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## Press release

# Projected 2019-2021 cash requirements and financial agenda

## 1. Projected cash requirements 2019-2021

Recylex S.A. (Euronext Paris: FR0000120388 - RX) announces, within the scope of the updating process of the Group's cash flow forecast, that the German subgroup's cash requirements identified for the years 2020 and 2021 are currently estimated at approximately €40.0 million (including €26.0 million for 2020 and €14.0 million for 2021), excluding repayment maturities under the existing financing<sup>1</sup>.

As a reminder, in its press release dated 17<sup>th</sup> June 2019, the Group indicated that it had estimated the German sub-group's projected cash requirements for 2019 at €44.4 million.

Since then, the German sub-group has obtained from the banking consortium the postponement until 31<sup>st</sup> December 2019 of the availability of a tranche of the existing financing (up to €2.4 million), but subject to the condition that a global financing agreement be concluded. In the event that this tranche is not made available in 2019, the amount of the German sub-group's estimated cash requirement for the whole of 2019 would be increased by this amount.

In this context, following the analyses and reports of the experts commissioned by the Group, the German subsidiary Weser-Metall GmbH (WMG) recently initiated technical and operational feasibility studies for various investment projects and measures aimed at stabilizing the operation of the foundry with its two furnaces, continuing to improve its production and enabling its profitability. In order to carry out these studies, WMG's teams, recently reinforced with specialized experts, will be further supported by Glencore International AG's experts.

These studies, which will take several months, are also necessary to update the German sub-group's financial assumptions and forecasts for the period 2022 to 2024 (the date of the initial maturity of the financing obtained in 2016). It is only when these studies will be finalized and forecasts established, that discussions with all financing partners could be reinitiated to determine if a global financing agreement is possible.

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## 2. Discussions with the financial partners of the German sub-group

In order to enable this action plan to be implemented, the German sub-group has received an agreement in principle from Glencore International AG to grant (subject in particular to the agreement of the other financial partners regarding the requests mentioned below):

- a new bridge-financing up to €16.0 million for the period from 1<sup>st</sup> August 2019 to 30<sup>th</sup> November 2019, with a maturity date set on 30<sup>th</sup> November 2019, unless WMG's production deteriorates significantly over the period;
- a postponement of the current bridge financing, whose maturity date is currently set on 31<sup>st</sup> July 2019 and whose total amount will amount to €27.0 million at that date, with a maturity date postponed until 30<sup>th</sup> November 2019, unless WMG's production deteriorates significantly over the period.

In this context, the German sub-group will formally request from its financial partners to postpone to 30<sup>th</sup> November 2019 their rights of early termination under the existing financing (obtained in December 2016), as well as to postpone until the same date the repayments due at 31<sup>st</sup> December 2018, 31<sup>st</sup> March 2019, 30<sup>th</sup> June 2019 and 30<sup>th</sup> September 2019, representing a total amount of €8.0 million.

The Group will keep investors informed of the financial partners' position on these requests.

## 3. Financial agenda

In this context, given the significant liquidity risks currently facing the Group<sup>2</sup>, Recylex S.A. is not in a position to close its 2018 annual and consolidated financial statements and will not be able to close its 2019 half-year financial statements on a going concern basis until a global agreement on the financing of the German sub-group has been reached.

To date, the Company has obtained a postponement from the Paris Commercial Court until 31<sup>st</sup> October 2019 for the holding of its general meeting called to rule on the 2018 annual and consolidated financial statements.

On Thursday 25<sup>th</sup> July 2019, Recylex S.A. will publish its quarterly financial information as at 30<sup>th</sup> June 2019.

## 4. Other information

Following rumours of which it has become aware, the Group states that it denies any plan to sell C2P-France S.A.S (the group's plastics business in France).

In addition, Recylex S.A. is continuing the rehabilitation work on its inactive site of L'Estaque in Marseille. The expenses related to work still to be carried out amounts to €7.2 million as at 30<sup>th</sup> June 2019. Recylex remains attentive to future valuation opportunities. However, to date, no sale of the site is on the agenda.

## 5. Resumption of listing

The listing of the Recylex share on Euronext Paris will resume on Tuesday 16<sup>th</sup> July 2019 at the opening of the stock exchange.

*1 See notably press releases of 5<sup>th</sup> December 2018, 26<sup>th</sup> March 2019, 29<sup>th</sup> April 2019, 15<sup>th</sup> May 2019, 24<sup>th</sup> May 2019, 31<sup>st</sup> May 2019, 17<sup>th</sup> June 2019, 19<sup>th</sup> June 2019 and 25<sup>th</sup> June 2019.*

*2 See Note 1 Section F "Cash position" of the condensed financial statements as of 30<sup>th</sup> June 2018.*

## Raw materials from urban mines

The Recylex Group, based in France and Germany, is a European specialist in the recycling of lead, zinc, polypropylene and in the production of high-purity special metals. As a key player in the circular economy and thanks to its long-standing know-how, Recylex achieved consolidated sales of € 365 million in 2018 and employs more than 730 employees.

For more information about the Recylex Group: [www.recylex.eu](http://www.recylex.eu)

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