AlwaysOn | News comment

Equity Research from Kepler Cheuvreux

Release date: 24 September 2026

Auguste Deryckx
Equity Research Analyst
+33 1 53 65 35 44
aderyckx@keplercheuvreux.com

Arverne Buy

France | Utilities **Beta Profile:** MOMENTUM **MCap: EUR243.3M**

Target Price:	EUR9.30
Current Price:	EUR6.56
Up/downside:	41.8%
Market data:	23 September 2026

Bloomberg: ARVEN FP	Reuters: ARVEN.PA
Free float	47%
Avg. daily volume (EURm)	0.0
YTD abs performance	33.9%
52-week high/low (EUR)	11.00/4.58

H1 2026: operational progress, funding ahead

Key points:

- Arverne published its H1 2026 results yesterday evening, which were relatively solid.
- Most of the focus is likely to remain on the upcoming capital increase (expected by the end of the year) and on recent operational progress (notably in Alsace).
- We reiterate our Buy rating.

H1 2026: this bodes well

- H1 gross business volume (+60% to EUR16.8m) was boosted by internal drilling work, more than offsetting the drop in consolidated revenues (-20% to EUR7.4m) due to lower contribution from large contracts. In other words, the group is now focusing on developing its own projects (notably in Alsace), while placing lower priority to third-party projects.
- Inter-segment drilling reached EUR7.9m over H1-26 (47% of the gross business volume). This activity reflects the ramp-up of Arverne's own strategic projects, consistent with the group's vertically integrated model.
- Opex increased in line with the group's ramp-up. Operating expenses: +21% to EUR13.8m and personnel expenses: +12% to EUR14.6m. Net loss for the period widened to EUR13.8m (vs EUR11.7m last year).
- Capex reached EUR26.3m in H1-26 (vs EUR9.4m last year), reflecting the ramp-up of the group's projects.
- At the end of June-26, the gross cash position stood at EUR45.5m (vs EUR78m at the end of FY25).
- Given the group's vertical integration, consolidated figures offer limited visibility. The key takeaways are the increase in gross business volume (+60%) and the level of capex (+179%) which point to future growth.
- **Lithium project in Alsace: promising progress**
- The Direct Lithium Extraction (DLE) demonstration unit, operational since June 2026, has delivered initial results in line with targeted lithium concentration and recovery rates. Since being connected to geothermal brine over the summer, the unit has also demonstrated stable 24/7 continuous operation. These results provide technical validation of the process and further de-risk the project.
- An independent assessment (by Sproule ERCE) estimates LdF's indicated and inferred resources in Alsace at 26mt LCE, with total potential of up to 43mt LCE. The next key milestone is reserve certification (Q1 2027).
- The project targets production of c.27kt/yr of LCE over more than 30 years. Arverne has already signed an offtake contract with Renault (25kt/5-year) and discussions with other potential customers are also well advanced.
- Next steps for the project :
  - – End-2026: completion of the DFS
  - – Q1-2027: Reserve certification
  - – During 2027: Final Investment Decision (FID)
  - – 2027: Start of geothermal heat production
  - – 2028: First lithium production

Capital increase: how much dilution should we expect ?

- We model an equity raise requirement of c.EUR100-150m.
- Cumulative net capex for FY 2026 and FY 2027 is estimated at EUR155m (i.e., EUR320m of gross capex and EUR165m of subsidies) and the cash position at end-FY 2025 stood at EUR78m.

- The recent EUR70m ORANE issuance is a meaningful first step towards funding Arverne's 2026-27 investment programme. It strengthens liquidity, validates investor support for the strategy and reduces the residual funding requirement.
- In terms of timing, we expect the transaction to take place by year-end.
- Given the expected size of the operation and the stock's limited liquidity, we expect a substantial discount (double digit).
- Note that the issue price of the new shares received upon redemption of the ORANEs will be equal to the subscription price of the capital increase less a 20% discount.

Company description

Arverne is a French industrial group driving the energy transition through the sustainable valorisation of subsoil resources. Leveraging its deep expertise in drilling and subsurface engineering, the company develops innovative geothermal and lithium projects to provide renewable heat and low-carbon materials essential for the decarbonisation effort.

Management

Pierre Brossollet, CEO & Chairman
Thierry Trouyet, Deputy CEO
Emeline Othax, CFO

Key shareholders

Free float	47.00%
Arosco (P. Brossolet)	20.03%
Eiffel Essential	9.85%
ADEME	9.27%

Investment case

- Arverne is an industrial player specialised in the valorisation of subsoil resources. The group is focused on three units: 1) geothermal heat and cooling, 2) Lithium de France (geothermal heat and lithium), and 3) Arverne Drilling Services (drilling operations).
- Its main competitive advantage stems from the synergy potential among its three entities, with drilling being crucial for the successful development of any geothermal activity.
- We see Arverne as a high-risk, high-reward story. Indeed, its development strategy relies exclusively on the development of geothermal energy and lithium, and to date, these activities generate no sales.

Catalysts

- Production of the first geothermal heating plant (2027)
- Production of the first lithium tonnes (2028)
- Announcement of a subsidy.

Valuation methodology

- We value Arverne using a sum-of-the-parts method to separate the geothermal, lithium, and drilling activities.
- The geothermal and the lithium activities are valued using a DCF and the drilling activities are valued with a FY 2026E EV/sales target multiple (0.5x).

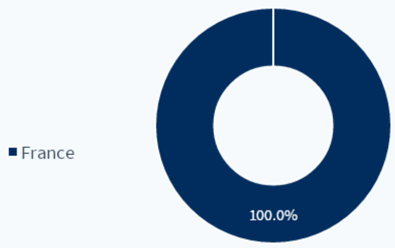
Risks to our rating

- Our valuation is highly dependent on the company's ability to scale up successfully.
- The group's growth will be capital-intensive. The group expects to obtain subsidies for 35% of this envelope. Lower-than-expected subsidies should therefore generate the need for dilutive financing.
- Potential delay in the democratisation of geothermal energy

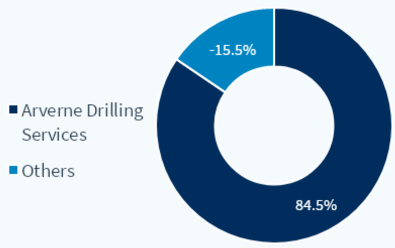
Key data charts

Price performance

Sales split by region



Sales split by division



SWOT analysis

Strengths
- Provides local, low-carbon, renewable energy.
- Business model offering strong synergies.
- Deep know-how in drilling activities.

Weaknesses
- The group has no track record.
- Tensions regarding financing.
- Small cap with limited free float

Opportunities
- Greater democratisation of geothermal heat.
- Increasing public aid to develop geothermal heat.
- International expansion.

Threats
- Ambitious business plan: execution risk.
- Slower democratisation of EVs.
- Increased competition in these nascent markets.

Valuation table

Last model update: 15 September 2026

FY to 31/12 (EUR)	na	na	na	12/22	12/23	12/24	12/25	12/26E	12/27E	12/28E
Per share data (EUR)										
EPS adjusted	na	na	na	-0.11	-2.20	-0.34	-0.58	-0.79	-1.15	-0.77
% Change	na	na	na		-1,902.8%	84.6%	-71.6%	-34.7%	-46.8%	33.3%
EPS adjusted and fully diluted	na	na	na	-0.11	-2.34	-0.29	-0.57	-0.78	-1.15	-0.77
% Change	na	na	na		-2,027.3%	87.7%	-99.3%	-35.6%	-48.6%	33.3%
EPS reported	na	na	na	-0.11	-2.20	-0.34	-0.58	-0.79	-1.15	-0.77
% Change	na	na	na		-1,902.8%	84.6%	-71.6%	-34.7%	-46.8%	33.3%
EPS Consensus	na	na	na					-0.7	-1.2	-1.3
Cash flow per share	na	na	na	-0.09	-0.76	-0.24	-0.38	-0.77	-0.84	-0.22
Book value per share	na	na	na	-0.18	7.44	4.88	4.39	3.42	2.19	1.34
DPS	na	na	na	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Number of shares, YE (m)	na	na	na	27.0	24.0	34.8	36.2	37.1	37.1	37.1
Nbr of shares, fully diluted, YE (m)	na	na	na	27.0	24.0	34.8	36.2	37.1	37.1	37.1
Share price										
Latest price / year end	na	na	na	9.9	9.5	4.0	4.9	6.6	6.6	6.6
52 week high	na	na	na	10.0	11.5	9.7	5.6	11.0		
52 week low	na	na	na	9.6	8.8	3.8	3.7	4.6		
Average price (YTD)	na	na	na	9.9	9.8	6.4	4.7	6.6	6.6	6.6
Enterprise value (EURm)										
Market capitalisation	na	na	na	266	234	222	169	243	243	243
Net financial debt	na	na	na	2	-132	-109	-64	69	152	262
Pension provisions	na	na	na	0	1	2	2	2	2	2
IFRS 16 debt	na	na	na	0	0	25	26	26	26	26
Market value of minorities	na	na	na	2	-18	-11	-28	-30	-30	-30
MV of equity affiliates (net of tax)	na	na	na	0	0	0	0	0	0	0
Others	na	na	na	0	0	0	0	0	0	0
Enterprise value	na	na	na	270	86	128	104	311	394	504
Valuation										
P/E adjusted	na	na	na	nm	nm	nm	nm	nm	nm	nm
P/E adjusted and fully diluted	na	na	na	nm	nm	nm	nm	nm	nm	nm
P/E consensus	na	na	na					nm	nm	nm
P/BV	na	na	na	nm	1.3	1.3	1.1	1.9	3.0	4.9
P/CF	na	na	na	nm	nm	nm	nm	nm	nm	nm
Dividend yield (%)	na	na	na	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Dividend yield preference shares (%)	na	na	na	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Share buybacks over market cap (%)	na	na	na	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Attributable FCF yield (%)	na	na	na	-1.3%	-14.9%	-7.4%	-32.1%	-60.9%	-95.1%	-106.1%
ROE (%)	na	na	na	False	-64.7%	-5.7%	-12.6%	-20.2%	-41.1%	-43.6%
ROIC (%)	na	na	na	False	-1,174.7%	-55.4%	-43.6%	-22.6%	-19.4%	-9.7%
EV/Sales	na	na	na	25.98	8.53	9.03	5.81	20.40	9.82	4.63
EV/EBITDA adj.	na	na	na	nm	nm	nm	nm	nm	nm	nm
EV/EBIT adj.	na	na	na	nm	nm	nm	nm	nm	nm	nm
EV/NOPAT	na	na	na	nm	nm	nm	nm	nm	nm	nm
EV/IC	na	na	na	nm	5.5	3.1	2.2	2.1	2.1	1.9
ROIC/WACC	na	na	na		nm	nm	nm	nm	nm	nm
EV/IC over ROIC/WACC	na	na	na	nm	nm	nm	nm	nm	nm	nm

Income statement

Last model update: 15 September 2026

FY to 31/12 (EUR)	na	na	na	12/22	12/23	12/24	12/25	12/26E	12/27E	12/28E
Sales	na	na	na	**10**	**10**	**14**	**18**	**15**	**40**	**109**
Sales % Change	na	na	na		*-3.0%*	*40.2%*	*27.0%*	*-15.2%*	*163.3%*	*171.3%*
Gross profit	na	na	na	9	9	13	16	14	36	98
Gross profit margin (%)	na	na	na	*90.0%*	*90.0%*	*90.0%*	*90.0%*	*90.0%*	*90.0%*	*90.0%*
EBITDA reported	na	na	na	-2	-16	-18	-21	-23	-29	-1
EBITDA adjusted	na	na	na	**-2**	**-16**	**-18**	**-21**	**-23**	**-29**	**-1**
EBITDA margin (%)	na	na	na	**-19.4%**	**nm**	**nm**	**nm**	**nm**	**-71.9%**	**-1.2%**
EBITDA adjusted % Change	na	na	na		*-693.4%*	*-14.7%*	*-14.3%*	*-8.4%*	*-26.7%*	*95.5%*
Depreciation and amortisation	na	na	na	-2	-2	-2	-5	-7	-15	-28
Goodwill impairment	na	na	na	0	0	0	0	0	0	0
Other financial result and associates	na	na	na	0	-48	0	0	0	0	0
EBIT reported	na	na	na	-4	-65	-21	-26	-30	-44	-29
EBIT adjusted	na	na	na	**-4**	**-65**	**-21**	**-26**	**-30**	**-44**	**-29**
EBIT margin (%)	na	na	na	**-38.3%**	**nm**	**nm**	**nm**	**nm**	**nm**	**-27.1%**
EBIT adjusted % Change	na	na	na		*-1,541.1%*	*68.3%*	*-23.8%*	*-15.8%*	*-47.1%*	*32.6%*
Net financial items	na	na	na	0	4	11	2	-2	-2	-2
Associates	na	na	na	0	0	0	0	0	0	0
Others	na	na	na	1	2	-2	-1	0	0	0
Earnings before tax	na	na	na	-3	-59	-11	-25	-32	-46	-32
Tax	na	na	na	0	1	0	2	0	0	0
Tax rate (%)	na	na	na	*25%*	*25%*	*25%*	*25%*	*25%*	*25%*	*25%*
Net profit from continuing op.	na	na	na	-3	-58	-11	-24	-32	-46	-32
Net profit from disc. activities	na	na	na	0	0	0	0	0	0	0
Net profit before minorities	na	na	na	-3	-58	-11	-24	-32	-46	-32
Minorities	na	na	na	0	2	1	3	3	3	3
Net profit reported	na	na	na	**-3**	**-56**	**-10**	**-21**	**-29**	**-43**	**-29**
Adjustments	na	na	na	0	0	0	0	0	0	0
Net profit adjusted	na	na	na	**-3**	**-56**	**-10**	**-21**	**-29**	**-43**	**-29**
Net profit margin (%)	na	na	na	**-28.5%**	**nm**	**-70.6%**	**nm**	**nm**	**nm**	**-26.2%**
Net profit adjusted % Change	na	na	na		*-1,792.0%*	*82.2%*	*-107.3%*	*-39.0%*	*-48.6%*	*33.3%*
EPS reported (EUR)	na	na	na	-0.11	-2.20	-0.34	-0.58	-0.79	-1.15	-0.77
EPS adjusted (EUR)	na	na	na	-0.11	-2.20	-0.34	-0.58	-0.79	-1.15	-0.77
EPS adj. and fully diluted (EUR)	na	na	na	-0.11	-2.34	-0.29	-0.57	-0.78	-1.15	-0.77
EPS adj. and fully diluted % Change	na	na	na		-2,027.3%	87.7%	-99.3%	-35.6%	-48.6%	33.3%
DPS (EUR)	na	na	na	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DPS % Change	na	na	na		*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*
Payout ratio (%)	na	na	na	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*0%*
DPS preference shares (EUR)	na	na	na	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Consensus Sales (EURm)	na	na	na					18	40	82
Consensus EBITDA (EURm)	na	na	na					-21	-24	10
Consensus EBIT (EURm)	na	na	na					-30	-44	-36
Consensus EPS (EUR)	na	na	na					-0.7	-1.2	-1.3

Cash flow statement

Last model update: 15 September 2026

FY to 31/12 (EUR)	na	na	na	12/22	12/23	12/24	12/25	12/26E	12/27E	12/28E
Net profit before minorities	na	na	na	-3	-58	-11	-24	-32	-46	-32
Depreciation and amortisation	na	na	na	2	-4	3	4	7	15	28
Goodwill impairment	na	na	na	0	0	0	0	0	0	0
Change in working capital	na	na	na	0	-5	5	3	-5	-2	-7
Others	na	na	na	-1	47	-3	2	2	2	2
Levered post tax CF before capex	na	na	na	**-2**	**-19**	**-7**	**-14**	**-28**	**-31**	**-8**
% Change	na	na	na		*-716.5%*	*64.2%*	*-94.8%*	*-108.3%*	*-10.9%*	*73.9%*
Capex	na	na	na	-1	-16	-10	-41	-120	-200	-250
Capex / Sales (%)	na	na	na	*11.2%*	*154.5%*	*67.2%*	*225.8%*	*787.8%*	*498.6%*	*229.8%*
Free cash flow	na	na	na	**-4**	**-35**	**-16**	**-54**	**-148**	**-231**	**-258**
Free cash flow % Change	na	na	na		*-886.5%*	*53.0%*	*-228.8%*	*-173.9%*	*-56.1%*	*-11.6%*
Acquisitions	na	na	na	0	0	0	0	0	0	0
Divestments	na	na	na	0	0	0	0	0	0	0
Dividend paid	na	na	na	0	0	0	0	0	0	0
Share buy back	na	na	na	0	0	0	0	0	0	0
Capital increases	na	na	na	4	115	1	0	0	0	0
Others	na	na	na	-3	54	-113	-112	-19	63	89
Change in net financial debt	na	na	na	**2**	**-134**	**129**	**167**	**168**	**169**	**170**
Change in cash and cash equiv.	na	na	na	False	140	-19	-46	-133	-83	-110
Attributable FCF	na	na	na	-4	-35	-16	-54	-148	-231	-258
Attributable FCF / Net profit(%)	na	na	na	*119.7%*	*62.4%*	*164.7%*	*261.3%*	*514.8%*	*540.5%*	*904.8%*
Cash flow per share (EUR)	na	na	na	-0.09	-0.76	-0.24	-0.38	-0.77	-0.84	-0.22
% Change	na	na	na		*-764.3%*	*69.0%*	*-61.3%*	*-101.7%*	*-9.6%*	*73.9%*
Attributable FCF per share (EUR)	na	na	na	-0.13	-1.37	-0.56	-1.53	-4.05	-6.24	-6.96
% Change	na	na	na		*-944.3%*	*59.3%*	*-172.2%*	*-165.3%*	*-54.2%*	*-11.6%*

Balance sheet

Last model update: 15 September 2026

FY to 31/12 (EUR)	na	na	na	12/22	12/23	12/24	12/25	12/26E	12/27E	12/28E
Cash and cash equivalents	na	na	na	3	143	124	78	-55	-139	-249
Inventories	na	na	na	0	0	2	3	2	4	11
Accounts receivable	na	na	na	0	3	8	6	3	8	22
Other current assets	na	na	na	9	14	14	16	16	16	16
Current assets	na	na	na	**12**	**161**	**147**	**102**	**-35**	**-111**	**-200**
Tangible assets	na	na	na	7	19	52	56	169	354	576
Goodwill	na	na	na	0	1	2	3	4	5	6
Other Intangible assets	na	na	na	4	39	53	80	80	80	80
Financial assets	na	na	na	0	0	0	0	0	0	0
Other non-current assets	na	na	na	0	3	3	3	3	3	3
Non-current assets	na	na	na	**11**	**63**	**110**	**142**	**256**	**443**	**665**
Short term debt	na	na	na	3	2	2	2	2	2	2
Accounts payable	na	na	na	1	4	10	13	3	8	22
Other short term liabilities	na	na	na	22	18	27	23	41	191	341
Current liabilities	na	na	na	**26**	**24**	**39**	**37**	**45**	**200**	**364**
Long term debt	na	na	na	2	10	12	12	12	12	12
Pension provisions	na	na	na	0	1	2	2	2	2	2
IFRS16 Debt	na	na	na	0	0	25	26	26	26	26
Other long term provisions	na	na	na	0	1	2	3	4	5	5
Other long term liabilities	na	na	na	0	9	8	6	5	5	5
Non-current liabilities	na	na	na	**2**	**22**	**49**	**49**	**50**	**51**	**51**
Shareholders' equity	na	na	na	-5	178	170	159	127	81	50
Minority interests	na	na	na	0	0	0	0	0	0	1
Total equity	na	na	na	**-5**	**178**	**170**	**159**	**127**	**81**	**51**
Balance sheet total	na	na	na	**23**	**224**	**258**	**245**	**222**	**332**	**465**
% Change	na	na	na		860.1%	15.3%	-5.1%	-9.4%	49.7%	40.1%
Book value per share (EUR)	na	na	na	-0.18	7.44	4.88	4.39	3.42	2.19	1.34
% Change	na	na	na		+chg	-34.4%	-10.2%	-22.0%	-36.1%	-38.9%
Net financial debt	na	na	na	2	-132	-109	-64	69	152	262
IFRS16 Debt	na	na	na	0	0	25	26	26	26	26
Pension provisions	na	na	na	0	1	2	2	2	2	2
Others	na	na	na	0	0	0	0	0	0	0
Net debt	na	na	na	2	-131	-83	-36	97	181	291
Net fi. debt (+IFRS16) / EBITDA (x)	na	na	na	-1.0	8.2	4.6	1.8	-4.2	-6.2	-222.0
Trade working capital	na	na	na	-1	-1	0	-4	2	4	11
Net working capital	na	na	na	-14	-5	-14	-11	-23	-170	-314
NWC/Sales	na	na	na	-134.3%	-47.6%	-96.6%	-61.0%	-150.5%	-424.9%	-288.2%
Inventories/sales	na	na	na	0.0%	4.1%	15.6%	15.2%	10.0%	10.0%	10.0%
Invested capital	na	na	na	-7	16	41	48	150	188	268
Net fin. debt / FCF (x)	na	na	na	-0.6	3.8	6.6	1.2	-0.5	-0.7	-1.0
Gearing (%)	na	na	na	nm	-74.0%	-64.4%	-40.6%	54.3%	187.6%	518.5%
Goodwill / Equity (%)	na	na	na	0.0%	0.6%	1.2%	1.9%	3.2%	6.2%	11.9%

Research ratings and important disclosures

The term "KEPLER CHEUVREUX" shall, unless the context otherwise requires, mean each of KEPLER CHEUVREUX and its affiliates, subsidiaries and related companies (see "Regulators" table below).

The investment recommendation(s) referred to in this report was (were) completed on 24/09/2026 at 06:10:01 (GMT) and was first disseminated on 24/09/2026 at 06:12:57 (GMT).

Unless otherwise stated, all prices used and mentioned in this report are aligned with the closing prices of the Market Data Date on the front page of this report.

Disclosure checklist - Potential conflict of interests

Company Name	ISIN	Disclosure
Arverne	FR001400JWR8	KEPLER CHEUVREUX and the issuer have agreed that KEPLER CHEUVREUX will produce and disseminate investment research on the said issuer as a service to the issuer

Organizational and administrative arrangements to avoid and prevent conflicts of interests

KEPLER CHEUVREUX promotes and disseminates independent investment research and have implemented written procedures designed to identify and manage potential conflicts of interest that arise in connection with its research business, which are available upon request. The KEPLER CHEUVREUX research analysts and other staff involved in issuing and disseminating research reports operate independently of KEPLER CHEUVREUX Investment Banking business. Information barriers and procedures are in place between the research analysts and staff involved in securities trading for the account of KEPLER CHEUVREUX or clients to ensure that price sensitive information is handled according to applicable laws and regulations.

It is Kepler Cheuvreux' policy not to disclose the rating to the issuer before publication and dissemination. Nevertheless, this document, in whole or in part, and with the exclusion of ratings, target prices and any other information that could lead to determine its valuation, may have been provided to the issuer prior to publication and dissemination, solely with the aim of verifying factual accuracy.

Please refer to **www.keplercheuvreux.com** for further information relating to research and conflict of interest management.

Analyst disclosures

The functional job title of the person(s) responsible for the recommendations contained in this report is Equity/Credit Research Analyst unless otherwise stated on the cover.

Name of the Research Analyst(s): Auguste Deryckx

Regulation AC - Analyst Certification: Each Equity/Credit Research Analyst(s) listed on the front-page of this report, principally responsible for the preparation and content of all or any identified portion of this research report hereby certifies that, with respect to each issuer or security or any identified portion of the report with respect to an issuer or security that the equity research analyst covers in this research report, all of the views expressed in this research report accurately reflect their personal views about those issuer(s) or securities. Each Equity/Credit Research Analyst(s) also certifies that no part of their compensation was, is, or will be, directly or indirectly, related to the specific recommendation(s) or view(s) expressed by that equity research analyst in this research report.

Each Equity/Credit Research Analyst certifies that he is acting independently and impartially from KEPLER CHEUVREUX shareholders, directors and is not affected by any current or potential conflict of interest that may arise from any KEPLER CHEUVREUX activities.

Analyst Compensation: The research analyst(s) primarily responsible for the preparation of the content of the research report attest that no part of the analyst's(s') compensation was, is or will be, directly or indirectly, related to the specific recommendations expressed by the research analyst(s) in the research report. The research analyst's(s') compensation is, however, determined by the overall economic performance of KEPLER CHEUVREUX.

Registration of non-US Analysts: Unless otherwise noted, the non-US analysts listed on the front of this report are employees of KEPLER CHEUVREUX, which is a non-US affiliate and parent company of Kepler Capital Markets, Inc. a SEC registered and FINRA member broker-dealer. Equity/Credit Research Analysts employed by KEPLER CHEUVREUX, are not registered/qualified as research analysts under FINRA/NYSE rules, may not be associated persons of Kepler Capital Markets, Inc. and may not be subject to NASD Rule 2711 and NYSE Rule 472 restrictions on communications with covered companies, public appearances, and trading securities held by a research analyst account.

Research ratings

Kepler Cheuvreux rating split as of 24 September 2026

Rating Breakdown	A	B
Buy	57%	67%
Hold	33%	29%
Reduce	9%	3%
Not Rated/Under Review/Accept Offer	1%	1%
Total	100%	100%

Source: Kepler Cheuvreux
A: % of all research recommendations
B: % of issuers to which material services of investment firms are supplied

12 months rating history

The below table shows the history of recommendations and target prices changes issued by KEPLER CHEUVREUX research department (Equity and Credit) over a 12 months period.

Company Name	Date	BusinessLine	Rating	Target Price	Close Price
Arverne (EUR)	22/04/2026 06:31	Equity Research	Buy	7.3	5.72
	15/09/2026 08:51	Equity Research	Buy	9.3	7.16

Credit research does not issue target prices. Left intentionally blank.

Please refer to the following link https://research.keplercheuvreux.com/disclosure/stock/ for a full list of investment recommendations issued over the last 12 months by the author(s) and contributor(s) of this report on any financial instruments.

Equity research

Rating system

KEPLER CHEUVREUX equity research ratings and target prices are issued in absolute terms, not relative to any given benchmark. A rating on a stock is set after assessing the twelve months expected upside or downside of the stock derived from the analyst's fair value (target price) and in the light of the risk profile of the company. Ratings are defined as follows:

Buy: The minimum expected upside is 10% over next 12 months (the minimum required upside could be higher in light of the company's risk profile).

Hold: The expected upside is below 10% (the expected upside could be higher in light of the company's risk profile).

Reduce: There is an expected downside.

Accept offer: In the context of a total or partial take-over bid, squeeze-out or similar share purchase proposals, the offer price is considered to be fairly valuing the shares.

Reject offer: In the context of a total or partial take-over bid, squeeze-out or similar share purchase proposals, the offered price is considered to be undervaluing the shares.

Under review: An event occurred with an expected significant impact on our target price and we cannot issue a recommendation before having processed that new information and/or without a new share price reference.

Not rated: The stock is not covered.

Restricted: A recommendation, target price and/or financial forecast is not disclosed further to compliance and/or other regulatory considerations.

Due to share prices volatility, ratings and target prices may occasionally and temporarily be inconsistent with the above definition.

Valuation methodology and risks

Unless otherwise stated in this report, target prices and investment recommendations are determined based on fundamental research methodologies and relies on commonly used valuation methodologies such as Discounted Cash Flow (DCF), valuation multiples comparison with history and peers, Dividend Discount Model (DDM).

Valuation methodologies and models can be highly dependent on macroeconomic factors (such as the price of commodities, exchange rates and interest rates) as well as other external factors including taxation, regulation and geopolitical changes (such as tax policy changes, strikes or war). In addition, investors' confidence and market sentiment can affect the valuation of companies. The valuation is also based on expectations that might change rapidly and without notice, depending on developments specific to individual industries. Whichever valuation method is used there is a significant risk that the target price will not be achieved within the expected timeframe.

Unless otherwise stated, models used are proprietary. Additional information about the proprietary models used in this report is accessible on request.

KEPLER CHEUVREUX' equity research policy is to update research rating when it deems appropriate in the light of new findings, markets development and any relevant information that can impact the analyst's view and opinion.

Regulators

Location	Regulator	Abbreviation
KEPLER CHEUVREUX S.A - France	Autorité des Marchés Financiers	AMF
KEPLER CHEUVREUX, Sucursal en España	Comisión Nacional del Mercado de Valores	CNMV
KEPLER CHEUVREUX, Frankfurt branch	Bundesanstalt für Finanzdienstleistungsaufsicht	BaFin
KEPLER CHEUVREUX, Milan branch	Commissione Nazionale per le Società e la Borsa	CONSOB
KEPLER CHEUVREUX, Amsterdam branch	Autoriteit Financiële Markten	AFM
Kepler Capital Markets SA - Switzerland, Zurich branch	Swiss Financial Market Supervisory Authority	FINMA
Kepler Capital Markets, Inc.	Financial Industry Regulatory Authority	FINRA
KEPLER CHEUVREUX, London branch	Financial Conduct Authority	FCA
KEPLER CHEUVREUX, Vienna branch	Austrian Financial Services Authority	FMA
KEPLER CHEUVREUX, Stockholm Branch	Finansinspektionen	FI
KEPLER CHEUVREUX Oslo Branch	Finanstilsynet	NFSA
KEPLER CHEUVREUX, Bruxelles Branch	Autorité des Services et Marchés Financiers	FSMA
KEPLER CHEUVREUX, Dubai DIFC Branch	Dubai Financial Services Authority	DFSA
KEPLER CHEUVREUX Warsaw branch	Komisja Nadzoru Finansowego	KNF

KEPLER CHEUVREUX is authorised and regulated by both Autorité de Contrôle Prudentiel and Autorité des Marchés Financiers.

Legal and disclosure information

Other disclosures

This product is not for distribution to retail clients.

MIFID 2 WARNING: We remind you that pursuant to MiFID 2, it is your responsibility, as a recipient of this research document, to determine whether or not your firm is impacted by the provisions of the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments ("MiFID 2") regarding the unbundling of research and execution (the "MiFID 2 Research Rules"). For any request on the provision of research documents, please send an email to **crystal.team@keplercheuvreux.com.**

The information contained in this publication was obtained from various publicly available sources believed to be reliable, but has not been independently verified by KEPLER CHEUVREUX. KEPLER CHEUVREUX does not warrant the completeness or accuracy of such information and does not accept any liability with respect to the accuracy or completeness of such information, except to the extent required by applicable law.

This publication is a brief summary and does not purport to contain all available information on the subjects covered. Further information may be available on request.

This publication is for information purposes only and shall not be construed as an offer or solicitation for the subscription or purchase or sale of any securities, or as an invitation, inducement or intermediation for the sale, subscription or purchase of any securities, or for engaging in any other transaction.

Any opinions, projections, forecasts or estimates in this report are those of the author only, who has acted with a high degree of expertise. They reflect only the current views of the author at the date of this report and are subject to change without notice. KEPLER CHEUVREUX has no obligation to update, modify or amend this publication or to otherwise notify a reader or recipient of this publication in the event that any matter, opinion, projection, forecast or estimate contained herein, changes or subsequently becomes inaccurate, or if research on the subject company is withdrawn. The analysis, opinions, projections, forecasts and estimates expressed in this report were in no way affected or influenced by the issuer. The author of this publication benefits financially from the overall success of KEPLER CHEUVREUX.

The investments referred to in this publication may not be suitable for all recipients. Recipients are urged to base their investment decisions upon their own appropriate investigations that they deem necessary. Any loss or other consequence arising from the use of the material contained in this publication shall be the sole and exclusive responsibility of the investor and KEPLER CHEUVREUX accepts no liability for any such loss or consequence. In the event of any doubt about any investment, recipients should contact their own investment, legal and/or tax advisers to seek advice regarding the appropriateness of investing. Some of the investments mentioned in this publication may not be readily liquid investments. Consequently it may be difficult to sell or realise such investments. The past is not necessarily a guide to future performance of an investment. The value of investments and the income derived from them may fall as well as rise and investors may not get back the amount invested. Some investments discussed in this publication may have a high level of volatility. High volatility investments may experience sudden and large falls in their value which may cause losses. International investing includes risks related to political and economic uncertainties of foreign countries, as well as currency risk.

To the extent permitted by applicable law, no liability whatsoever is accepted for any direct or consequential loss, damages, costs or prejudices whatsoever arising from the use of this publication or its contents.

Neither Kepler Cheuvreux, S&P, their affiliates nor any of their suppliers shall have any liability for the accuracy or completeness of the information or software furnished through Kepler Cheuvreux Service, or for delays, interruptions or omissions therein nor for any lost profits, indirect, special or consequential damages; The S&P Services (or any derivative thereof) are not investment advice and a reference to a particular investment or security, a credit rating or any observation concerning a security or investment provided in the S&P Services is not a recommendation to buy, sell or hold such investment or security or make any other investment decisions; S&P, S&P Entities or their suppliers have exclusive proprietary rights in the S&P Services and any information and software received in connection therewith; Client of Kepler Cheureux, as recipient shall not use or permit anyone to use the S&P Services (or any portion thereof) for any unlawful or unauthorized purpose; The S&P Services (or any portion thereof) are being provided for Client of Kepler Cheuvreux internal use only (except as expressly permitted otherwise or further limited in an Order Schedule) and Client of Kepler Cheuvreux is not authorized or permitted to distribute or otherwise furnish the S&P Services (or any portion thereof) to any third-party without prior written approval of S&P; To the extent Client of Kepler Cheuvreux is expressly permitted to use S&P Services (or any portion thereof) in connection with one or more AIs, any such usage is restricted to internal purposes only and subject to restrictions no less protective as set out in the applicable Order Schedule; Access to the S&P Services is subject to termination in the event that any agreement between Company and S&P terminates for any reason. Kepler Cheuvreux shall ensure that each Client of Kepler Cheuvreux (a) promptly purges and permanently deletes the S&P Services (other than as expressly permitted in an Order Schedule) from its systems upon termination of either the agreement between Kepler Cheuvreux and S&P or the Customer Agreement, and (b) provides all reasonable cooperation to Company and S&P, upon request of either, in verifying that Subscriber has complied with this Section; and S&P may enforce its rights against Client of Kepler Cheuvreux as the third-party beneficiary of the Kepler Cheuvreux Agreement, even though S&P is not a party to the Customer Agreement.

Country and region disclosures

United Kingdom: This document is for persons who are Eligible Counterparties or Professional Clients only and is exempt from the general restriction in section 21 of the Financial Services and Markets Act 2000 on the communication of invitations or inducements to engage in investment activity on the grounds that it is being distributed in the United Kingdom only to persons of a kind described in Articles 19(5) (Investment professionals) and 49(2) (High net worth companies, unincorporated associations, etc.) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended). It is not intended to be distributed or passed on, directly or indirectly, to any other class of persons. Any investment to which this document relates is available only to such persons, and other classes of person should not rely on this document.

United States: This communication is only intended for, and will only be distributed to, persons residing in any jurisdictions where such distribution or availability would not be contrary to local law or regulation. This communication must not be acted upon or relied on by persons in any jurisdiction other than in accordance with local law or regulation and where such person is an investment professional with the requisite sophistication to understand an investment in such securities of the type communicated and assume the risks associated therewith.

This communication is confidential and is intended solely for the addressee. It is not to be forwarded to any other person or copied without the permission of the sender. This communication is provided for information only. It is not a personal recommendation or an offer to sell or a solicitation to buy the securities mentioned. Investors should obtain independent professional advice before making an investment.

Notice to U.S. Investors: This material is not for distribution in the United States, except to "major US institutional investors" as defined in SEC Rule 15a-6 ("Rule 15a-6"). KEPLER CHEUVREUX has entered into a 15a-6 Agreement with Kepler Capital Markets, Inc. ("KCM, Inc.") which enables this report to be furnished to certain U.S. recipients in reliance on Rule 15a-6 through KCM, Inc.

Each U.S. recipient of this report represents and agrees, by virtue of its acceptance thereof, that it is a "major U.S. institutional investor" (as such term is defined in Rule 15a-6) and that it understands the risks involved in executing transactions in such securities. Any U.S. recipient of this report that wishes to discuss or receive additional information regarding any security or issuer mentioned herein, or engage in any transaction to purchase or sell or solicit or offer the purchase or sale of such securities, should contact a registered representative of KCM, Inc.

KCM, Inc. is a broker-dealer registered with the Securities and Exchange Commission ("SEC") under the U.S. Securities Exchange Act of 1934, as amended, Member of the Financial Industry Regulatory Authority ("FINRA") and Member of the Securities Investor Protection Corporation ("SIPC"). Pursuant to SEC Rule 15a-6, you must contact a Registered Representative of KCM, Inc. if you are seeking to execute a transaction in the securities discussed in this report. You can reach KCM, Inc. at Tower 49, 12 East 49th Street, Floor 36, New York, NY 10017, Compliance Department (212) 710-7625; Operations Department (212) 710-7606; Trading Desk (212) 710-7602. Further information is also available at www.keplercheuvreux.com. You may obtain information about SIPC, including the SIPC brochure, by contacting SIPC directly at 202-371-8300; website: http://www.sipc.org/.

KCM, Inc. is a wholly owned subsidiary of KEPLER CHEUVREUX. KEPLER CHEUVREUX , registered on the Paris Register of Companies with the number 413 064 841 (1997 B 10253), whose registered office is located at 112 avenue Kléber, 75016 Paris, is authorised and regulated by both Autorité de Contrôle Prudentiel (ACP) and Autorité des Marchés Financiers (AMF).

Nothing herein excludes or restricts any duty or liability to a customer that KCM, Inc. may have under applicable law. Investment products provided by or through KCM, Inc. are not insured by the Federal Deposit Insurance Corporation and are not deposits or other obligations of any insured depository institution, may lose value and are not guaranteed by the entity that published the research as disclosed on the front page and are not guaranteed by KCM, Inc.

Investing in non-U.S. Securities may entail certain risks. The securities referred to in this report and non-U.S. issuers may not be registered under the U.S. Securities Act of 1933, as amended, and the issuer of such securities may not be subject to U.S. reporting and/or other requirements. Rule 144A securities may be offered or sold only to persons in the U.S. who are Qualified Institutional Buyers within the meaning of Rule 144A under the Securities Act. The information available about non-U.S. companies may be limited, and non-U.S. companies are generally not subject to the same uniform auditing and reporting standards as U.S. companies. Securities of some non-U.S. companies may not be as liquid as securities of comparable U.S. companies. Securities discussed herein may be rated below investment grade and should therefore only be considered for inclusion in accounts qualified for speculative investment.

Analysts employed by KEPLER CHEUVREUX SA, a non-U.S. broker-dealer, are not required to take the FINRA analyst exam. The information contained in this report is intended solely for certain "major U.S. institutional investors" and may not be used or relied upon by any other person for any purpose. Such information is provided for informational purposes only and does not constitute a solicitation to buy or an offer to sell any securities under the Securities Act of 1933, as amended, or under any other U.S. federal or state securities laws, rules or regulations. The investment opportunities discussed in this report may be unsuitable for certain investors depending on their specific investment objectives, risk tolerance and financial position.

In jurisdictions where KCM, Inc. is not registered or licensed to trade in securities, or other financial products, transactions may be executed only in accordance with applicable law and legislation, which may vary from jurisdiction to jurisdiction and which may require that a transaction be made in accordance with applicable exemptions from registration or licensing requirements.

The information in this publication is based on sources believed to be reliable, but KCM, Inc. does not make any representation with respect to its completeness or accuracy. All opinions expressed herein reflect the author's judgment at the original time of publication, without regard to the date on which you may receive such information, and are subject to change without notice.

KCM, Inc. and/or its affiliates may have issued other reports that are inconsistent with, and reach different conclusions from, the information presented in this report. These publications reflect the different assumptions, views and analytical methods of the analysts who prepared them. Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied, is provided in relation to future performance.

KCM, Inc. and any company affiliated with it may, with respect to any securities discussed herein: (a) take a long or short position and buy or sell such securities; (b) act as investment and/or commercial bankers for issuers of such securities; (c) act as market makers for such securities; (d) serve on the board of any issuer of such securities; and (e) act as paid consultant or advisor to any issuer. The information contained herein may include forward-looking statements within the meaning of U.S. federal securities laws that are subject to risks and uncertainties. Factors that could cause a company's actual results and financial condition to differ from expectations include, without limitation: political uncertainty, changes in general economic conditions that adversely affect the level of demand for the company's products or services, changes in foreign exchange markets, changes in international and domestic financial markets and in the competitive environment, and other factors relating to the foregoing. All forward-looking statements contained in this report are qualified in their entirety by this cautionary statement.

France: This publication is issued and distributed in accordance with legal or regulatory requirements relating to independent investment research, as defined under Article 36 of the EU delegated regulation n°565/2017.

Germany: This report must not be distributed to persons who are retail clients in the meaning of Sec. 67 para. 3 of the German Securities Trading Act (Wertpapierhandelsgesetz – "WpHG"). This report may be amended, supplemented or updated in such manner and as frequently as the author deems.

Italy: This document is issued by KEPLER CHEUVREUX Milan branch, authorised in France by the Autorité des Marchés Financiers (AMF) and the Autorité de Contrôle Prudentiel (ACP) and registered in Italy by the Commissione Nazionale per le Società e la Borsa (CONSOB) and is distributed by KEPLER CHEUVREUX. This document is for Eligible Counterparties or Professional Clients only as defined by the CONSOB Regulation 16190/2007 (art. 26 and art. 58).Other classes of persons should not rely on this document. Reports on issuers of financial instruments listed by Article 180, paragraph 1, letter a) of the Italian Consolidated Act on Financial Services (Legislative Decree No. 58 of 24/2/1998, as amended from time to time) must comply with the requirements envisaged by articles 69 to 69-novies of CONSOB Regulation 11971/1999. According to these provisions KEPLER CHEUVREUX warns on the significant interests of KEPLER CHEUVREUX indicated in Annex 1 hereof, confirms that there are not significant financial interests of KEPLER CHEUVREUX in relation to the securities object of this report as well as other circumstance or relationship with the issuer of the securities object of this report (including but not limited to conflict of interest, significant shareholdings held in or by the issuer and other significant interests held by KEPLER CHEUVREUX or other entities controlling or subject to control by KEPLER CHEUVREUX in relation to the issuer which may affect the impartiality of this document]. Equities discussed herein are covered on a continuous basis with regular reports at results release. Reports are released on the date shown on cover and distributed via print and email. KEPLER CHEUVREUX branch di Milano analysts is not affiliated with any professional groups or organisations. All estimates are by KEPLER CHEUVREUX unless otherwise stated.

Spain: This document is only intended for persons who are Eligible Counterparties or Professional Clients within the meaning of Article 78bis and Article 78ter of the Spanish Securities Market Act. It is not intended to be distributed or passed on, directly or indirectly, to any other class of persons. This report has been issued by KEPLER CHEUVREUX Sucursal en España registered in Spain by the Comisión Nacional del Mercado de Valores (CNMV) in the foreign investments firms registry and it has been distributed in Spain by it or by KEPLER CHEUVREUX authorised and regulated by both Autorité de Contrôle Prudentiel and Autorité des Marchés Financiers. There is no obligation to either register or file any report or any supplemental documentation or information with the CNMV. In accordance with the Spanish Securities Market Law (Ley del Mercado de Valores), there is no need for the CNMV to verify, authorise or carry out a compliance review of this document or related documentation, and no information needs to be provided.

Switzerland: This publication is intended to be distributed to professional investors in circumstances such that there is no public offer. This publication does not constitute a prospectus within the meaning of Articles 652a and 1156 of the Swiss Code of Obligations.

UAE Dubai DIFC: This material is being communicated by Kepler Cheuvreux SA (DIFC Branch) who are regulated by the Dubai Financial Services Authority and are authorized to provide financial services to Professional Clients and Market Counterparties only as defined by the DFSA rulebook. Kepler Cheuvreux SA (DIFC Branch)'s registered address is Unit 104, Level 1, Building 1, Al Fattan Currency House, DIFC, PO Box 11638, Dubai, UAE. This material is intended only for Professional Clients or Market Counterparties. This material is not intended for Retail clients.

Canada: The information contained herein is not, and under no circumstances is to be construed as, a prospectus, an advertisement, a public offering, an offer to sell securities described herein, solicitation of an offer to buy securities described herein, in Canada or any province or territory thereof. Any offer or sale of the securities described herein in Canada will be made only under an exemption from the requirements to file a prospectus with the relevant Canadian securities regulators and only by a dealer properly registered under applicable securities laws or, alternatively, pursuant to an exemption from the dealer registration requirement in the relevant province or territory of Canada in which such offer or sale is made. Under no circumstances is the information contained herein to be construed as investment advice in any province or territory of Canada and is not tailored to the needs of the recipient. In Canada, the information contained herein is intended solely for distribution to Permitted Clients (as such term is defined in National Instrument 31-103) with whom Kepler Capital Markets, inc. deals pursuant to the international dealer exemption. To the extent that the information contained herein references securities of an issuer incorporated, formed or created under the laws of Canada or a province or territory of Canada, any trades in such securities may not be conducted through Kepler Capital Markets, inc. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon these materials, the information contained herein or the merits of the securities described herein.

Local insight, European scale.

Europe

Amsterdam
Kepler Cheuvreux Benelux
Johannes Vermeerstraat 9
1071 DK Amsterdam
+31 20 563 2365

London
Kepler Cheuvreux UK
5th Floor
95 Gresham Street
London EC2V 7NA
+44 20 7621 5100

Paris
Kepler Cheuvreux France
112 Avenue Kleber
75016 Paris
+33 1 53 65 35 00

Brussels
Kepler Cheuvreux Belgium
Rogier Tower
Place Rogier 11
1210 Brussels
+32 11 491460

Madrid
Kepler Cheuvreux Espana
Paseo de la Castellana, 52
28046 Madrid
+34 914 36 5100

Stockholm
Kepler Cheuvreux Sweden
Norrmalmstorg 12
11146 Stockholm
+46 8 723 51 00

Frankfurt
Kepler Cheuvreux Germany
Taunusanlage 19
60325 Frankfurt
+49 69 756 960

Milan
Kepler Cheuvreux Italia
Via C. Cornaggia 10
20123 Milan
+39 02 8550 7201

Warsaw
Rondo ONZ 1
00-124 Warsaw
+44 20 33 50 5015

Geneva
Kepler Cheuvreux SA
Avenue Perdtemps 23,
1260 Nyon
Switzerland
+41 22361 5151

Oslo
Kepler Cheuvreux Norway
Filipstad Brygge 1
Munkedamsveien 59B
0270 Oslo
+47 23 13 9080

Zurich
Kepler Cheuvreux Switzerland
Stadelhoferstrasse 22
8001 Zurich
+41 43 333 66 66

North America

New York
Kepler Capital Markets, Inc.
Tower 49
12 East 49th Street, Floor 36
10017 New York, NY USA
+1 212 710 7600

United Arab Emirates

Dubai (DIFC)
The Exchange - GV11 - L2
Dubai International Financial Centre
PO Box 11638
Dubai, UAE
+971 4 555 6005

PRI Principles for Responsible Investment