PRESS RELEASE
Meylan, France - April 29, 2022

2021 full-year results

Waga Energy continues to build momentum after successful 2021 IPO and confirms targets for 2026

- **145 GWh** of Renewable Natural Gas (RNG) injected into the grid
- **24,000 tons of CO_2 equivalent avoided**[1]
- Revenue up **29.6%** to €12.3m
- EBITDA of –€1.2m on impact of business growth and international development
- **€122.9m** in cash and cash equivalents for a financial debt of €38.2m
- North American market entry confirmed
- A total of eight new projects signed in 2021 (of which three in North America)

Waga Energy is in a strong position to confirm its 2026 targets of:

- 100 WAGABOX® units in operation
- €200m annual revenue
- 4 TWh of RNG injected into the grid for around 700,000 tons of CO_2 equivalent emissions avoided

The company also plans to restructure its organizational chart, making US-based Waga Energy Inc. a wholly owned Waga Energy subsidiary.

Waga Energy (EPA: FR0012532810, WAGA), the European specialist in the production of Renewable Natural Gas (RNG) from landfill gas, today reported its 2021 results for the fiscal year ended on December 31, 2021, approved by the company's Board of Directors on April 29, 2022. The year 2021 was marked by a **successful IPO** on Euronext Paris (EPA), **eight new contracts, including three in North America**, **a new subsidiary in Spain**, and **an increase in business development activities** made possible by the additional capital from the IPO. Based on 2021 performance, Waga Energy is in a strong position to confirm its target of 100 WAGABOX® units in operation by the end of 2026 and annual revenue of €200 million.

[1] *Estimate based on non-renewable natural gas and renewable natural gas emission factors in France according to French energy agency ADEME's carbon database and factoring in direct and indirect emissions.*

Condensed consolidated financial statement

At December 31, 2021; expressed in millions of €	2021	2020	Variation
Revenues	**12.26**	**9.46**	**+29,6%**
Total operating expenses (excluding depreciation and amortization)	-13.80	-8.56	+61.2%
Including payroll taxes and contributions (1)	*-5.17*	*-3.30*	*+56.5%*
EBITDA (2)	**-1.16**	**1.26**	
Depreciation and Amortizations	-1.82	-1.94	
Recurring operating income	**-2.98**	**-0.67**	
Other non-recurring operating income and expenses (3)	-1.27	-	
Net operating income	**-4.25**	**-0.68**	
Cost of financial debt (4)	-3.18	-1.02	
Consolidated net income	**-7.72**	**-1.91**	
Net income (group share)	**-8.06**	**-2.18**	
Capex	-13.06	-4.79	+172.4%
Cash and cash equivalents at December 31, 2021	**122.91**	**16.00**	

(1) *An expense of €1.36 million was recorded in 2021 to apply IFRS 2 to equity instruments granted to company employees and officers in the form of stock options, including founders' stock options under the French "BSCPE" regime.*

(2) *EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) is operating income before non-recurring items and net allocations to intangible assets, property, plant and equipment, and provisions, as presented in the income statement of the consolidated financial statements. It is used to measure the financial performance of a company's recurring operations.*

(3) *Including a portion of IPO-related issuance costs reported at €1.58 million.*

(4) *Including a €1.76 million IPO conversion premium for OCA2021 Tranche 1 shares (no cash impact).*

Waga Energy CEO Mathieu Lefebvre said, "The year 2021 was exceptional for Waga Energy. Our international projects ramped up and we launched a successful IPO on Euronext Paris. We are now in an excellent position to hit our target of 100 WAGABOX® units in operation worldwide by the end of 2026. The units will produce around 4 TWh of Renewable Natural Gas, avoiding more than 700,000 tons of CO_2 equivalent emissions. In the coming months, we will shift our primary focus to our organization and to our structuring to prepare for growth. We are determined and confident in our ability to continue to roll out our solution. Renewable Natural Gas is now widely accepted as one of the keys to the energy transition. And it can be used right now as a substitute for the fossil fuels responsible for environmental impacts and at the center of acute geopolitical tensions."

Consolidated revenue up 29.6% to €12.3 million

Waga Energy reported €12.3 million in consolidated revenue for 2021, a year-on-year increase of +29.6%. The increase was driven primarily by a rise in Renewable Natural Gas (RNG) production.

The ten WAGABOX® units in operation produced 145 GWh of RNG in 2021, a 26.7% year-on-year increase. Uptime for the ten units in operation in 2021 was at least 95%.

The RNG produced by the ten WAGABOX® units was injected into local grids, where it replaced fossil-based natural gas, avoiding around 24,000 tons of CO_2 equivalent emissions[2].

Waga Energy signed eight new WAGABOX® projects over the course of 2021. Two of these projects are in Canada and one is in the United States, marking Waga Energy's entry into the North American market. The five remaining projects signed are in France. At end-2021, twelve new WAGABOX® units were under construction. The average unit was three years old, and the company's current contracts had an average remaining term of 11.6 years.

On the date of this press release, thirteen WAGABOX® units are in operation in France and twelve more are under construction: one in Spain, one in the United States, three in Canada (several of the projects signed have not yet been announced publicly), and seven in France.

	Current	Dec. 31, 2021	Dec. 31, 2020
Units in operation	13	10	10
Units under construction*	12	12	4
Total	**25**	**22**	**14**

**Excluding non-recurring equipment sales*

EBITDA of –€1.2 million impacted by business growth and international development

Waga Energy reported EBITDA of –€1.2 million in 2021 compared to +€1.3 million the previous year. This evolution was notably due to the company's significant growth and related expenses. It also reflects sales hires made to drive international development.

At end-2021, the Group had 79 employees, up from 58 at end-2020. Staff cost was reported at €5.2 million, a 56.5%, or €1.86 million, year-on-year increase, mainly due to the recording of a €1.4 million charge corresponding the attribution of stock options to company employees (including founder stock options under the French "BSPCE" regime). These instruments aim at sharing Waga Energy's achievements with the employees who work hard to create value for the Group.

[2] *Estimate based on non-renewable natural gas and renewable natural gas emission factors in France according to French energy agency ADEME's carbon database and factoring in direct and indirect emissions.*

Consolidated net loss of €7.7 million
including non-recurring items related to the IPO

Waga Energy recorded a consolidated net loss of €7.7 million for FY 2021 (compared to a €1.91 million loss in 2020).

This figure includes €3.3 million in **non-recurring expenses related to the IPO**:

- €1.59 million for a portion of the IPO-related issuance costs recorded as expenses in compliance with IFRS (the remaining €8 million of these costs was deducted from IPO gross proceeds); and
- €1.76 million in financial charges (with no cash impact) for the IPO conversion premium of the €10 million convertible bonds converted into stocks (OCA2021 Tranche 1 shares).

Strong financial position bolstered by the €124 million capital increase

The company reported Capex of €13.06 million for WAGABOX® construction projects, an increase of 172% over 2020 (€4.8 million).

Additionally, a €10.4 million non-recourse bank loan to refinance four units already in operation in France helped improve the company's cash position.

In 2021, Waga Energy issued a bond loan taken out by investment fund Eiffel Gaz Vert to finance WAGABOX® construction projects. The balance due to Eiffel Gaz Vert was €11.4 million at December 31, 2021. This loan was repaid in full on March 31, 2022.

In total, at December 31, 2021, the company reported €117.6 million in equity, a cash position of €122.91 million, and financial debt of €38.2 million.

2022 outlook buoyant, 2026 targets confirmed

The successful IPO brought Waga Energy an influx of additional resources, and the company is now actively focused on structuring as it continues to roll out new RNG-to-grid projects in Europe and North America.

Since the end of FY 2021, Waga Energy has commissioned three new WAGABOX® units in France, including one large-capacity unit (120 GWh/year) at the Val'Pôle waste treatment facility in Claye-Souilly (near Paris) operated by Veolia. So far in 2022, the company has also signed three new projects, two in France and one in Canada.

Considering these new contracts plus the existing contracts for units already in operation, the company currently estimates its annual recurring and contracted revenue at around €40 million[3], up from €30 million at the time of the IPO in October 2021.

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[3] *These revenue estimates are based on expected recurring revenue over 10 to 20 years under long-term contracts for RNG sales and landfill gas upgrading service sales. These estimates should not be construed as a projection of future results. They are provided as estimates of the potential revenue that could be generated by the installed base of WAGABOX units® based on a EUR/USD exchange rate of 1.1, a EUR/CAD exchange rate of 1.4, and a $3 RIN.*

Waga Energy feels that it now has a strong and long enough track record on the RNG market to be considered a legitimate player. Amid increasing awareness of the climate emergency worldwide, this puts the company in a strong position to leverage growing interest in renewable gas among consumers, government, and major stakeholders in the energy and other industries.

The conflict in Ukraine and the resulting energy crisis—especially in Europe, with new concerns around the natural gas supply chain—have made Waga Energy's RNG-to-grid projects all the more relevant. Because all WAGABOX® projects are under long-term contracts, the unprecedented rise in natural gas prices due to the crisis does not impact Waga Energy's revenue. However, Waga Energy is able to produce large amounts of RNG locally and at a competitive and stable price—something that not only energy companies, but all companies looking to source renewable energy, are showing increasing interest in. In addition to geopolitical tensions, the Covid resurgence in Asia could eventually put Waga Energy's supplies at risk.

Therefore, the company will continue to pursue a target of 100 WAGABOX® units in operation, €200 million in annual revenue, and around 4 TWh of production by the end of 2026.

Proposed legal restructuring to make US subsidiary Waga Energy Inc. a wholly owned subsidiary of Waga Energy

The Waga Energy Board of Directors is considering making US subsidiary Waga Energy Inc. a wholly owned subsidiary of Waga Energy. The restructuring, which would streamline the organization, would take place through the contribution of shares owned by Holweb SAS ("the Contribution").

Currently, Waga Energy owns 81% of Waga Energy Inc.; Holweb SAS owns 19%. Holweb SAS[4] also holds a 9.4% stake in Waga Energy.

The Waga Energy Board of Directors contracted with consulting firm Accuracy for the valuation of Waga Energy and Waga Energy Inc. shares. An internal oversight committee has also been set up, half of which is comprised of an independent administrator. In addition, a request has been filed with the Commercial Court of Grenoble, France (Waga Energy's headquarters) to appoint a *commissaire aux apports* (special independent auditor) to ensure that the exchange ratio set for the contribution is fair, based on the auditor's description of the shares, their valuation, and the proposed payment.

On April 29, 2022, the Waga Energy Board of Directors approved the proposed contribution in principle and determined an exchange ratio that would result in 655,995 new shares issued to Holweb SAS, diluting the company's equity and votes by approximately 3.3%, which is consistent with consulting firm Accuracy's valuation and projected dilution of equity and votes by 3.1% to 3.5%.

The valuation and exchange ratio reflect the fact that Holweb SAS would hold new shares on Euronext Paris (and, therefore, liquid shares) once the contribution is completed.

The proposed contribution will be put to a vote at a shareholder's meeting scheduled to take place on June 30, 2022.

[4] *Holweb SAS is controlled by Mathieu Lefebvre, Guénaël Prince, and Nicolas Paget.*

About Waga Energy

Waga Energy (ISIN: FR0012532810, symbol: WAGA) produces competitively priced Renewable Natural Gas (also known as "biomethane") by upgrading landfill gas using a patented purification technology called WAGABOX®. The RNG produced is injected directly into the gas distribution networks that supply individuals and businesses, providing a substitute for natural gas. Waga Energy finances, builds and operates its WAGABOX® units under long-term contracts with landfill operators for the supply of raw gas, and generates income by selling the RNG it generated. Waga Energy operates 13 WAGABOX® units in France, representing an installed capacity of 480 GWh/year. Twelve units are under construction in France, Spain, Canada and the US. Each project initiated by Waga Energy contributes to the fight against global warming and the helps the energy transition. Waga Energy has been listed since October 27, 2021, on Euronext Paris. waga-energy.com

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Forward-Looking Statements

Certain information contained in this press release is forward looking statements and not historical data. These forward looking statements are based on opinions, projections and current assumptions including, but not limited to, assumptions concerning the group's current and future strategy and the environment in which the group is developing. They imply known or unknown risks, uncertainties and other factors, which could result in actual results, performances or achievements, or the results of the sector or other events, differing significantly from those described or suggested by these forward looking statements. These risks and uncertainties include those that are indicated and detailed in Chapter 3 "Risk factors" in the Waga Energy's registration document, which was approved by the AMF on 28 September 2021 under number I. 21-056, and the supplement to the registration document approved by the AMF on 13 October 2021 under number I.21-060.

These forward looking statements are given only on the date of this press release and the group expressly declines any obligation or commitment to publish updates or corrections of the forward looking statements included in this press release in order to reflect any change affecting the forecasts or events, conditions or circumstances on which these forward-looking statements are based. The forward looking statements and information do not constitute guarantees of future performances, and are subject to various risks and uncertainties, a large number of which are difficult to predict and generally outside the control of the group. Actual results may differ significantly from those described, suggested or projected by the forward looking information and statements.

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