PRESS RELEASE

Eybens (France), February 8th, 2024

Strategy update

- Commercial successes and international acceleration
  in a context of strong global demand for Renewable Natural Gas (RNG)
- Guidance for 2026 confirmed and profitability targeted in fiscal 2025

Strategic priorities for 2024-2026:

- Step up the Group's development in Europe and North America
- Kick-start selective deployment in other regions with strong potential
- Increase the industrial production capacity of WAGABOX® units
- Maintain the high level of operational excellence and profitability of operating units
- Accelerate the pace of assembly and installation for WAGABOX® units under construction
- Consolidate the Group's technological edge

Financial outlook for 2024-2026:

- Backed by a substantial pipeline and nearly €100 million in annual contractual and recurring revenue[1], Waga Energy confirms its guidance for 2026:
  - Revenue of ~€200 million
  - Installed capacity of ~4 TWh per year (~13,648,000 MMBtu)[2]
  - Annual contractual and recurring revenue in excess of €400 million
  - Installed capacity to avoid emissions of 660,000 tons of $eqCO_2$ per year
- Investment plan bolstered to help accelerate worldwide expansion
- Group break-even point (EBITDA) achieved in fiscal 2025 with growth momentum maintained.

Waga Energy (EPA: WAGA), a global expert in the production of Renewable Natural Gas (RNG) from landfills, today holds a Capital Markets Day with the management team presenting the Group's strategic ambitions out to 2024-2026.

This event will serve as an opportunity to review the Group's recent progress in business and operations as well as specifying the resources deployed to achieve its guidance for 2026 and support its future development.

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[1] *Annual contractual and recurring revenue corresponds to the revenue the Group expects to generate over a period of 10 to 20 years from long-term RNG sales contracts and upgrading service contracts. It is not a forecast and is intended to represent the current potential of the installed base of WAGABOX® units and those under construction. For RNG sales contracts, revenue depends on the price paid by the offtaker and the Group's expected sales volumes based on the audit performed prior to each project.*

[2] *Includes 0.6 TWh per year (2,000,000 MMBtu) in units that are not directly owned by Waga Energy.*

Mathieu Lefebvre, Guénaël Prince and Nicolas Paget, co-founders of Waga Energy, commented: *"Since its founding, Waga Energy has committed to the fight against climate change, developing and providing its partners with innovative industrial solutions that focus on the recovery and upgrading of landfill gas. Landfills are a major source of methane emissions, a fast-growing and powerful greenhouse gases, accounting for 40% of global warming*[3]*. Converting these emissions into Renewable Natural Gas is one of the most effective ways to mitigate short-term climate change, while producing a renewable, local energy that can substitute fossil fuels. We achieved some major milestones, just over two years after our IPO: we doubled the number of operational WAGABOX® units and tripled our annual revenue, while also tripling annual contractual and recurring revenue and* CO_2 *emissions avoided. Building on the trust of our partners, customers and shareholders, the Group has transformed into a leading player in the production of RNG from landfills. Waga Energy is now stepping up its international industrial, commercial and operational development on a global scale. All our teams have a clearly defined ambition for 2026: to cement the Group's position in France and accelerate growth across Europe and North America, where we have already secured major contracts. We are also ready to grasp new opportunities in regions with high demand for RNG, while securing our capabilities to deploy WAGABOX® units, ensuring their continued operation, and enhancing our technology solutions. Thanks to a growing project portfolio and expanding pipeline, we are thrilled to present our strategic ambitions to our shareholders and stakeholders today."*

Our ambitions for 2026 reflect the Group's determination to elevate its global presence while contributing to shaping a circular, resilient and sustainable economy for local communities. It will be based on several strategic drivers:

- **A strong and sustainable footprint in North America**
  Established in Canada since 2021, the Group is now stepping up its presence in the United States, where 2,700 landfills represent a huge source of methane emissions with energy recovery potential of more than 100 TWh per year (341,215,000 MMBtu)[4].
  Multiple commercial successes were achieved with 7 signed projects:
    - in 2022 with Steuben County (New York State, US);
    - in 2023 with Casella Waste Systems (US) for three projects, with Scott County (Davenport, Iowa, US), Chester County (Narvon, Pennsylvania, US), and with Decatur Hills Landfill (Greensburg, Indiana, US).

  Waga Energy has also entered exclusive negotiations for additional projects with potential installed capacity in excess of 1 TWh per year (3,412,000 MMBtu).

[3] *IPCC 2021 Report*
[4] *Source: Company estimate based on data from the EPA (US Environmental Protection Agency)*

In addition, Waga Energy continues to execute its plan in Canada, where two of the four secured projects were commissioned in recent months:

- in May 2023 with Enercycle and Énergir (Saint-Étienne-des-Grés, Québec Province, Canada);
- in December 2023 with Matrec-GFL, a division of GFL Environmental Inc (Chicoutimi, Québec Province, Canada).

- **Continued expansion in Europe, second priority region**
  In addition to its strengthened portfolio in France, with 23 projects in operation or under construction, Waga Energy is ramping up its development in the Iberian Peninsula, where the Group already operates one production unit, and in the United Kingdom and Italy which are the other priority markets.

- **Going forward, targeted expansion in high-demand countries**
  The Group is also considering other markets with high demand for landfill gas recovery solutions, and favorable regulatory and/or economic conditions. Negotiations are ongoing with landfill operators in Brazil and Mexico, and some projects have already entered an exclusive negotiation stage. São Paulo alone has 32 landfills with energy potential of 2 to 3 TWh per year (6,824,000 to 10,236,000 MMBtu).

- **Increasing production capacity for WAGABOX® units**
  Waga Energy has developed a complete range of units that can be deployed in most landfills in a standardized, modular way. To support business momentum, the Group has forged closer relationships with some long-standing suppliers, all the while diversifying its overall supply.
  Operational efficiency is driven by streamlined procedures, quality management, and anticipating critical component supply, and supplemented by continuous cost control. The Group aims to double its production capacity to be able to commission 24 WAGABOX® units a year by 2026.

- **Continuing a portfolio of high-value projects**
  Waga Energy boasts a portfolio of high-quality projects, delivering a high-value asset due to their characteristics: best-in-class operator partners and customers, attractive and fully secure Internal Rate of Return (IRR), reusable WAGABOX® units long-term endorsed by 10-25-year gas rights purchase contracts and 10-20-year offtake RNG sales contracts which are recognized for their quality and can be financed with high debt leverage.

  The indicators below demonstrate the portfolio's high value:
  - At end-2023, annual contractual and recurring revenue totaled approximately €100 million;
  - Estimated total annual capacity for projects in phase 3 of the pipeline[5] is around 2.7 TWh per year (9,213,000 MMBtu);

[5] *Phase 3 refers to projects under contractual negotiations*

- Estimated total annual capacity for projects in phase 2 of the pipeline[6] is around 4.3 TWh per year (14,672,000 MMBtu);
- 11 of the 14 units in operation for over 12 months have a project EBITDA margin[7] between 30% and 65% (versus a guidance range of 30% to 50% at the time of the IPO);
- average debt leverage for projects with finalized long-term financing is approximately 80%;
- the average residual term of RNG sales contracts for units in operation is 12.2 years[8];
- the average residual term of biogas purchase contracts for units in operation or under construction is 17.2 years[9].

- **Constantly innovating to sustain a technological edge**

  On top of securing international supplies and logistics flows, the Group actively conducts R&D. On the one hand, this involves upgrading the current range of WAGABOX® units with optimizations and innovative new technology add-ons, and on the other, preparing future units for the special features of the Group's target markets. CO_2 recovery, RNG purification and liquefaction are some of the R&D department priorities. Tapping into its many talents, the Group seeks to stay at the forefront of innovation for the benefit of its customers, while reducing the environmental footprint of its facilities.

- **Championing global training and local hires**

  Considering the Group's globalized vision and buoyant growth, from day one, Waga Energy based its HR policy on four pillars:
  - a local foothold to ensure customer proximity and in-depth understanding of grassroots needs;
  - a global organization to share best practice and promote the Group's mindset;
  - first-class specialization and expertise among employees;
  - a culture of loyal teams.

  Drawing on its strong appeal to recruit the talents needed for growth, Waga Energy has reorganized to share know-how with new hires.

- **Actively coordinating Waga Energy's CSR approach**

  Waga Energy's corporate culture is founded on strong principles of responsibility, inspired by best practice in Environmental, Social and Governance (ESG). In 2023, the Group published a ESG & Sustainability Report, established a CSR Committee reporting directly to the Executive Committee, and conducted its first-ever carbon assessment (scopes 1 & 2). In January 2024,

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[6] Phase 2 refers to projects with a submitted bid

[7] Project EBITDA (Earnings Before Interest, Taxes, Depreciation & Amortization) is an indicator of operating performance (unaudited data), defined as operating income before non-recurring items restated for net depreciation and amortization on property, plant and equipment, intangible assets, and provisions, as well as expenses related to share-based payments, which are calculated on a project basis. Unlike EBITDA, Project EBITDA does not recognize specific fixed costs (rental costs outside the scope of IFRS 16, administrative and finance costs, etc.) and recurring overheads. Project EBITDA margin is calculated by dividing Project EBITDA by revenue for a specific project.

[8] Based on current projects, weighted by production volume.

[9] Equals the residual term of biogas purchase and recovery service contracts for secured projects (in operation and under construction), as weighted by expected production volumes and excluding projects currently selling equipment.

the EthiFinance rating agency awarded Waga Energy a score of 81/100 for its "advanced" non-financial performance, up 16 points from 2023 and 31 points above average for companies in its sector[10].

Waga Energy's ambitions for 2026 include financial and business targets that will help to fight global warming and drive forward the energy transition. Below, a breakdown:

- **Guidance for 2026 confirmed**
  Consistent with the guidance provided at the time of its IPO on the Euronext Paris regulated market in October 2021, the Group reiterates its confidence in its ability to generate revenue of ~€200 million, with an installed capacity of ~4 TWh per year (13,648,000 MMBtu)[11], and now targets annual contractual and recurring revenue in excess of €400 million by end-2026. Attaining this installed capacity target will avoid the annual emission of 660,000 tons of eqCO_2.

- **Update on investment plan**
  To align with its guidance out to 2026, Waga Energy plans to invest around €600 and €750 million between 2022 and 2026, including a share of debt between 60% and 80% which will vary depending on the type of project and region. The estimated amount of these investments factors in the following: a larger share of high-capacity projects in North America; a larger share of Balance of Plant works on North American projects; the impact of inflation post-IPO; and the implementation of a strategy to prefabricate WAGABOX® units in order to further boost growth.
  The updated investment plan in no way affects project profitability, which is sustained thanks to higher RNG sales prices, adjustments to site operator payments and other inflation-indexed measures.
  To finance these investments, Waga Energy will be able to use cash flow from projects in operation and several available options which include construction debt, project debt, equity, subsidies and corporate debt.

- **EBITDA break-even point achieved in 2025 with no slowdown in growth**
  The gradual expansion of the WAGABOX® unit base, coupled with long-term contract commitments signed with customers, ensures steady growth in annual contractual and recurring revenue for the Group on the basis of projects secured and in operation. At end-2023, this revenue totaled around €100 million. In view of this annual contractual and recurring revenue, the Group's targeted project EBITDA and the costs already incurred to structure the Company and help accelerate its development, Waga Energy's goal is to achieve break even in EBITDA during fiscal 2025.

Today, Waga Energy issued a press release to announce its 2023 revenue.

[10] EthiFinance benchmark criteria: company size in employee terms (100 to 250), revenue > €5m in France's "Industry" sector. Sample of 2023 ratings using 2022 data and including 8 companies.
[11] Includes 0.6 TWh per year (2,000,000 MMBtu) in units that are not directly owned.

About Waga Energy

Waga Energy (EPA: WAGA) produces competitively priced Renewable Natural Gas – RNG – (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 fossil 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 produces or by offering a purification service. As of December 31, 2023, Waga Energy owns and operates 18 WAGABOX® units in France, Spain and Canada, representing an installed capacity of 675 GWh per year (2,303,195 MMBtu). Each project initiated by Waga Energy contributes to the fight against global warming and helps the energy transition. Waga Energy is listed on Euronext Paris.

Disclaimer

This press release and the information contained herein do not constitute an offer to sell or a solicitation of an offer to buy or subscribe to shares in Waga Energy in any country.

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