

FDE is strengthening its governance in response to the gas portfolio over-hedging incident—which is in the process of being resolved—accelerating its action plan, and adjusting its growth trajectory

Pontpierre, France, October 6, 2026 – FDE, an independent low-carbon energy producer, confirms the **gradual reduction in the volume of its gas portfolio optimization transactions** following its press release dated July 16, 2026. The unrealized loss on these transactions amounts to €24.8 million based on gas market conditions as of September 30, 2026.

This exposure relates to a single counterparty with whom FDE has initiated discussions to resolve this overexposure amicably.

The liquidity of the natural gas market allows FDE to continue gradually unwinding its excess hedging positions, while taking into account its liquidity constraints and market conditions. The Group reaffirms that this incident—which was isolated and a one-time occurrence—does not call into question either the quality of its assets or the soundness of its strategy.

Continued efforts to reduce exposure

In accordance with the Board of Directors' mandate to ensure that hedging activities remain strictly in line with the **Energy Management Policy**, are **backed by production**, and never exceed actual or projected production volumes, FDE continued to gradually reduce its excess hedging, taking into account its liquidity constraints and market conditions in order to minimize the impact of this exposure, which is not in line with its hedging policy.

- The total loss related to this incident amounted to €7.6 million as of September 30, 2026. As a reminder, the loss stood at €3.8 million as of June 30, 2026.
- Following the gradual reduction of certain positions, the unrealized loss related to the over-hedging of FDE's natural gas portfolio amounts to €25.8 million based on market prices as of September 30, 2026
- Secured Electricity Revenues: As part of its risk management strategy and in a favorable market environment, the Group has strengthened its electricity hedges, securing the majority of its revenues (excluding feed-in tariff contracts) at favorable price levels reaching over 95€/MWh for 2026 and 2027. These are forward sales of generated electricity that ensure cash inflows at a high price over this period and will help mitigate the consequences of the hedging incident.

A strengthened action plan to preserve cash flow and finance key projects

FDE has implemented an action plan designed to preserve its cash flow while continuing to develop its key assets.

This plan covers all of the Group's entities and is organized around four key areas.

Priority Area 1: Additional Cash Inflows Beyond Operating Cash Flows

- Start-up of Romerike (Norway): Since the acquisition on June 30, 2026, production has increased from 2 metric tons per hour to more than 5 metric tons per hour of feedstock without significant investment, and new feedstock contracts have been secured. The business, which was operating at a loss prior to the takeover, is now profitable, with expected annual revenue exceeding €5 million, notably from royalties paid by the City of Oslo.
- Release of public grants, particularly those awarded to Norwegian entities: €2.2 million received in September 2026; applications have been submitted to secure an additional €10 million by the end of the year.

Priority Area 2 : cost cutting

- Romerike (Norway) : Restructuring and reorganization efforts have brought the business back to profitability. The next steps involve preparing to enhance the facility's reliability before investing in doubling its capacity and structuring the financing for this asset.
- Alltec (Norway) : Review and reduction of costs in line with integration and synergies with the Group; renewed sales efforts to offset the delay in a major EPC contract;
- Structural cost reduction for the Group : drastic reduction in the use of external service providers and other expenses (legal, travel....); gradual adjustment of headcount to align with the refocus on core activities; and a freeze on new hires.

Priority Area 3 : Divestitures of Non-Strategic Assets

- Sale of a first peripheral Norwegian asset from Greenstat's portfolio is currently underway.
- Sale of the solar business: an advisor has been retained, the process is underway, and offers are currently being reviewed.
- Resale of an industrial lot: an offer worth more than €2 million has been received and is currently being analyzed.
- Disposal of a stake in a solar SPV.

Priority Area 4 : Cash Flow and Financing for Key Projects

- An additional €10 million Green Bond tranche was signed and granted in July 2026 by Edmond de Rothschild Asset Management.
- Ongoing project financing: mine gas (AMM) in the signing phase with approved documentation; biogas with a signed term sheet.
- Future growth will continue to be financed through disciplined project financing from internationally renowned banks, backed by the Group's tangible assets that generate strong, recurring cash flows.

A capital allocation strategy refocused on generating cash flows over a shorter time horizon

The current level of debt primarily reflects a period of sustained investment (rising to over €65 million in FY26) intended to finance assets that will gradually contribute to cash flow generation. In the energy sector, the time lag between CAPEX financing, the commissioning of assets, and their full contribution to earnings and cash flows is inherent to the business model.

FDE has also begun refocusing its priorities and project portfolio, giving priority to assets that are closest to generating cash flow and that offer clearly identified value creation based on long-term fixed-price contracts, particularly in mine gas and biogas. This more selective allocation of capital allows for better control over the pace of investments and the debt trajectory.

Preserving cash flow and maintaining discipline in capital allocation remain priorities for FDE. The current level of leverage is temporary: it reflects a phase of investment and asset ramp-up, with a gradual reduction expected as these assets make an increasing contribution to the Group's cash flows.

Governance and Oversight: Actions

The system for managing and **monitoring hedging activities** has been overhauled: disciplinary actions have been taken; an internal, redundant system for daily monitoring of energy sales activity—with real-time alerts—has been implemented, independent of the market access provider's system; triple validation of each transaction; direct oversight of hedging activities by the Board of Directors, delegated to the Chairman, who is the Group's largest shareholder.

FDE has also commissioned **an independent external audit of its hedging activities and chain of custody**, under the supervision of the firm LPA and the independent directors; the report's findings will be released by November 2026.

At the same time, several additional measures have been initiated at the level of the Group's governing bodies:

- **Three independent directors** will be nominated by the 2026 Annual General Meeting. With these three additional seats, the Board of Directors will have a large majority of independent directors. The specialized committees (Audit and Risk, Compensation, and Nominating) will also be composed entirely of independent members, in accordance with the gender parity rules to which FDE is particularly committed.
- **Strengthening the role of the Audit and Accounts Committee**, which will become the Audit and Risk Committee: it will be responsible for overseeing operational, market, and commodity risks, as well as liquidity, debt, and financial risks.

Strategic objectives

Given the delays incurred on certain non-priority projects and the over-hedging incident, which temporarily reduces the flexibility available to carry out certain growth initiatives initially outlined in the Group's business plan, FDE is rescheduling its timeline for strategic objectives and will announce its revised targets by the next Annual Shareholders' Meeting, scheduled for December 10, 2026.

This voluntary rescheduling reflects a commitment to realism. In a phase now focused on generating cash flow, prioritizing assets closest to commissioning, and a more selective allocation of capital, FDE is prioritizing objectives over which it has full control. The updated strategic plan will specify this trajectory through FY2032, with explicit pricing assumptions and dated milestones.

Statement

"The over-collateralization incident has not undermined the strength of our industrial core: our assets are producing, and our volumes of low-carbon energy are increasing thanks to the performance and operational discipline of our teams. The management of our exposure reflects the same commitment: to protect FDE's value while taking into account our ongoing projects and our cash position."

In the current context, I am leading this recovery in full agreement with the Board of Directors and with the support of our long-standing shareholders. Standing by my side, they renewed their support as soon as the incident was announced and, they too, stand fully behind our management team and all FDE employees, whose commitment and achievements I commend."

Julien Moulin, Chairman of FDE

Upcoming Event:

Release of the 2026 Annual Results on October 20 after the market close

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About La Française de l'Énergie (FDE)

FDE is an independent multi-energy producer committed to achieving net-zero emissions. As a specialist in short supply chains and the circular economy, FDE draws on its expertise—ranging from engineering

and energy production to CO2 storage—to provide energy solutions that combine carbon footprint reduction with improved resilience of the ecosystems involved.

For more information, visit <https://www.francaisedelenergie.fr/>

This press release contains forward-looking statements regarding the growth prospects and strategies of FDE and its subsidiaries (the “Group”). These statements include information regarding the Group’s intentions, strategies, growth prospects, and trends related to its operating results, financial condition, and cash position. Although these statements are based on data, assumptions, and estimates that the Group considers reasonable, they are subject to numerous risk factors and uncertainties; as a result, actual results may differ from those anticipated or implied by these statements due to a variety of factors, including those described in the documents filed with the Autorité des marchés financiers (AMF) and available on FDE’s website (www.francaisedelenergie.fr) . The forward-looking information contained in this press release reflects the Group’s statements as of the date of this document. Unless required by law, the Group expressly disclaims any obligation to update such forward-looking statements in light of new information or future developments..