

ACATIS FAIR VALUE SPECIAL

05/2024

New investment: Waga Energy

One of the companies in our portfolio, Waga Energy (based in Eybens, France) has the potential to change the world.

This innovative company wants to be no less than a key player in the energy transformation and the fight against climate change: Waga replaces fossil natural gas with local and renewable gas. The idea is as simple as it is ingenious: The company uses the gas that is emitted by landfills and turns it into renewable natural gas (RNG) using an efficient and patented technology. The gas can be used to supply the municipal gas network or generate electricity. Another option for using landfill gas is the cost-effective separation and further use of bio-methane, e.g. as a fuel.

Methane is one of the biggest greenhouse gases and contributes up to 30 percent to global warming. Methane forms when organic material is decomposed by micro-organisms without the presence of oxygen. At our latitudes, the largest producers of methane are the agricultural sector (large-scale livestock farming) as well as water treatment plants and landfills. Currently, 90 percent of landfill gases are emitted into the atmosphere.

Waga Energy, which was founded in 2015, is still in the early stages of its business development, but the potential is enormous. More than 20,000 landfills worldwide are suitable for the Waga technology. In this way, Waga Energy can become the link between the waste management industry and municipal energy utilities. And the formerly useless waste suddenly becomes a valuable resource - a nice idea and a win-win situation not just for the environment but also for

investors. With its 175 employees, Waga Energy is active in France, Spain, Italy, UK and North America. The company operates 21 locations and has already produced 100 million cubic metres of bio-methane, while preventing 180,000 tonnes of CO₂.

In the first quarter of 2024, Waga Energy was added to the ACATIS Fair Value Modulor Vermögensverwaltungsfonds portfolio in several tranches; it is a great fit with the small and innovative companies that offer ground-breaking business ideas and significant return potential. The investment has a direct impact and the company's sustainable products and technologies actively contribute to the sustainable development goals (SDGs): Affordable and clean energy (7), infrastructure (9), sustainable production and climate protection measures (12 and 13).

As a young company, Waga Energy has a good ESG score, since it is already on the path towards ESG management. The "Social" segment deserves special mention in this regard. Here, the company boasts a detailed code of conduct and guidelines. A potential for improvement exists with regard to environmental reporting, as the number of indicators still needs some work (e.g. CO₂ footprint). Moreover, the company is in the process of finalising the certification process for its ESG management system. Waga Energy has been assigned sustainability level 2. We will closely monitor further developments.

ACATIS Fair Value Investment AG

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