



PRESS RELEASE
Eybens (France), March 20, 2024

Waga Energy announces the launch of an accelerated bookbuild offering for a minimum amount of €45 million

- €18.3 million already committed from ALIAD, Noria, Starquest, VOL-V, CMA-CGM and Tertium Croissance, historical shareholders, and from Enowe
- The net proceeds of the offering will be used to support Waga Energy's accelerated international expansion

Waga Energy (EPA: WAGA) (the "**Company**"), a global expert in converting landfill gas into Renewable Natural Gas (RNG), announces the launch of a capital increase without shareholders' preferential subscription rights reserved to specific categories of investors, in accordance with Article L. 225-138 of the French Commercial Code, for a minimum aggregate amount of €45 million (the "**Offering**").

The Offering includes investments from Air Liquide Investissements d'Avenir et de Démonstration (ALIAD), Noria, Starquest, VOL-V, CMA-CGM, and Tertium Croissance, historical shareholders, and from Enowe, who have entered into subscription commitments (the "**Subscription Commitments**").

Mathieu Lefebvre, Waga Energy CEO, comments: "Two and a half years after Waga Energy's IPO, and as we continue to execute our roadmap, we have decided to carry out a capital increase to accelerate the deployment of our solution worldwide, in a highly favorable market for renewable natural gas production. We now own 20 units in operation, 13 under construction, and with approximately 160 projects in the pipeline. Half of these projects are located in the United States, where we have recently commenced operations at our first facility. This financing will enable us to capitalize on opportunities in this strategic market, where we have won several RFPs in recent months. We are delighted to have the support of our historical industrial and financial shareholders in this transaction."

Transaction rationale and use of proceeds

Waga Energy is experiencing significant growth acceleration, notably in North America, and intends to use the net proceeds from the Offering to fund the equity portion of the capex investments in new projects and the pre-manufacturing and manufacturing of WAGABOX® units to deliver on its international expansion.

With the net proceeds of the Offering, together with additional non-dilutive sources of financing, including corporate debt, the Company expects to finance the capex investments required to reach its 2026 revenue objective of €200 million¹.

Summary of the Offering

Waga Energy intends to raise gross proceeds amounting to a minimum of €45 million from the Offering of which €18.3 million have already been committed through the Subscription Commitments.

The accelerated book-building will start immediately and is expected to end before the opening of the regulated market of Euronext Paris ("**Euronext Paris**") on March 21, 2024, subject to any early closing.

¹ As a reminder, as part of the strategic update provided in conjunction with the Capital Markets Day held on 8 February 2024, the Company announced that it reiterated its confidence in its ability to generate revenue of ~€200 million, with an installed capacity of ~4 TWh per year (13,648,000 MMBtu), and that it was now targeting annual contractual and recurring revenue in excess of €400 million by end-2026.

The offering price per new share will be determined by the Chief Executive Officer of the Company, under and within the scope of the delegations of authority granted by the Company's Board of Directors on 8 March 2024².

The Company will announce the results of the Offering, including the offering price as well as the final number of shares issued and the dilution resulting from the Offering, in a subsequent press release.

The Offering will be carried out through a share capital increase without shareholders' preferential subscription rights pursuant to Article L. 225-138 of the French Commercial Code, reserved to categories of investors defined under the 24th resolution of the EGM (i.e. (i) natural or legal persons, including companies, trusts, investment funds or other investment vehicles, regardless of their form, governed by French or foreign law, who habitually invest in growth and/or cleantech companies; and/or, (ii) companies, institutions, groups or entities, regardless of their form, French or foreign, exercising a significant part of their activity in the green and/or renewable energies sectors and which may conclude an industrial and/or commercial partnership agreement with the Company) and within the limits set forth in the 25th resolution of the EGM.

The Offering will consist of (i) an offering in Europe (including in France) of ordinary shares exclusively to qualified investors within the meaning of Article 2(e) of Regulation (EU) 2017/1129, as amended, and (ii) a private placement (x) outside the United States in reliance on Regulation S under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and (y) in the United States to a limited number of qualified institutional buyers as defined in Rule 144A under the Securities Act, pursuant to an exemption from registration under the Securities Act.

Settlement and delivery of the new shares to be issued in the Offering and their admission to trading on Euronext Paris are expected to occur on March 25, 2024. The new shares to be issued in the Offering will be of the same category and fully fungible with the existing shares of the Company, entitled to the same rights associated with the existing shares of the Company, and admitted to trading on Euronext Paris under the same ISIN FR0012532810.

Subscription Commitments

The Company has received the following irrevocable subscription commitments, totaling €18.3 million:

- €2.0 million from ALIAD
- €10.0 million from Noria Invest SRL
- €1.5 million from Starquest Impact & Performance
- €1.0 million from VOL-V
- €2.0 million from CMA-CGM
- €0.8 million from Tertium Croissance
- €1.0 million from Enowe

The Subscription Commitments will be allocated in accordance with the usual allocation principles, while also taking into account the Company's objective to increase the free float in view of improving the liquidity of the shares.

Advisors

Lazard is acting as Financial Advisor.

Bryan, Garnier & Co is acting as Equity Advisor, Sole Global Coordinator and Joint Bookrunner.

Portzamparc BNP Paribas, Natixis-Oddo and Gilbert Dupont and are acting as Joint Bookrunners.

Jones Day is acting as Legal Advisor to the Company.

Gide Loyrette Nouel is acting as Legal Advisor to the Joint Bookrunners.

² and shall not be less than 80% of the volume weighted average price of the share as measured during the last three trading days (i.e. March 18 to March 20), in accordance with the 24th resolution of the Company shareholders' general meeting held on 29 June 2023 (the "**EGM**")

Lock-up undertakings

The Company has agreed on a lock-up period expiring 90 calendar days following the settlement date of the new shares, subject to certain customary exceptions.

Mathieu Lefebvre, Guénaël Prince and Nicolas Paget, co-founders, have agreed on a lock-up period expiring 90 calendar days following the settlement date of the new shares, subject to certain customary exceptions.

Investors who entered into the Subscription Commitments (ALIAD, Noria, Starquest, VOL-V, CMA-CGM, Tertium Croissance and Enowe) have agreed on a lock-up period expiring 90 calendar days following the settlement date of the new shares, on all the shares held after the Offering, subject to certain customary exceptions.

Placement

A placement agreement was entered into between the Company and the Joint Bookrunners and will be completed by a pricing supplement upon pricing. The Offering is not subject to a guarantee. Such agreement does not constitute a firm undertaking (*garantie de bonne fin*) within the meaning of article L. 225-145 of the French Commercial Code.

No Prospectus

The Offering is not subject to a prospectus requiring an approval by the French Financial Markets Authority (*Autorité des Marchés Financiers*) (the "AMF").

Risk factors

The investors' attention is drawn to the risk factors associated with the Company and its business presented in (i) Section 3 of the 2022 Universal Registration Document filed with the AMF on June 16, 2023 under number R.23-029, and (ii) Section 7 of the half-year financial report for the six-month period ending on June 30, 2023, which are available free of charge on the Company's website (www.waga-energy.com). The occurrence of all or part of these risks could have a negative impact on the Company's business, financial position, results, development and outlook.

Additionally, investors are invited to consider the following risks specific to this Offering:

- ⊠ Dilution: existing shareholders who did not participate to the Offering will have their holding in the Company's share capital diluted upon issuance of the shares in the Offering. In the event of a new offering on the market, this would result in additional dilution for the shareholders;
- ⊠ Volatility and liquidity: the market price and liquidity of the Company's shares may fluctuate significantly and the market price may fall below the subscription price of the new shares; and
- ⊠ Impact on the stock market price: the sale by the main shareholders of the Company of a large number of the Company's shares, at the expiry of the lock-up, as the case may be, may have a negative impact on the share price of the Company.

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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. Waga Energy operates 22 units in France, Spain, Canada and the US, representing an installed capacity of 730 GWh per year (3,000,000 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 does not constitute an offer to sell nor a solicitation of an offer to buy, nor shall there be any sale of shares in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

The distribution of this document may, in certain jurisdictions, be restricted by local legislations. Persons into whose possession this document comes are required to inform themselves about and to observe any such potential local restrictions.

This press release is an advertisement and not a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (as amended, the “**Prospectus Regulation**”). Any decision to purchase shares must be made solely on the basis of publicly available information on the Company.

In France, the offer of Waga Energy shares described below will be made in the context of a capital increase reserved to categories of beneficiaries, pursuant to article L. 225-138 of the French commercial code and applicable regulatory provisions.

Pursuant to article 211-3 of the General regulations of the French financial markets authority (*Autorité des marchés financiers*) (the “**AMF**”) and articles 1(4) and 3 of the Prospectus Regulation, the offer of Waga Energy shares will not require the publication of a prospectus approved by the AMF.

With respect to Member States of the European Economic Area, no action has been taken or will be taken to permit a public offering of the securities referred to in this press release requiring the publication of a prospectus in any Member State. Therefore, such securities may not be and shall not be offered in any Member State other than in accordance with the exemptions of Article 1(4) of Prospectus Regulation or, otherwise, in cases not requiring the publication of a prospectus under Article 3 of the Prospectus Regulation and/or the applicable regulations in such Member State.

This press release and the information it contains are being distributed to and are only intended for persons who are (x) outside the United Kingdom or (y) in the United Kingdom and are (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Order**”), (ii) high net worth entities and other such persons falling within Article 49(2)(a) to (d) of the Order (“high net worth companies”, “unincorporated associations”, etc.) or (iii) other persons to whom an invitation or inducement to participate in investment activity (within the meaning of Section 21 of the Financial Services and Market Act 2000) may otherwise lawfully be communicated or caused to be communicated (all such persons in (y)(i), (y)(ii) and (y)(iii) together being referred to as “**Relevant Persons**”). Any invitation, offer or agreement to subscribe, purchase or otherwise acquire securities to which this press release relates will only be engaged with Relevant Persons. Any person who is not a Relevant Person should not act or rely on this press release or any of its contents.

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IN THE UNITED STATES OF AMERICA, CANADA, AUSTRALIA AND JAPAN.

MIFID II Product Governance/Target Market: solely for the purposes of the requirements of article 9.8 of the EU Delegated Directive 2017/593 relating to the product approval process, the target market assessment in respect of the shares of Waga Energy has led to the conclusion in relation to the type of clients criteria only that: (i) the type of clients to whom the shares are targeted is eligible counterparties and professional clients and retail clients, each as defined in Directive 2014/65/EU, as amended (“**MiFID II**”); and (ii) all channels for distribution of the shares of Waga Energy to eligible counterparties and professional clients and retail clients are appropriate. Any person subsequently offering, selling or recommending the shares of Waga Energy (a “**distributor**”) should take into consideration the type of clients assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the shares of Waga Energy and determining appropriate distribution channels.

The distribution of this press release may be subject to legal or regulatory restrictions in certain jurisdictions. Any person who comes into possession of this press release must inform him or herself of and comply with any such restrictions.

Any decision to subscribe for or purchase the shares or other securities of Waga Energy must be made solely based on information publicly available about Waga Energy. Such information is not the responsibility of the Joint Bookrunners and has not been independently verified by the Joint Bookrunners.

Forward-Looking Statements

Certain information contained in this press release are forward-looking statements, not historical data. These forward-looking statements are based on current opinions, forecasts and assumptions, including, but not limited to, assumptions relating to the current and future strategy of the group, as well as the environment in which the group operates. They involve known or unknown risks, uncertainties and other factors, which could cause actual results, performance or achievements, or industry results or other events, to differ significantly from those described or suggested by these forward-looking statements. These risks and uncertainties include those appearing in Section 3 “Risk factors” in Waga Energy's universal registration document filed with the French Financial Market Authority on 16 June 2023 under number R.23-0029 and in Section 7 of its half-year financial report for the six-month period ending on June 30, 2023.

These forward-looking statements are given only as of the date of this press release, and the group expressly disclaims any obligation or commitment to publish any updates or corrections to the forward-looking statements included in this press release in order to reflect any change affecting forecasts or events, conditions or circumstances upon which these forward-looking statements are based. Forward-looking information and statements are not guarantees of future performance and are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of the group. Actual results could differ significantly from those described, suggested or projected by forward-looking information and statements.