

ECOSLOPS : ANNUAL RESULTS 2024 AND DEBT RESTRUCTURING

Paris, 15 April 2025, 7.30 am - Ecoslops, the cleantech company that brings oil into the circular economy, announces its results for the year ended 31 December 2024, as approved by the Board of Directors at its meeting on 14 April 2025, together with the agreement reached to restructure its financial debt.

- **On the Group's new scope: sales up 12% and positive EBITDA in 2024 at €0.4m, up €0.6m on 2023 on a like-for-like basis**
- **Finalisation of the debt restructuring**

Highlights of the 2024 financial year

- Disposal of Ecoslops Provence on 29 February 2024, for €8m. The impact of the exit from the scope of consolidation had been fully provisioned in the 2023 financial statements.
- Satisfactory results in Portugal, with a subsidiary's EBITDA at €2.3m.
- Continuation of the support function savings plan to adjust to the new scope (-26% between end-2022 and end-2024), i.e. €0.6m.
- Net debt reduced to 12M€. Cash position of €6.6m at 31 December 2024.

Debt restructuring

At the same time as closing the 2024 consolidated accounts, Ecoslops SA announces that it has obtained an agreement from its two main creditors, the European Investment Bank (EIB) and Bpifrance (BPI), to restructure its debt.

This agreement follows discussions with the company's financial partners following the disposal on 29 February 2024 of its subsidiary Ecoslops Provence, with a view to adapting the debt structure to the future cash flows generated by the new Group structure. As a result of this agreement, maturities have been extended and the annual interest expense substantially reduced.

2024 consolidated income statement (in K€) - Analytical presentation

(Based on audited accounts, reports to be issued)

Given the disposal of Ecoslops Provence, the analytical presentation of the consolidated income statement below takes into account the Group's new scope and isolates the non-recurring impact of costs relating to Ecoslops Provence and related restructuring.

| | 31/12/2023 | 31/12/2024 | Variation |
|--|---------------|---------------|----------------|
| Refined products (P2R) | 7 875 | 8 765 | 890 |
| Port services & others | 2 390 | 2 739 | 349 |
| Total Turnover | 10 265 | 11 504 | 1 239 |
| Gross Margin | 6 979 | 7 496 | 517 |
| Gross Margin rate | 68% | 65% | -2,8 pt |
| Personnel expenses | -3 087 | -3 336 | -249 |
| Other expenses | -3 830 | -3 486 | 344 |
| Taxes | -213 | -259 | -46 |
| EBITDA | -151 | 415 | 566 |
| Depreciation / Provision | -1 449 | -1 374 | 75 |
| Financial result | -1 327 | -2 399 | -1 072 |
| Corporate tax | 324 | 490 | 166 |
| Result before Restructuring / E. Provence | -2 603 | -2 868 | -265 |
| Result linked to Ecoslops Provence | -4 771 | 56 | 4 827 |
| Restructuring costs | -674 | -290 | 384 |
| Net result | -8 048 | -3 102 | 4 946 |
| Net result - Part for the Group | -7 353 | -3 102 | 4 251 |

Ecoslops Portugal's sales rose by 12%, from €10.3m in 2023 to €11.5m in 2024. The Port Services business grew by 15% to €2.7m, while the Refined Products business recorded an 11% increase in sales to €8.8m in 2024, compared with €7.9m in 2023. This increase breaks down as follows : +13% due to the volume effect, -3% due to the price effect (the average price of Brent having fallen from €76.1/bbl in 2023 to €73.8/bbl in 2024). The unit produced 21,448 tonnes of refined products over the period, compared with 20,071 tonnes in 2022, and sold 19,981 tonnes, compared with 17,693 tonnes the previous year.

Gross margin, down 2.8 points, was impacted by 1.2 points from the unwinding of swap contracts on supplies and by 1.6 points from the higher cost of sea transport for slop imports from the ARA zone.

As a result, the gross margin was €7.5m, €0.5m higher than in 2023.

Despite the inflationary environment, the Group has kept its operating expenses under control. All of Ecoslops SA's indirect costs (staff, rent, service providers, etc.) have been the subject of a cost-cutting plan, resulting in a reduction of €0.6m between 2022 and 2024, or 26%.

Based on the new Group structure, EBITDA was €0.4m, €0.6m higher than in 2023.

Net financial expense was a loss of €2.4m. This includes an impairment charge of €2.0m on Valtech Energy, of which €0.4m related to the shares, which were written down to their nominal value, and €1.6m to the entire vendor credit facility. This impairment is due to the principle of prudence, given Valtech Energy's delay in the project. The financial result also includes financial income from investments of €0.2m and financial interest on loans of €(0.6)m, it being specified that the EIB interest has been accrued on the basis of the new agreement.

Corporation tax amounts to €0.5m, comprising a research tax credit of €0.3m and deferred tax of €0.2m in Portugal.

The Group's normative net profit therefore came to €(2.9)m.

After taking into account a non-recurring charge of €0.2m relating to the completion of the Group's restructuring operations, consolidated net loss attributable to equity holders of the parent came to €3.1m, compared with €7.4m the previous year.

Consolidated balance sheet at 31 December 2024 (in K€)

(Based on audited accounts, reports to be issued)

As a reminder, the contract for the sale of Ecoslops Provence was signed before the closing date of the 2023 financial statements. For this reason, the contribution of Ecoslops Provence to the 2023 consolidated balance sheet is presented on a single, separate line, 'Ecoslops Provence net assets', allowing comparison with other balance sheet items on an equivalent basis.

| | 31/12/2023 | 31/12/2024 | Var. k€ |
|-----------------------------|---------------|---------------|----------------|
| Intangible assets | 872 | 633 | (239) |
| Tangible assets | 12 048 | 12 042 | (6) |
| Financial assets | 2 392 | 677 | (1 715) |
| Fixed assets | 15 312 | 13 352 | (1 960) |
| Inventory | 1 624 | 2 402 | 778 |
| Trade receivables | 1 635 | 1 188 | (447) |
| Other receivables | 1 105 | 735 | (370) |
| Deferred tax asset | 1 460 | 1 694 | 234 |
| Cash and cash equivalent | 3 204 | 6 590 | 3 386 |
| Prepaid expenses | 670 | 888 | 218 |
| Current assets | 9 698 | 13 497 | 3 799 |
| Net asset Ecoslops Provence | 9 058 | | (9 058) |
| Total Assets | 34 068 | 26 849 | (7 219) |

| | 31/12/2023 | 31/12/2024 | Var. k€ |
|-------------------------------------|---------------|---------------|----------------|
| Capital & Reserves | 14 226 | 6 873 | (7 353) |
| Investing subsidy | 1 364 | 1 267 | (97) |
| Minority shareholders | (777) | 0 | 777 |
| Net result - Part for the Group | (7 353) | (3 102) | 4 251 |
| Equity | 7 460 | 5 038 | (2 422) |
| Conditional advance | 838 | 838 | 0 |
| Prov. for Risks & Charges | 1 931 | 125 | (1 807) |
| Financial debt | 20 606 | 17 772 | (2 834) |
| Trade payables | 2 059 | 1 811 | (248) |
| Social and tax liabilities | 506 | 569 | 63 |
| Other payables | 667 | 697 | 30 |
| Current liabilities | 3 233 | 3 077 | (156) |
| Total Liability & Equity | 34 068 | 26 849 | (7 219) |

Non-current assets fell by €2.0m in 2024. This decrease is mainly due to the impairment of Valtech Energy shares and vendor credit in the amount of €(2.0)m. For information, the Group's exposure to Valtech Energy has been reduced to €0.8m.

Current assets, excluding cash, increased by €0.4m, mainly due to a €0.8m increase in inventories (an import of slops was carried out at the end of December 2024), and a €0.4m decrease in trade receivables.

Cash and cash equivalents at 31 December 2024 totalled €6.6m, including €3.6m in marketable securities (term deposits), an improvement of €3.4m compared with the end of 2023.

Shareholders' equity fell by €2.4m, mainly as a result of the €3.1m loss for the year and the withdrawal of minority interests in connection with the disposal of Ecoslops Provence.

Provisions for liabilities and charges fell by €1.8m, reflecting the reversal of a provision of €1.8m set aside at the end of 2023 to cover the impact on consolidation of the withdrawal of Ecoslops Provence from the scope of consolidation.

Borrowings totalled €17.8m, down €2.8m on 2023. This reduction is attributable to lower accrued interest, -€1.7m, on European Investment Bank ("EIB") debt, and to a net change in borrowings of €(1.1)m.

As stated in this press release, the company has concluded the discussions with its two main creditors, the EIB and BPI. As a result of this agreement, the maturities have been extended and the annual interest charge reduced, with effect from 30 June 2024. The EIB's interest rate consisted of a fixed rate of 5% and a royalty interest. Under the new agreement, the royalty interest has been abolished, almost halving the annual interest charge. In return, the EIB will benefit from an excess cash clause in 2031, under which it will be entitled to receive, on 30 June 2031, 50% of the net cash shown on Ecoslops' audited balance sheet at 31 December 2030, after deducting a minimum operating threshold of €1m, and up to a maximum amount of €2.3m. The BPI's interest rate remains unchanged at 2.17% per annum.

Maturity of EIB and BPI debt (in k€) before agreement

| | Oustanding Amt | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | Maturity |
|-----|----------------|------|------|-------|------|------|------|------------|
| BEI | 9.000 | 500 | 500 | 8.000 | | | | 30/06/2027 |
| BPI | 600 | 400 | 200 | | | | | 30/04/2026 |

Maturity of EIB and BPI debt (in k€) after agreement

| | Oustanding Amt | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | Maturity |
|-----|----------------|------|------|-------|-------|-------|-------|------------|
| BEI | 9.000 | 500 | 500 | 2.000 | 2.000 | 2.000 | 2.000 | 30/06/2030 |
| BPI | 600 | 140 | 184 | 184 | 92 | | | 30/04/2028 |

Finally, operating liabilities were stable at €3.1m.

Financial position and cash flows

At 31 December 2024, the Group had almost €6.6m in cash, of which €5.8m was available (taking into account a €0.8m conditional advance on an investment grant) and net debt of €12.0m (compared with €18.2m at 31 December 2023). The change in cash and cash equivalents can be analysed as follows:

| | 2024 |
|------------------------------------|--------------|
| EBITDA | 415 |
| Restructuring costs | (228) |
| Corporate tax | 340 |
| Investment subsidy recognition | (124) |
| Operating working capital variance | (1 061) |
| Operating cashflow | (658) |
| Investments | (1 034) |
| Investing working capital variance | 320 |
| Investing cashflow | (714) |
| Disposal Ecoslops Provence | 8 056 |
| Loans | (1 144) |
| Interests received | 141 |
| Interests paid | (2 306) |
| Financing cashflow | 4 747 |
| Cash variance | 3 375 |
| Opening cash balance | 3 204 |
| Closing cash balance | 6 579 |
| Variance | 3 375 |

Operating cash flow was €(0.7)m, mainly impacted by €(1.1)m in changes in working capital (including €0.8m in inventories, with slops imported at the end of December 2024).

Cash flow from investing activities amounted to €(0.7)m and consisted of maintenance capex customary in the Group's business, particularly in its role of sub-concessionaire for the port of Sines.

Financing activities resulted in a net cash inflow of €4.7m, including the sale price of Ecoslops Provence for €8.1m, net loan repayments of €1.1m (including €1m for the EIB) and €2, 3m of interest paid (mainly consisting of €1.4m of EIB 2023 interest, on which a standstill had been obtained until the closing of the sale of Ecoslops Provence, and €0.5m of 2024 interest).

Strategy and Development

Ecoslops is now refocused on its historic business at Sines and the development of the Scarabox®, and has the financial and human resources to match its roadmap.

Sines:

The company has already begun discussions on the terms and conditions for renewing the port sub-concession with CLT (a GALP subsidiary) in order to gain greater visibility (contractual deadline 08/2027). These discussions began in 2024 and will continue in 2025. CLT essentially has two options: to renew Ecoslops for a further 10 years or to put the contract out to tender again. We have made specific proposals to CLT and we are convinced that the quality of our services over the last 13 years and their cost make us competitive.

Scarabox®:

The first unit is still in the process of being finalised in Cameroon, but there have been delays due to a lack of local human and financial resources. In 2024, our teams assembled the unit itself, but there is still some connection work to be done (unit-bins, electrical). Valtech Energy plans to complete the work in 2025.

In Ivory Coast, in April 2025 Ecoslops took a lease on a 1.2 ha plot of land in the new PK24 industrial zone in Abidjan, which has been developed by the Ivorian government. This key step will enable consultations to be launched on the civil engineering and ESIA (Environmental and Social Impact Assessment) studies. At the same time, a pool of investors and funders was mobilised in 2024 to finance the project (with Ecoslops holding a minority stake). Our aim is to sign a sales contract in 2025, bearing in mind that presidential elections will be held in the country at the end of the year. As a reminder, this project has received strong support from the SIR (national refinery), the Ministry of Energy and Petroleum and the Ministry of the Environment.

Governance

At the forthcoming Annual General Meeting on 10 June, shareholders will be asked to reappoint Olivier Fortesa, whose term of Board member expires on that date.

ESG

On 7 June 2024, the Group published its fifth sustainable development report, covering the 2023 financial year.

The Group's commitment to continuous improvement is illustrated by its ESG rating from the Ethifinance ESG Campaign (formerly Gaïa Research) for 2023. This confirms the company's performance, with an overall score of 74/100.

In addition, the Solar Impulse Foundation's 'Efficient Solution' label, aimed at promoting efficient, cost-effective solutions to protect the environment, was successfully renewed in January 2024.

Finally, in December 2024, Ecoslops Portugal obtained renewal of its ISCC PLUS certification for all its refined products production. This certification attests to the compliance of products with sustainability and traceability requirements, and is recognised by all stakeholders for recycled products.

Outlook for 2025

By 2025, Ecoslops Portugal expects to be producing 25,000 tonnes.

In 2025, Ecoslops also aims to contract the sale of a new Scarabox in Ivory Coast.

Financial agenda:

Publication of the 2024 Annual Financial Report: 30 April 2025

Combined General Meeting: 10 June 2025

Publication of H1 2025 sales: 17 July 2025

Publication of interim results: 25 September 2025

Publication of H1 2025 interim report: 30 October 2025

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Ecoslops est cotée sur Euronext Growth à Paris

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Ecoslops fait entrer le pétrole dans l'économie circulaire grâce à une technologie innovante, permettant de produire du carburant et du bitume léger à partir de résidus pétroliers. La solution proposée par Ecoslops repose sur un procédé industriel unique de micro-raffinage de ces résidus pour les transformer en produits commerciaux de 2ème génération aux standards internationaux. Ecoslops offre aux infrastructures portuaires, aux collecteurs de résidus ainsi qu'aux armateurs une solution économique et plus respectueuse de l'environnement.

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