



NOT FOR DISTRIBUTION DIRECTLY OR INDIRECTLY IN THE UNITED STATES OF AMERICA, CANADA, AUSTRALIA OR JAPAN

Haffner Energy, a Key Player in decarbonization and green hydrogen production, launches its Initial Public Offering on Euronext Growth® Paris

- Initial size of the offer: issue of 8 342 857 new shares for an amount of approximately €73 million¹
- Extension Clause relating to the sale of up to 1,251,428 existing shares by Kouros SA and Over-Allotment Option relating to the sale of up to 1,439,142 existing shares by Kouros SA (the "Selling Shareholder")
- Indicative Offering Price range: €8.00 to €9.50 per share²
- Subscription commitments from key industrial players strongly committed to the energy transition (Eren Industries, Vicat, Hydrogen-Refueling Solutions (HRS) and HR Holding) and financial investors (Mirova and Handelsbanken) for a total amount of €37 million, i.e. 51% of the gross amount of the Offer (excluding the exercise of the Extension Clause and the Over-Allotment Option) on the basis of the mid-point of the indicative price range of the Offer
- Subscription period from 31 January until 9 February 2022 (5 pm for counter subscriptions and purchases, 8 pm by Internet) for the open price offering and until 10 February 2022 (noon, Paris time) for the global placement
- Offer price to be set on 10 February 2022
- Settlement and delivery expected on 14 February 2022 and commencement of trading in the shares expected on 15 February 2022
- Securities eligible for tax reduction (PEA et PEA-PME)

¹ Based on the mid-point of the indicative price range.

² In the event of a change in the upper limit of the indicative price range referred to above or of the price being set above €9.50 per share, the orders issued in the Open Price Offer may be revoked for at least three trading days.

Vitry-le-François, France, on 31 January 2022 – Haffner Energy (the « Company»), a key player in decarbonization and green hydrogen, announces the launch of its IPO listing its shares on the Euronext Growth® Paris market (ISIN code: FR0014007ND6 – ticker symbol: ALHAF).

The French Financial Markets Authority (*Autorité des marchés financiers*, or AMF) approved on 28 January 2022 under the number 22-020, the Prospectus relating to the initial public offering of the Company, comprising the registration document, approved under number I. 22-002, dated 13 January 2022, a supplement approved on 28 January 2022 under number I. 22-005, a securities note and a prospectus summary (included in the securities note). These documents are available free of charge from Haffner Energy, as well as on the websites of Haffner Energy (www.haffnerenergy-finance.com) and the AMF (www.amf-france.org).

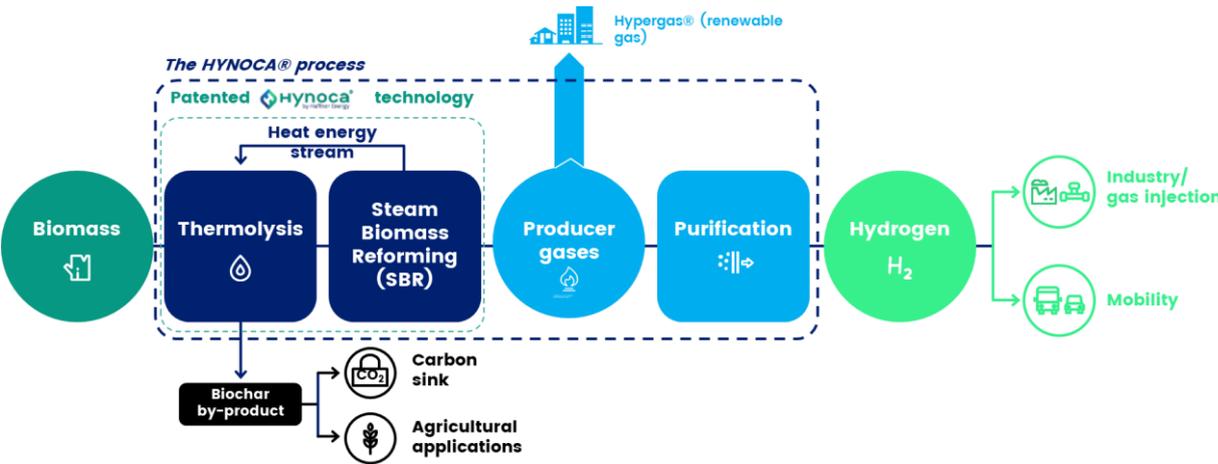
Haffner Energy: a unique technology dedicated to the decarbonization through the production of green hydrogen allowing sequestration of 16 kg of CO₂ per kg of hydrogen produced with a net carbon footprint of -12 kg of CO₂

Haffner Energy has developed a revolutionary green hydrogen production and carbon capture process based on the thermolysis of sustainable forest and agricultural biomass, including (wood waste, forestry chips, wheat straw, cereal dust, maize stalks, etc.). This technology, called "Hynoca®", protected by 15 patent families, is based on a very energy efficient process that converts sustainable biomass into green hydrogen while sequestering CO₂.

Hynoca® has a negative carbon footprint because it produces biochar during the thermolysis phase of the biomass, the first stage of the process, which has three main stages: biomass thermolysis, transformation of thermolysis gas and purification.

For every 1 kg of hydrogen produced by a Hynoca® module dedicated to mobility, 5.5 kg of biochar is co-produced, which is equivalent to the sequestration of nearly 16 kg of CO₂. The carbon footprint of the Hynoca® process, according to an LCA³ calculation, is -12 kg net CO₂.

An operational Hynoca® module already producing Hypergas®, a high energy density synthesis gas rich in hydrogen produced during the second stage of the process, and capable of producing 264 kg of hydrogen per day is currently in operation in Strasbourg.



³ Life Cycle Analysis carried out by EVEA.



Ambitious commercial and financial objectives, reflecting a high-potential growth model to address a large-scale market driven by the megatrend of decarbonization

**Long-term EBITDA margin target of over 25%,
Haffner Energy expects strong growth prospects**

Haffner Energy aims to achieve*:

- ✓ **For the year ending 31 March 2023, revenues of more than €30 million**
- ✓ **For the year ending 31 March 2026, revenues of €250 million,
has a current backlog and pipeline of respectively €33 million and €183 million**

Haffner Energy's industrial strategy is based on two pillars:

The installation of an assembly site for Hynoca® modules: by 2024, the Company plans to transfer the assembly operations to a company-owned site and is currently evaluating the possibilities of building this assembly plant on a greenfield site or installing an assembly line in a pre-existing industrial site. This plant will have a surface area of approximately 10,000m² and an initial assembly capacity of 200 Hynoca® modules per annum. The future factory will enable the Company to reduce the cost of assembling Hynoca® modules through economies of scale, help facilitate the Company's subcontracting strategy, promote design improvements due to increased production and optimize and simplify logistics and exports.

The use of subcontractors and third-party suppliers: the Company intends to pursue a strategy of using subcontractors and third-party suppliers for the manufacture of standardized components and sub-assemblies used in Hynoca® modules. This strategy will focus on the selection of the most qualified suppliers and subcontractors and will exclude the final assembly, testing and delivery of the modules, which the Company will carry out in-house once its assembly plant is operational.

Reasons for the Offer

The issuance of new shares and the listing of the Company's shares on Euronext Growth are intended to provide Haffner Energy with the necessary means to finance its ambitious development strategy as follows:

- **to finance the development and the industrial strategy of the Company for approximately 44% of the net proceeds raised;**
- **to finance the strengthening of the Company's commercial organisation and its international deployment, up to approximately 25% of the net proceeds of the funds;**
- **to continue its investments in research and development (R&D) and in demonstration stations, for approximately 19% of the net proceeds raised; and**
- **devote approximately 12% of the net proceeds to investment in partnership projects.**

In the event that the Offer is only 75% subscribed, based on the price equal to the lower limit of the indicative Offer Price range, the funds raised will be allocated to finance the development and industrial strategy of the Company (up to 47% of the net proceeds raised), to strengthen the

Company's commercial organisation and its international deployment (23% of net proceeds raised), to R&D (20% of net proceeds raised) and to investment in partnership projects (10% of net proceeds raised). The net proceeds of the issue will cover the funding requirement of 11 million by January 2023.

The listing of its shares on Euronext Growth will give HAFFNER ENERGY greater brand visibility in its markets, a significant factor in industrial and commercial negotiations.

Structure of the Offer

It is planned that the distribution of the shares offered will take place through a global offering (the « **Offering** »), including:

- a public offering in France in the form of an open price offering, intended for retail investors (the “**Open Price Offering**” or «**OPO**»); and
- a Global Placement intended for institutional investors (the “**Global Placement**”) comprising:
 - a private placement in France; and
 - an international private placement in certain countries (except, in particular, the United States, Canada, Australia and Japan)

If the demand allows it, a minimum of 10% of the number of Shares offered in the Offering (excluding the possible exercise of the Extension Clause and the Over-Allotment Option) will be offered in the OPO.

It is reminded that the Offer will be carried out in priority by subscription of the new shares. The Assigned Shares will only be sold in the Offering after the full subscription of the new shares and only in the case of the Extension Clause and the Over-Allotment Option being exercised.

Initial Size of the Offering

The Company will issue 8 342 857 new ordinary shares (the “**New Shares**”) as part of a share capital increase without any shareholders’ pre-emptive subscription rights by means of a public offering, including issue premium (corresponding to an amount of approximately €73 million, including issue premium, on the basis of the mid-point of the indicative price range of the Offer).

Extension Clause

Depending on the level of demand, Kouros (the “**Selling Shareholder**”) may sell, in consultation with the Joint Bookrunners and Global Coordinators, up to a maximum of 1,251,428 existing shares (the “**Transferred Shares**” and together with the New Shares, the “**Offering Shares**”), corresponding to 15% of the New Shares (the “**Extension Clause**”).

Over-Allotment Option

The Selling Shareholder will grant Portzamparc an option to acquire a number of shares representing a maximum of 15% of the aggregate number of Offering Shares, i.e. a maximum of 1,439,142 Transferred Shares by the Selling Shareholder (the “**Over-Allotment Option**”).

Indicative Price Range

The price of the shares offered under the OPO will be equal to the price of the shares offered in the Global Placement (the "**Offering Price**").

The Offering Price could be within a range of €8.00 and €9.50 per share, a range approved by the Board of Directors of the Company on 27 January 2022. The price range may be modified at any time up to and including the date scheduled for setting the Offering Price. The Offering Price may be set outside this range and the orders will then be revocable.

Amount of the Offer

Haffner Energy's IPO will include:

- the issue of 8,342,857 new shares in the context of a cash capital increase, corresponding, for information purposes, to a gross amount of €72,999,999, including issue premium, based on the mid-point of the indicative price range (i.e. estimated net proceeds of €67,179,072); and
- the sale of a maximum of 1,251,428 existing shares by the Selling Shareholder, in the event of full exercise of the Extension Clause, corresponding, for information purposes, to a gross amount of €10,949,995 (based on an Offer price equal to the mid-point of the indicative price range). If the Over-Allotment Option is exercised in full, the Selling Shareholder will be able to sell a maximum of 1,439,142 existing shares, corresponding, for indicative purposes, to a gross amount of approximately €12,592,493 (based on an Offer price equal to the mid-point of the indicative price range).

The expenses related to the Offer to be borne by the Company are estimated at approximately € 6 million.

In the event of insufficient demand, the capital increase in the Offering may be limited to the subscriptions received if they reach 75% of the amount of the initially planned issue. In case the capital increase is completed for 75% of the New Shares, the gross proceeds of the issue of the New Shares would amount to approximately €50,057,136 million (based on the lower price of the indicative price range).

Subscription Commitments Received and Partnership Agreements Signed

Haffner Energy received subscription commitments from new investors for a total amount of €37 million (i.e. 51 % of the Offer amount based on the mid-point of the indicative price range), including €3 million from HRS (controlled by HR Holding), €5 million from HR Holding, €5 million from Mirova, €8 million from Eren Industries, €8 million from Vicat and €8 million from Handelsbanken Asset Management.

The investment by HRS, which has undertaken to hold the shares subscribed to in the Offer for a period of 360 calendar days, is part of a strategic partnership agreed for a period of three years, which provides, among other things, that Haffner Energy will systematically offer an option to integrate an HRS hydrogen refuelling station. In return, HRS will offer Hynoca® Mobility solutions to its customers seeking 100% green alternatives to electrolysis.

The investment by Vicat, which has undertaken to hold the shares subscribed to in the Offer for a period of 360 calendar days, is part of a strategic partnership, which includes Vicat and Haffner Energy joining their unique expertise to develop green solutions to produce syngas, biochar, hydrogen and electricity in the short term, based on Haffner Energy's patented Hynoca® technology. The solutions developed could be applied to cement plants and more broadly to heavy industries with a view to their deployment in these industries for their decarbonization.

The investment by Eren Industries, which has undertaken to retain the shares subscribed for in the Offer for a period of 360 calendar days, is part of a strategic partnership. Eren Industries and Haffner Energy will create a joint venture in which Haffner Energy will hold 20% of the capital, with the possibility of increasing this to 40%. Eren Industries and Haffner Energy will join forces to accelerate the deployment of the Hynoca® technology, particularly internationally. Eren Industries will bring recognized international know-how and financial resources in the development of major industrial projects in the field of renewable energies, and Haffner Energy, a highly differentiating decarbonization and hydrogen production technology that is not dependent on the electricity connection.

Abstention from Trading and Lock-up Undertakings

The Company has given a lock-up commitment for a period of 180 calendar days following the settlement date of the Offer, subject to certain customary exceptions.

Haffner Participation, Eurefi and Kouros SA, will have a lock-up commitment for a period of 360 calendar days following the settlement date of the Offer, subject to certain customary exceptions.

Indicative Timetable of the Transaction

28 January 2022	Approval of the Prospectus by the AMF. Division of the Nominal Value of Existing Shares.
31 January 2022	Publication of the press release announcing the Offering and availability of the Prospectus. Publication by Euronext of the notice of opening of the OPO. Opening of the OPO and Global Placement.
9 February 2022	Closing of the OPO at 5 pm (Paris time) for orders at branches of financial institutions and at 8 pm (Paris time) for Internet orders.
10 February 2022	Closing of the Global Placement at noon (Paris time). Setting of the Offering Price. Euronext Publication of the notice of results of the Offering.

	Publication of the press release indicating the Offering Price and the results of the Offering.
14 February 2022	Settlement-delivery of the OPO and the Global Placement.
15 February 2022	Beginning of trading of the Company's shares on Euronext Growth under the listing « HAFFNER ENERGY ». Beginning of the stabilisation period (if any).
16 March 2022	Deadline for the exercise of the over-Allotment Option. End of the stabilisation period (if any).

Terms of Subscription and Purchase

Retail investors wishing to participate in the OPO must submit their orders with an authorised financial intermediary in France, no later than on [9] February 2022 at 5 pm (Paris time), according to the indicative timetable, for counter subscriptions and at 8 pm (Paris time) for Internet subscriptions, if they are given this option by their financial intermediary.

In order to be taken into account, purchase and subscription orders issued in the context of the Global Placement must be received by Barclays Bank Ireland PLC, Natixis and Portzamparc (Groupe BNP PARIBAS) (les « **Global Coordinators et joint Bookrunners**») by February [10], 2022, at 12:00 (Paris time), except in the event of an advanced closing time.

Revocation of Purchase and Subscription Orders

Subscription orders received from individuals online in the context of the Offering will be revocable, online, until the closing of the Offering on 9 February 2022 at 8:00 p.m. (Paris time). It is up to investors to check with their financial intermediary whether orders transmitted via other channels can be revoked and under what conditions, or whether orders transmitted via the Internet can be revoked other than via the Internet.

Any order placed in connection with the Global Offering may be revoked at the offices of the Global Coordinators and the Joint Bookrunners (depending on which of the three has received such order) until 10 February 2022 at 12:00 p.m. (Paris time), unless the offering is closed early or extended.

Haffner Energy Securities Identification Codes

- Name: Haffner Energy
- ISIN Code: FR0014007ND6
- Ticker Symbol: ALHAF
- Industry: Energy

Financial Intermediaries and Advisors



Global Coordinator
Joint Bookrunner



Global Coordinator
Joint Bookrunner



Global Coordinator and
Joint Bookrunner, Listing
Sponsor

LAZARD

Financial Advisor to Haffner Energy

Availability of the Prospectus

Copies of the prospectus approved by the AMF on January 28, 2022, under number 22-020, consisting of the registration document approved on January 13, 2022, under number I. 22-002, of the supplement approved on 28 January 2022 under number I.22-005 and a securities note (including the summary prospectus), are available free of charge from Haffner Energy, as well as on Haffner Energy website (www.haffnerenergy-finance.com) and the AMF (www.amf-france.org).

Haffner Energy draws the public's attention to section 3 "Risk factors" in the registration document and in section 3 "Risk factors related to the Offer" of the securities note. The occurrence of one or more of these risks is likely to have a material adverse effect on the Group's business, reputation, financial position, results or outlook, as well as the market price of Haffner Energy's shares.

About Haffner Energy

As a key player in the energy transition and with more than 28 years of experience, Haffner Energy designs and provides technologies and services enabling its customers to produce carbon negative hydrogen from biomass thermolysis and steam reforming processes.

Contacts

Haffner Energy

Directors

Philippe Haffner / Marc Haffner
investisseurs@haffner-energy.com

Investor Relations

NewCap

Marine de Fages / Louis-Victor
Delouvrier
Tel: +33 (0) 1 44 71 94 94
Haffner@newcap.eu

Media Relations

NewCap

Nicolas Merigeau
Tel: +33 (0) 1 44 71 94 98
Haffner@newcap.eu

Disclaimer

This announcement is not being made in and copies of it may not be distributed or sent, directly or indirectly, into the United States of America, Canada, Australia or Japan.

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

This press release is provided for information purposes only. It does not constitute and should not be deemed to constitute an offer to the public of securities, nor a solicitation of the public relating to an offer of any kind whatsoever in any country, including France. Potential investors are advised to read the prospectus before making an investment decision in order to fully understand the potential risks and rewards associated with the decision to invest in the securities.

This announcement 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 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended (the "Prospectus Regulation"), also forming part of the domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "EUWA").

With respect to the member States of the European Economic Area and to the United Kingdom, no action has been undertaken or will be undertaken to make an offer to the public of the securities referred to herein requiring a publication of a prospectus in any relevant member State other than France or the United Kingdom. As a result, the securities may not and will not be offered in any relevant member State other than France or the United Kingdom except in accordance with the exemptions set forth in Article 1(4) of the Prospectus Regulation, also forming part of the domestic law in the United Kingdom by virtue of EUWA, or under any other circumstances which do not require the publication by Haffner Energy of a prospectus pursuant to Article 3(2) of the Prospectus Regulation, also forming part of the domestic law in the United Kingdom by virtue of EUWA, and/or to applicable regulations of that relevant member State or the United Kingdom. In France, an offer to the public of securities may not be made except pursuant to a prospectus that has been approved by the French Financial Markets Authority (the "AMF"). The approval of the prospectus by the AMF should not be understood as an endorsement of the securities offered or admitted to trading on a regulated market.

It does not constitute an offer to purchase or to subscribe for securities in the United States or in any other jurisdiction.

The securities referred to herein may not be offered or sold in the United States of America absent registration or an applicable exemption from registration under the U.S. Securities Act of 1933, as amended. Haffner Energy does not intend to register all or any portion of the offering of the securities in the United States of America or to conduct a public offering of the securities in the United States of America.

This communication does not constitute an offer of securities to the public in the United Kingdom. This communication is being distributed to and is directed only at (i) persons who are outside the United Kingdom or (ii) persons who are "qualified investors" within the meaning of Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA and who are also (x) investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (y) high net worth entities, or other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "Relevant Persons"). Any investment activity to which this communication relates will only be available to and will only be engaged with, Relevant Persons. Any person who is not a Relevant Person should not act or rely on this document or any of its contents.

Any subscription or purchase of Offering Shares should be made solely on the basis of information contained in the Prospectus. The information in this announcement is subject to change. Before subscribing for or purchasing any Offering Shares, persons viewing this announcement should ensure that they fully understand and accept the risks which will be set out in the Prospectus. No reliance may be placed for any purpose on the information

contained in this announcement or its accuracy or completeness. This announcement does not form part of or constitute any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for any Offering Shares or any other securities nor shall it (or any part of it) or the fact of its distribution, form the basis of, or be relied on in connection with, any contract therefor.

None of the Joint Global Coordinators and Joint Bookrunners or any of their respective affiliates or any of their or their affiliates' directors, officers, employees, advisers or agents accepts any responsibility or liability whatsoever for/or makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of the information in this announcement (or whether any information has been omitted from the announcement) or any other information relating to Haffner Energy whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of the announcement or its contents or otherwise arising in connection therewith.

Each of the Joint Global Coordinators and Joint Bookrunners is acting exclusively for Haffner Energy and no one else in connection with the proposed Offering. They will not regard any other person as their respective clients in relation to the proposed Offering and will not be responsible to anyone other than Haffner Energy for providing the protections afforded to their respective clients, nor for providing advice in relation to the proposed Offering, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

In connection with the Offering, the Joint Global Coordinators and Joint Bookrunners and any of their respective affiliates, may take up a portion of the Offering Shares as a principal position and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such Offering Shares and other securities of Haffner Energy or related investments in connection with the Offering or otherwise. Accordingly, references in the Prospectus to the Offering Shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by the Joint Global Coordinators and Joint Bookrunners and any of their respective affiliates acting in such capacity. In addition, the Joint Global Coordinators and Joint Bookrunners and any of their respective affiliates may enter into financing arrangements (including swaps or contracts for differences) with investors in connection with which they may from time to time acquire, hold or dispose of Offering Shares. None of the Joint Global Coordinators and Joint Bookrunners nor any of their respective affiliates intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

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 Haffner Energy's current and future strategy and the environment in which the Haffner Energy 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" of the registration document.

These forward-looking statements are given only on the date of this press release and each of Haffner Energy and the Joint Global Coordinators and Joint Bookrunners 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 Haffner Energy. Actual results may differ significantly from those described, suggested, or projected by the forward-looking information and statements.

Information for Distributors

*Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“**MiFID II**”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “**MiFID II Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Offering Shares have been subject to a product approval process, which has determined that the Offering Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “**Target Market Assessment**”). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Offering Shares offer no guaranteed income and no capital protection; and an investment in the Offering Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Global Offering. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Joint Global Coordinators and Joint Bookrunners will only procure investors who meet the criteria of professional clients and eligible counterparties in relation to the Global Placement.*

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment for any particular client of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Offering Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Offering Shares and determining appropriate distribution channels.