PRESS RELEASE

Significant improvement in first-half 2024-2025 results

Increase of 14% in Recurring EBITDA and 100% in net profit thanks to an increase in the Recycling business combined with a significant contribution from Elior Group

Paris, May 27, 2025, 5:45 p.m. - Derichebourg (ISIN code: FR000053381, Ticker: DBG), a European leader in metal waste recycling, today announces that the Board of Directors, chaired by Mr. Daniel Derichebourg, on May 27, 2025, approved the consolidated financial statements for the first half of 2024/2025 as at March 31, 2025. During this meeting, the Chairman of the Board of Directors declared: "*Despite the economic upheavals of the first half-year and the uncertainties related to the price war, particularly in the metals market, the result of our recycling business increased. At the same time, all of the Group's activities were highly profitable and Elior made its first major contribution to the consolidated net profit, illustrating the strategy implemented in recent years.*"

Consolidated revenue

The revenue for the fiscal year amounted to €1.7 billion, close to that of the previous fiscal year (-2%). In the Recycling business, the revenue decreased by 1.7%, and in the Public Sector Services business, faced with a demanding base effect, it decreased by 7.8%.

(in thousands of metric tons)	**03-31-25**	03-31-24	Change
Ferrous metals	2,082.8	2,204.4	(5.5%)
Non-ferrous metals	342.1	352.9	(3.1%)
Total volumes	**2,424.9**	**2,557.3**	**(5.2%)**

(in millions of euros)	**03-31-25**	03-31-24	Change
Ferrous metals	684.6	774.0	(11.5%)
Non-ferrous metals	841.5	775.9	8.4%
Services	81.7	84.9	(3.8%)
Recycling revenue	**1,607.8**	**1,634.9**	**(1.7%)**
Public Sector Services revenue	**89.6**	**97.2**	**(7.8%)**
Holding company revenue	**0.6**	**0.6**	**3.6%**
Total Group	**1,698.0**	**1,732.7**	**(2.0%)**

Recycling business

Ferrous metals

The volumes of ferrous scrap metal sold in the first half decreased by 5.5%.

The markets to which the Group is exposed (mainly the European steel industry, and to a lesser extent the major export steel industry: Turkey, Egypt, Morocco) had limited needs for ferrous metals during the half-year, due to their own difficulties and high production costs (energy) and low outlets, with the construction and automotive markets slowing down for several semesters. In addition, there is competition from low-cost semi-finished products from Chinese steel, imported in large quantities into the European Union, and especially into Turkey. Faced with this difficult situation, most steel production decarbonization projects have been put on hold, pending the outcome of the discussions with the European Commission to obtain more protection measures.

The average price of ferrous scrap metal sold by the Group was €328.7, down by 6.4% compared to last year.

The revenue from the Ferrous Scrap Metal business amounted to €684.6 million, down by 11.5%.

Non-ferrous metals

The volumes of non-ferrous metals (NFM) sold by the Group were down by 3.1% compared to last year. The trends differ depending on the metal: the volumes of aluminum and stainless steel are down while those of copper and lead are up.

The average price of NFM sold was 11.9% higher than last year, resulting in an 8.4% rise in revenue for the NFM business, to €841.5 million.

Services

The revenue from the Services business decreased by 3.8%. A steel service was terminated in Spain. This segment is also suffering from the sluggishness of the economy in Western Europe, which affects both the volumes of ordinary industrial waste and those concerning waste electrical and electronic equipment (WEEE) treatment services.

Recurring EBITDA[1] of the Recycling business

In the context described above, the Recurring EBITDA of the Recycling business increased by €21.0 million from €122.0 million to €143.0 million (+17.2%).

The increase in the commercial margin (+€12.8 million) is partly due to a base effect: the months of November and December 2023 were impacted by a cyberattack which deprived the Group of its business management resources, and during which lower-than-usual unit margins were recorded. Secondly, despite the decline in volumes sold, the Group's production facilities in France processed more volumes of ferrous metals than last year due to the end (July 2024) of the supply obligation for the four shredders sold at the request of the European Commission. Regarding NFM, the unit margins were on average higher than last year.

The electricity savings (€6.4 million) are broadly in line with the Group's expectations, given that the price of electricity for 2025 in France was determined in 2024.

Public Sector Services

Revenue was down by 7.8% over the half-year, due to the impact of the full half-year impact of the contract with the city of Marseille last year, which ended on March 31, 2024 (-€10.2 million), and to the start-up at the end of the half-year (02/01/2025) of the contract with the city of Rennes (+€1.6 million).

The Recurring EBITDA decreased from €20.1 million to €18.4 million (-8,6%). This decrease is linked to the end of the Marseille contract, and to the start-up costs of the Rennes contract, which is gradually ramping up.

The Recurring EBITDA as a percentage of revenue remains above 20%.

The recurring operating profit amounted to €10.3 million, with a recurring EBIT rate of 11.5%.

The comparison of the operating profit for the half-year (€10.3 million) was impacted by non-recurring income of €3.8 million last year, following a favorable court decision.

[1] Recurring EBITDA = Recurring operating profit (loss) + depreciation and amortization of tangible and intangible assets, and right-of-use assets.
Recurring operating profit (loss) = Operating profit (loss) +/- non-recurring items.

Group results (financial statements subject to a limited review by the Statutory Auditors)

(in millions of euros)	**03-31-25**	03-31-24	Change
Revenue	**1,698.0**	**1,732.7**	**(2.0%)**
Recurring EBITDA	**162.1**	**142.0**	**14.1%**
Recycling	*143.0*	*122.0*	*17.2%*
Public Sector Services	*18.4*	*20.1*	*(8.6%)*
Recurring operating profit (loss)	**80.0**	**65.0**	**23.2%**
Recycling	*71.0*	*52.5*	*35.2%*
Public Sector Services	*10.3*	*13.1*	*(21.5%)*
Net non-recurring items	0.1	3.8	
Operating profit (loss)	**80.1**	**68.7**	**16.5%**
Net financial expenses	(17.6)	(18.8)	
Other financial items	0.6	(1.9)	
Profit (loss) before tax	**63.0**	**48.1**	**31.2%**
Income tax	(19.9)	(16.5)	
Income from associates	20.9	0.8	
Income from discontinued or held-for-sale activities	-	-	
Net profit (loss) attributable to non-controlling interests	(0.8)	(0.8)	
Net profit attributable to shareholders	**63.2**	**31.4**	**101.1%**

Group Recurring EBITDA

The Recurring EBITDA amounted to €162.1 million, up by 14.1%. On a rolling 12-month basis, the Recurring EBITDA was €350 million.

Recurring operating profit (loss) Group

After taking into account €82.1 million in depreciation and amortization over the half-year, the recurring operating profit amounted to €80.0 million, up by 23.2% compared to the first half of last year.

Operating profit (loss)

There were no significant non-recurring items during the half-year. Last year, income of €3.8 million was recorded following a favorable court decision.

The operating profit amounted to €80.1 million, up by 16.5% compared to last year.

Profit (loss) before tax

After taking into account €17.6 million in financial expenses (down by €1.2 million due to the decrease in interest rates) and other financial income and expenses of €0.6 million, the Group's profit before tax amounted to €63.0 million, up by 31.2% compared to last year.

Income from associates

The income from associates (+€20.9 million) included a €20.7 million first-half gain generated by Elior Group (+€0.5 million in the first half of 2024). As of March 31, 2025, Derichebourg SA held a 48.17% stake in Elior Group. The increase in Elior's results compared to last year is quite remarkable, as its net profit increased from +€1 million to +€43 million.

Consolidated net profit (loss)

The consolidated net profit totaled €64.0 million for the first half of the 2024-2025 fiscal year. The net profit attributable to the owners of the parent amounted to €63.2 million, up by more than 100% compared to the same period of the past fiscal year.

Changes in indebtedness

The net financial debt decreased by €8.2 million over the half-year, to €705.5 million, despite the payment of a dividend of €20.7 million in respect of the previous fiscal year.

As announced, the Group reduced its maintenance investments in order to improve its free cash flow. 37% of the Recurring EBITDA was reinvested in manufacturing equipment. Development investments continued with the commissioning of the hot water tank treatment line in Bonneuil-sur-Marne, which is currently being finalized.

Over the half-year, the working capital requirement increased by €40.7 million compared to September 30, 2024. The WCR at the end of March is generally higher than at the end of September. At the end of March 2025, the non-ferrous metal inventories were higher than in September 2024 (+€24 million). This increase is partly due to the high level of activity of lines that process expensive products (copper cable shredding lines). The magnitude of the increase in the WCR is expected to decline in the second half of the year.

Outlook for the second half of the 2024-2025 fiscal year

The EBITDA increase factors mentioned during the presentation of the 2024 annual results materialized during the half-year: improvement of the commercial margin, electricity savings, and control of other expenses. Despite the context of the steel market over the half-year, the Group achieved a rolling EBITDA of €350 million over 12 months.

The second half of the current fiscal year started with the fear of an all-out trade war, initiated by the United States, causing customers to adopt a wait-and-see attitude, a drop in the price of recycled raw materials produced by the Group, and a decline in the US dollar. Given the immediate negative effect of this policy on the financing conditions in the United States, the latter delayed and opened negotiations with the various stakeholders. This change made it possible to halt the fall in prices and to clarify the outlook a little, which will be completely clear when agreements acceptable to all have been concluded. The achievement of a Recurring EBITDA of €350 million at the end of the fiscal year takes into account the assumption of rapid commercial agreements, at levels of customs duties that allow the prices and volumes of recycled raw materials to return to the levels of the first half of the year. Investments are expected to remain below 50% of Recurring EBITDA.

For the longer term, the Group remains optimistic:

- the uncertainties surrounding the implementation schedule, or even the very principle of implementation, of industrial projects for the production of steel by direct reduction (intended to replace blast furnaces) make electric steel mills an excellent compromise for achieving balance between production cost and environmental footprint;
- industrial metals, for which the Group is a leading player, are at the heart of the energy transition;
- in France, Derichebourg has a network of powerful and high-quality tools which it supplements each year with new high value-added sorting lines. Two new lines will be commissioned in the second half of the year: a hot water tank treatment line in Bonneuil-sur-Marne, and a copper cable granulate treatment line in Madrid. Other projects are being studied, such as a new lead refinery, which would be the most modern in France, or are being prepared, such as the creation of a recycling line (Phase 1) for electric batteries, in partnership with LG Energy Solutions;
- the results of Elior Group, which has also successfully refinanced its debt, are again significantly positive, which should ultimately result in the payment of dividends;
- the Group's sound financial structure enables it to be agile in different market conditions and to seize external growth opportunities, particularly in periods of uncertainty or downturns.

About Derichebourg

The Derichebourg Group is a major player in the provision of environmental services, services to businesses and to regional and local governments. The Group is currently present in 13 countries and has 5,559 employees worldwide. In 2024, the Derichebourg Group's revenue amounted to €3.6 billion. For more information: http://www.derichebourg.com

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Annex 1: Income statement

(in millions of euros)	03-31-25	03-31-24	Change
Revenue	**1,698.0**	**1,732.7**	**(2.0%)**
Recurring EBITDA	**162.1**	**142.0**	**14.1%**
◻ *Recycling*	*143.0*	*122.0*	*17.2%*
◻ *Public Sector Services*	*18.4*	*20.1*	*(8.6%)*
Recurring operating profit (loss)	**80.0**	**65.0**	**23.2%**
◻ *Recycling*	*71.0*	*52.5*	*35.2%*
◻ *Public Sector Services*	*10.3*	*13.1*	*(21.5%)*
Net non-recurring items	0.1	3.8	
Operating profit (loss)	**80.1**	**68.7**	**16.5%**
Net financial expenses	(17.6)	(18.8)	
Other financial items	0.6	(1.9)	
Profit (loss) before tax	**63.0**	**48.1**	**31.2%**
Income tax	(19.9)	(16.5)	
Income from associates	20.9	0.8	
Income from discontinued or held-for-sale activities	-	-	
Net profit (loss) attributable to non-controlling interests	(0.8)	(0.8)	
Net profit attributable to shareholders	**63.2**	**31.4**	**101.1%**

Annex 2: Balance sheet

Assets

(in millions of euros)	03-31-25	09-30-24	Change
Goodwill	276.3	275.9	
Intangible assets	1.8	2.3	
Property, plant and equipment	821.6	822.2	
Right-of-use assets	302.9	310.0	
Financial assets	6.9	6.9	
Interests in associates and joint ventures	409.2	389.4	
Deferred taxes	15.6	19.1	
Other assets	2.0	-	
Total non-current assets	**1,836.3**	**1,825.7**	**0.6%**
Inventories	201.1	175.3	
Trade receivables	286.1	274.6	
Tax receivables	5.6	9.9	
Other assets	80.3	69.2	
Financial assets	14.5	16.1	
Cash and cash equivalents	184.4	192.2	
Financial instruments	1.7	0.6	
Total current assets	**773.7**	**737.9**	**4.8%**
Total non-current assets and groups of assets held for sale		**-**	
Total assets	**2,609.9**	**2,563.6**	**1.8%**

Liabilities

(in millions of euros)	03-31-25	09-30-24	Change
Group shareholders' equity	**1,074.4**	**1,030.9**	
Non-controlling interests	3.1	3.3	
Total shareholders' equity	**1,077.5**	**1,034.2**	**4.2%**
Loans and financial debts	720.2	748.1	
Provision for pensions and similar benefits	29.9	29.3	
Other provisions	29.3	30.4	
Deferred taxes	37.7	37.7	
Other liabilities	3.6	3.4	
Total non-current liabilities	**820.7**	**848.9**	**(3.3%)**
Loans and financial debts	169.7	157.8	
Provisions	6.2	5.4	
Trade payables	392.8	376.5	
Tax payables	15.9	11.7	
Other liabilities	126.5	128.0	
Financial instruments	0.6	1.1	
Total current liabilities	**711.7**	**680.5**	**4.6%**
Total liabilities related to a group of assets held for sale		**-**	
Total equity & liabilities	**2,609.9**	**2,563.6**	**1.8%**

Annex 3: Passage of net financial debt from September 30, 2024, to March 31, 2025

Net financial debt at September 30, 2024	**713.7**
Recurring EBITDA	(162.1)
Change in working capital requirements	40.7
Net financial expenses	17.6
Corporate income taxes	8.1
Net CAPEX	60.0
New rights of use from operating leases	11.1
Dividends	20.7
Other	(4.3)
Net financial debt at March 31, 2025	**705.5**