

Press Release – October 30, 2019

## HALF-YEAR RESULTS 2019

- Half-year income punctually impacted by the delay in the implementation of the financing dedicated to the algo-solar complex of Payra-sur-l'Hers
- Half-year operating income of € 1.5m, ie 30% operating margin
- High level of profitability at 16.5% half-yearly net margin
- Acceleration of the strategic plan to become a major player in the ecological transition with the implementation of value-added complexes

**Meyreuil (13), October 30, 2019. Global EcoPower (Euronext Growth – FR0011289198 – ALGEP) publishes its half-year consolidated financial statements for the first half of 2019, approved by the Board of Directors on October 25, 2019.**

| In K€ - Consolidated and audited data       | H1 2019      | H1 2018       |
|---------------------------------------------|--------------|---------------|
| <b>Turnover</b>                             | <b>5,050</b> | <b>13,127</b> |
| <b>EBITDA</b>                               | <b>1,540</b> | <b>2,946</b>  |
| EBITDA margin (in % of turnover)            | 30.5%        | 22.4%         |
| <b>Current operating income</b>             | <b>1,500</b> | <b>3,225</b>  |
| Current operating margin (in % of turnover) | 29.7%        | 24.6%         |
| <b>Financial result</b>                     | <b>-33</b>   | <b>-43</b>    |
| <b>Net income of the consolidated group</b> | <b>833</b>   | <b>2 043</b>  |
| Group net margin (in % of turnover)         | 16.5%        | 15.6%         |

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### About Global EcoPower (GEP)

*Global EcoPower, a company based in Meyreuil (13), researches, develops, designs, develops, finances and builds ecological, positive energy projects that implement high value-added products and renewable energies, particularly wind and photovoltaic energy*

*GEP is listed on the Euronext Growth market in Paris  
 (code ISIN : FR0011289198 - mnémo : ALGEP).*





## **Jean-Marie SANTANDER, President and CEO, comments :**

*« Global EcoPower experienced an atypical first semester, due to the late financing implementation of the new generation energy complex in Payra-sur-l'Hers. However, the Group has managed to maintain high levels of profitability, which reflect a sustainable and profitable development model.*

*With the € 26m financing granted by Rivage Investment since July 2019, the Group is now entering a phase of acceleration of this major project, which will be reflected significantly in the accounts of the second half of 2019 and in 2020. This first semester shows the recognition of project financing experts in GEP's capacity to deliver an innovative and unique offer, which is fully in line with the challenges of ecological transition. »*

## **KEY EVENTS OF H1 2019**

Global EcoPower has continued in the first half of 2019 the development of the new generation energy complex in Payra-sur-l'Hers, Aude, which combines several power generation technologies : ground-based photovoltaic power plant, photovoltaic installations on roof-top of greenhouses and two cogeneration plants, representing just over 20 MWh of installed capacity. As a reminder, the Group provides all operations of this algo-solar complex: development, financing and construction of this energy positive ecological project using full self-consumption of energy.

In order to benefit from the C13 tariff, the Group launched the construction of the two cogeneration plants on its own funds and thanks to supplier's credit facility. It should be remembered that the financing of this operation required € 8.6 million in equity, which was provided by the Group.

Subsequent to the end of the half-year period, the Group signed, on July 30, 2019, a financing agreement with Rivage Investment for € 26m.

With the construction of the first project of this kind in the world, GEP is positioning itself as a real player in the ecological transition with a planned production of 50 tons of spirulina per year inside greenhouses.

Turnover for H1 2019, consisting for the most part of revenues recognized in the works completion progress of this energy complex, was occasionally impacted by the delay in setting up financing for this project.

The level of completion of the project construction has reached 63%, as of June 30, 2019.

## **CONSOLIDATED HALF-YEAR RESULTS 2019**

### ■ **Consolidated income statement**

The GEP group's consolidated turnover amounted to 5,050 k€ in H1 2019, compared with 13,127 k€ in H1 2018.

EBITDA reached 1,540 k€, with a comfortable margin of 30.5%

Operating income amounted to 1,500 k€, representing a solid operating income margin of 29.7%.

After taking into account a financial result of -33 k €, the net result for H1 amounts to 833 k€, ie a net margin of 16.5%.

### ■ **Consolidated balance sheet**

In view of the half-year net profit and thanks to the exercise of 250,000 warrants, GEP's consolidated equity rose from 11,311 k€ at the end of 2018 to 12,444 k€, as of June 30, 2019.

Consolidated available cash amounted to 572 k€ at semester close, with financial debt of 5,739 k€, up from 31 December 2018 (2,399 k€) due to the financing needs of the Payra-sur-l'Hers energy complex. As of June 30, 2019, Group's financial debts consisted of 3,054 k€ in medium-term bank debt, 2,386 k€ in bonds (of which 2,125 k€ could be considered as quasi-equity), and 299 k€ in various financial debts.





## **EVENTS SUBSEQUENT TO JUNE 30, 2019**

Following the signing of the financing contract for the energy complex, Payra-sur-l'Hers in July 2019, the pace of works on site accelerated as early as September 2019.

In addition, in May 2019, GEP acquired the company Les Marottières. This company, located in Bourgneuf en Mauges (49 - Maine-et-Loire), holds an agricultural lease of 48,000 m<sup>2</sup> of photovoltaic greenhouses for agricultural exploitation. GEP plans to dedicate this site to the cultivation of microalgae. The conditions precedent relating to this transaction have been lifted to date, which allows the definitive closing of this acquisition during the fourth quarter of 2019.

Sénergies, wholly owned by GEP, which since 2015 had been a recurring source of losses for the Group, was placed in receivership on September 19, 2019.

## **PROSPECTS**

The implementation of financing in July 2019 will accelerate the pace of works of the Payra-sur-l'Hers project and will enable to catch up over the second half of the year a works completion level in line with the forecasts of the full fiscal year.

Faced with lower regulated tariffs and more and more exacerbated competition in the traditional renewable energy market, GEP intends to invest even more in its new strategic axis, consisting of the development and the construction of ecological complexes with strong added value, capitalizing on high level of know-how and agility.

These complexes will produce ecological products requiring energy (example spirulina which develops optimally in basins heated to 35 °). The association of power plants implementing renewable energies will sustain the cost of the ecological product while producing green electricity injected to the grid. GEP plans to develop complexes implementing production activities other than spirulina and to start building a new complex every year. For each complex, GEP will partner with a global specialist of the concerned production activity.

