<b>Net profit</b>	<b>30,989</b>	<b>21,638</b>

Number of shares in circulation	35,411,326	36,977,138
Earnings per share (€)	€0.88	€0.59
Number of shares after dilution	35,721,414	36,977,138
Diluted earnings per share (€)	€0.87	€0.59

### BALANCE SHEET

ASSETS(€k)	31-12-21	31-12-22
Non-current financial assets	113,988	146,580
- o/w shares	113,727	146,580
- o/w bonds	261	-
Other non-current assets	55	13
<b>Total non-current assets</b>	<b>114,043</b>	<b>146,593</b>
Current financial assets	20,076	21,898
Other receivables	726	106
Cash & cash equivalents	100	850
<b>Total current assets</b>	<b>20,902</b>	<b>22,854</b>
<b>Total assets</b>	<b>134,945</b>	<b>169,447</b>

LIABILITIES (€k)	31-12-21	31-12-22
Capital	17,749	20,086
Share capital premium	41,511	51,657
Reserves	13,663	44,665
Overall profit	30,989	21,638
<b>Shareholders' equity</b>	<b>103,912</b>	<b>138,046</b>
Non-current portion of bond issues	8,191	4,100
Deferred tax liabilities	2,438	5,159
<b>Total non-current liabilities</b>	<b>10,629</b>	<b>9,259</b>
Bond issues	3,541	12,641
Other current financial liabilities	5,304	2,201
Other debts	11,559	7,300
<b>Total current liabilities</b>	<b>20,404</b>	<b>22,142</b>
<b>Total assets</b>	<b>134,945</b>	<b>169,447</b>

#### CHANGE IN THE FAIR VALUE OF INVESTEEES SINCE 31 DECEMBER 2021

Investees	Fair value 31/12/2021	Fair value 30/06/2022	Fair value 31/12/2022
Everwood SAS	€29,783k	€29,469k	€31,546k
Aqua SAS/Evergaz	€20,992k	€27,380k	€24,903k
Everwatt SAS	€38,058k	€42,010k	€47,109k
LPF Groupe (formerly La Paper Factory SAS)	€3,121k	€2,551k	€3,256k
Valporte Holding SAS	€2,131k	€1,844k	€1,749k
Borea SAS	€240k	€279k	€342k
Safra SA	€16,264k	€14,887k	€12,815k
Safra Participations	€3,088k	€3,091k	€2,665k
3 E BIOGAS/C4 Group	€50k	€12,600k	€21,960k
Keiryō (formerly Green H2 Partenaires SAS)	-	€235k	€235k
<b>Total share portfolio</b>	<b>€113,727k</b>	<b>€134,345k</b>	<b>€146,580k</b>
OC Natureo	€261k	€266k	-
<b>Total bond portfolio</b>	<b>€261k</b>	<b>€266k</b>	<b>-</b>
<b>Total assets</b>	<b>€113,988k</b>	<b>€134,611k</b>	<b>€146,580k</b>

## UPDATE TO KEY FIGURES FOR MAIN INVESTEES

The Company updated its targets for its main investees as follows:

Investees	2022 financial year	2026 targets <sup>6</sup>	
	Revenue	Revenue	EBITDA <sup>7</sup>
Evergaz <sup>8</sup>	€36.6m <sup>9</sup>	€145m	30%
Everwatt	€13.0m <sup>9</sup>	€149m	30%
Everwood	€9.3m <sup>9</sup>	€110m	10%
Safra	€13.0m	€170m	>0%
C4 Group	€31.2m <sup>9</sup>	€50m	30%

*The data provided above is for information purposes only and is based on projections and simulations. In this respect, we provide absolutely no guarantees that these investments will be profitable.*

<sup>6</sup> Based on assumed projections communicated by the investees.

<sup>7</sup> Operating profit excluding non-recurring operations and depreciation

<sup>8</sup> Figures for Evergaz include the interest held by Evergaz in 3 E Biogas, which in turn, owns 100% of C4 Group.

<sup>9</sup> Aggregate and estimated revenue of the investees except for Safra SAS (audited revenue).

Aggregate revenue = the sum of all weighted revenue for the various subsidiaries, i.e. for each subsidiary, revenue is weighted according to the holding company's investee in the relevant sector. The figures are prepared in accordance with French accounting standards.