Document downloaded by Mathilde Guillemot (Arverne)

Document produced on
4 September 2026 at 8:58am CET
Document published on
4 September 2026 at 9:11am CET

TP ICAP MIDCAP

EQUITY RESEARCH

ARVERNE GROUP ACT

NEWS
Company call

BUY
TP 9.5€
Up/Downside: 20%

Strengthening of the Exploration Permit Portfolio

Research partially paid by the Issuer

We welcome Arverne's announcement of a new geothermal lithium exploration permit in the Auvergne region. While the immediate impact on valuation remains limited, the award further demonstrates Arverne's ability to expand its asset portfolio and reinforces its position as France's leading holder of geothermal exploration permits.

Arverne has further strengthened its footprint in the French subsurface with the award of a third permit dedicated to geothermal lithium exploration. Located in the Limagne Basin in Auvergne, the new 443 km^2 permit brings the Group's total portfolio to nine exploration permits.

The strategic value of the project lies in the synergies with work already completed in the area. The permit covers a zone that has been surveyed through 3D seismic campaigns as part of the Riom-Clermont-Métropole permit, allowing Arverne to leverage existing geological, geothermal and hydrogeological datasets. Combined with the scientific programme conducted alongside the BRGM, this knowledge base reduces initial exploration risk and could accelerate resource assessment.

The next step is to determine whether the Limagne Basin can support an integrated model combining renewable heat production with lithium extraction, similar to the approach being developed in Northern Alsace. Although the permit remains at an early-stage exploration phase with no immediate financial impact, it provides an additional long-term growth option and could ultimately emerge as a second strategic basin for Arverne.

Key data	
Price (€)	7.9
Industry	Utilities
Ticker	ARVEN-FR
Shares Out (m)	42.076
Market Cap (m €)	332.4
Next event	RS1-26 = sept 2026

Source: FactSet

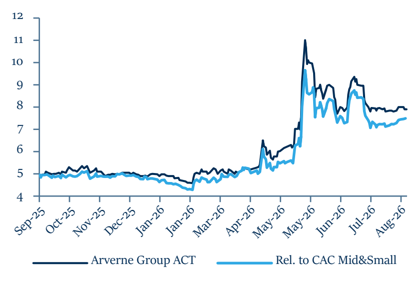
Ownership (%)	
Geogreen	25.8
Fondateurs du SPAC Transition	20.2
ADEME Investissement	9.3
Free float	14.1

Source: TPICAP Midcap estimates

EPS (€)	12/25e	12/26e	12/27e
Estimates	-0.59	-0.72	-0.89
Change vs previous estimates (%)	na	na	na

Source: TPICAP Midcap estimates

Performance (%)	1D	1M	YTD
Price Perf	-0.3	-0.5	61.2
Rel CAC Mid&Small	-1.1	2.7	59.9



Source: FactSet

TP ICAP Midcap Estimates	12/24	12/25e	12/26e	12/27e
Sales (m €)	14.1	18.0	18.0	25.0
Current Op Inc (m €)	-20.8	-25.7	-25.8	-29.1
Current op. Margin (%)	na	na	na	na
EPS (€)	-0.29	-0.59	-0.72	-0.89
DPS (€)	0.00	0.00	0.00	0.00
Yield (%)	0.0	0.0	0.0	0.0
FCF (m €)	-35.3	-56.3	-90.3	-235.1

Valuation Ratio	12/25e	12/26e	12/27e
EV/Sales	16.7	19.1	na

Source: TPICAP Midcap

Consensus FactSet - Analysts:na	12/25e	12/26e	12/27e
Sales	22.2	34.6	76.7
EBIT	-28.4	-30.2	-35.3
Net income	-26.3	-28.3	-33.0

Analyst
Veneta Nikolova
veneta.nikolova@tpicap.com
+33173030972

Document downloaded by Mathilde Guillemot (Arverne)

FINANCIAL DATA

Income Statement	12/22	12/23	12/24	12/25e	12/26e	12/27e
Sales	10.7	10.1	14.1	18.0	18.0	25.0
Changes (%)	-15.0	-5.8	40.2	27.2	0.0	38.9
Gross profit	10.9	13.6	19.7	26.7	27.5	33.1
% of Sales	102.2	134.8	139.1	148.4	152.9	132.2
EBITDA	**-0.7**	**-11.9**	**-17.7**	**-20.0**	**-20.8**	**-23.5**
% of Sales	-6.5	-118.2	-125.3	-110.9	-115.6	-93.8
Current operating profit	**-2.7**	**-15.1**	**-20.8**	**-25.7**	**-25.8**	**-29.1**
% of Sales	-24.9	-149.8	-146.8	-142.6	-143.4	-116.2
Non-recurring items	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	-2.7	-15.1	-20.8	-25.7	-25.8	-29.1
Net financial result	-0.1	4.1	4.2	1.7	-1.7	-5.1
Income Tax	-0.0	1.0	0.2	1.5	1.8	2.5
Tax rate (%)	-1.0	0.0	25.0	25.0	na	na
Net profit, group share	**-1.6**	**-53.3**	**-10.0**	**-20.7**	**-24.9**	**-30.8**

Financial Statement	12/22	12/23	12/24	12/25e	12/26e	12/27e
Goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Tangible and intangible assets	11.2	58.6	105.3	136.3	153.8	314.6
Right of Use	0.0	0.0	0.0	0.0	0.0	0.0
Financial assets	0.0	0.0	0.0	0.9	0.9	0.9
Working capital	-2.4	0.2	-7.7	-7.7	-8.5	-20.9
Other Assets	0.0	3.4	3.1	2.6	2.6	2.6
Assets	8.8	62.3	100.8	132.1	148.9	297.3
Shareholders equity group	-5.6	164.1	155.9	140.6	115.7	84.9
Minorities	0.7	14.3	14.0	18.1	15.3	15.3
LT & ST provisions and others	0.0	2.6	3.0	2.7	2.7	2.7
Net debt	13.6	-124.2	-77.4	-32.6	11.9	191.2
Other liabilities	0.0	5.5	5.3	3.3	3.3	3.3
Liabilities	8.8	62.3	100.8	132.1	148.9	297.3
Net debt excl. IFRS 16	13.6	-124.8	-106.3	-61.9	-17.5	161.8
Gearing net	-2.8	-0.7	-0.5	-0.2	0.1	1.9
Leverage	-19.5	10.4	4.4	1.6	-0.6	-8.2

Cash flow statement	12/22	12/23	12/24	12/25e	12/26e	12/27e
CF after elimination of net borrowing costs and taxes	-0.4	-10.3	-10.4	-15.7	-19.5	-22.7
ΔWCR	-3.7	2.6	-7.9	-0.1	-0.8	-12.4
Operating cash flow	-4.0	-7.7	-18.3	-15.8	-20.3	-35.1
Net capex	-5.0	-18.2	-17.1	-40.6	-70.0	-200.0
FCF	-9.0	-25.9	-35.3	-56.3	-90.3	-235.1
Acquisitions/Disposals of subsidiaries	0.0	0.0	0.0	0.0	0.0	0.0
Other investments	0.0	0.0	0.0	0.0	0.0	0.0
Change in borrowings	1.2	7.4	-0.6	-1.4	70.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Repayment of leasing debt	-0.1	-0.2	0.0	0.0	0.0	0.0
Equity Transaction	0.0	98.2	0.7	9.9	0.0	0.0
Others	0.8	-2.3	0.0	0.0	0.0	0.0
Change in net cash over the year	-7.0	80.0	-35.2	-47.8	-20.3	-235.1

Document downloaded by Mathilde Guillemot (Arverne)

DISCLAIMER

Analyst certifications

This research report (the "Report") has been approved by Midcap, a business division of TP ICAP (Europe) SA ("Midcap"), an Investment Services Provider authorised and regulated by the Autorité de Contrôle Prudentiel et de Résolution ("ACPR"). By issuing this Report, each Midcap analyst and associate whose name appears within this Report hereby certifies that (i) the recommendations and opinions expressed in the Report accurately reflect the research analyst's and associate's personal views about any and all of the subject securities or issuers discussed herein and (ii) no part of the research analyst's or associate's compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed by the research analyst or associate in the Report.

Methodology

This Report may mention evaluation methods defined as follows:
1. DCF method: discounting of future cash flows generated by the company's operations. Cash flows are determined by the analyst's financial forecasts and models. The discount rate used corresponds to the weighted average cost of capital, which is defined as the weighted average cost of the company's debt and the theoretical cost of its equity as estimated by the analyst.
2. Comparable method: application of market valuation multiples or those observed in recent transactions. These multiples can be used as references and applied to the company's financial aggregates to deduce its valuation. The sample is selected by the analyst based on the characteristics of the company (size, growth, profitability, etc.). The analyst may also apply a premium/discount depending on his perception of the company's characteristics.
3. Assets and liabilities method: estimate of the value of equity capital based on revalued assets adjusted for the value of the debt.
4. Discounted dividend method: discounting of estimated future dividend flows. The discount rate used is generally the cost of capital.
5. Sum of the parts: this method consists of estimating the various activities of a company using the most appropriate valuation method for each of them, then realizing the sum of the parts.

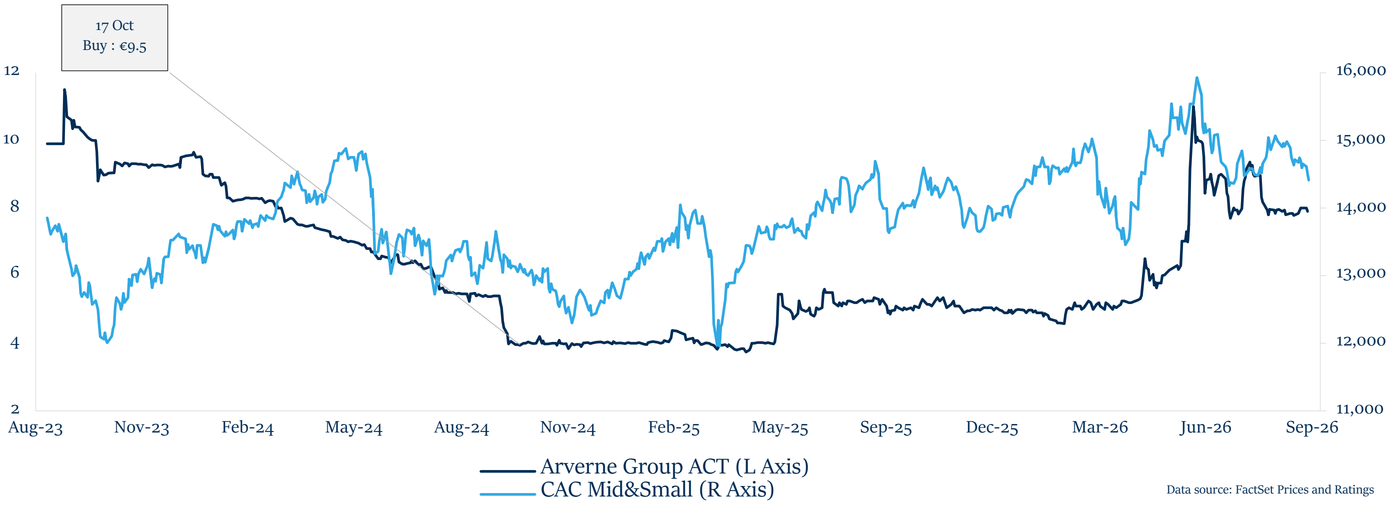
Conflict of Interests between TP ICAP Midcap and the Issuer

G. Midcap and the Issuer have agreed to the provision by the former to the latter of a service for the production and distribution of the investment recommendation on the said Issuer: Arverne Group ACT

Document downloaded by Mathilde Guillemot (Arverne)

History of investment rating and target price – Arverne Group ACT

TARGET PRICE AND RATING HISTORY FOR ARVERNE GROUP



Data source: FactSet Prices and Ratings

Historical recommendations and target price (-1Y)

Date	Analyst	Old Target Price	New Target Price	Closing Price	Old Recommendation	New Recommendation
27 Jul 26 - 05:08:07	Veneta Nikolova	€ 9.50	€ 9.50	€ 8.18	Buy	Buy
02 Jul 26 - 07:10:02	Veneta Nikolova	€ 9.50	€ 9.50	€ 7.96	Buy	Buy
16 Jun 26 - 07:41:37	Veneta Nikolova	€ 9.50	€ 9.50	€ 8.80	Buy	Buy
18 May 26 - 22:51:02	Veneta Nikolova	€ 9.50	€ 9.50	€ 7.02	Buy	Buy
10 May 26 - 03:58:24	Veneta Nikolova	€ 9.50	€ 9.50	€ 6.24	Buy	Buy
08 Apr 26 - 08:15:26	Veneta Nikolova	€ 9.50	€ 9.50	€ 5.28	Buy	Buy
26 Mar 26 - 06:48:01	Veneta Nikolova	€ 9.50	€ 9.50	€ 5.20	Buy	Buy
20 Feb 26 - 07:12:59	Veneta Nikolova	€ 9.50	€ 9.50	€ 5.05	Buy	Buy
25 Nov 25 - 06:44:07	Veneta Nikolova	€ 9.50	€ 9.50	€ 5.05	Buy	Buy
12 Oct 25 - 19:33:19	Veneta Nikolova	€ 9.50	€ 9.50	€ 5.10	Buy	Buy
25 Sep 25 - 07:05:27	Veneta Nikolova	€ 9.50	€ 9.50	€ 4.98	Buy	Buy

Distribution of Investment Ratings

Rating	Recommendation Universe*	Portion of these provided with investment banking services**
Buy	68%	76%
Hold	23%	57%
Sell	3%	40%
Under review	6%	80%

Midcap employs a rating system based on the following:
Buy: Expected to outperform the markets by 10% or more over a 6 to 12 months horizon.
Hold: expected performance between -10% and +10% compared to the market over a 6 to 12 months horizon.
Sell: Stock is expected underperform the markets by 10% or more over a 6 to 12 months horizon.

The history of ratings and target prices for the Issuers covered in this report are available on request at https://researchtpicap.midcapp.com/en/disclaimer.

Document downloaded by Mathilde Guillemot (Arverne)

General Disclaimer

This Report is confidential and is for the benefit and internal use of the selected recipients only. No part of it may be reproduced, distributed, or transmitted without the prior written consent of Midcap

This Report is published for information purposes only and does not constitute a solicitation or an offer to buy or sell any of the securities mentioned herein. The information contained in this Report has been obtained from sources believed to be reliable and public, Midcap makes no representation as to its accuracy or completeness. The reference prices used in this Report are closing prices of the day before the publication unless otherwise stated. All opinions expressed in this Report reflect our judgement at the date of the documents and are subject to change without notice. The securities discussed in this Report may not be suitable for all investors and are not intended to recommend specific securities, financial instruments, or strategies to particular clients. Investors should make their own investment decisions based on their financial situation and investment objectives. The value of the income from your investment may vary due to changes in interest rates, changes in the financial and operating conditions of companies and other factors. Investors should be aware that the market price of the securities discussed in this Report may be volatile. Due to the risk and volatility of the industry, the company, and the market in general, at the current price of the securities, our investment rating may not correspond to the stated price target. Additional information regarding the securities mentioned in this Report is available on request.

This Report is not intended for distribution or use by any entity who is a citizen or resident of, or an entity located in any locality, territory, state, country, or other jurisdiction where such distribution, publication, availability, or use would be contrary to or limited by law or regulation. Entity or entities in possession of this Report must inform themselves about and comply with any such restrictions, including MIFID II. This Report is only intended for persons who are Eligible Counterparties or Professional Clients within the meaning of MIFID II regulation. It is not intended to be distributed or passed on, directly or indirectly, to any other class of persons. The Report is subject to restricted circulation. The research was conducted in accordance with the provisions of the Charter of good practices for sponsored research. Midcap has adopted effective administrative and organizational arrangements, including "information barriers", to prevent and avoid conflicts of interest regarding investment recommendations. The remuneration of financial analysts who participate in the preparation of the recommendation is not linked to the corporate finance activity.

The company may provide corporate access services, which notably include the organization of meetings, conferences or discussions between investors and issuers. These services are separate from the research activity and have no influence on the content, quality or objectivity of the analyses presented in this document. The opinions expressed are based exclusively on sources believed to be reliable and on the author’s own analysis, independently of any commercial relationship or issuer access arrangements. No part of the author’s or associate’s compensation was, is or will be directly or indirectly related to commercial relationships or issuer access arrangements.

Corporate access services are provided in compliance with the applicable regulatory requirements.