

2016 ANNUAL RESULTS

Ecoslops nearly doubles revenues and reports a strong decrease in operating losses

PARIS – 5 April 2017 – Ecoslops (ISIN: FR0011490648; Ticker: ALESA / PEA-PME eligible), an innovative technology company that upgrades ship-generated hydrocarbon residues, or “slops”, into valuable new fuels and light bitumen, today announced its annual consolidated results, as of the end of December 2016, as reviewed and approved by the Board of Directors on April 4th 2017.

Vincent Favier, Chairman and CEO of Ecoslops, commented: *“2016 has been the first full year of operation for our plant at Sines, Portugal. We have already reached more than 50% of the full capacity of the plant, with a strong acceleration between the first and the second semesters. We have also agreed several contracts with first-class international customers regarding the sale of each of our products. Encouraged by these technical and commercial successes, we will again accelerate over the course of 2017 to reach close to 25,000 tonnes - 85% of full capacity.*

In addition, our project with TOTAL is progressing according to plan, and new projects, such as the agreement announced recently with the Egyptian General Petroleum Corporation (EGPC) for the Suez Canal region, are being developed. This reflects the fact that our innovative approach is addressing perfectly the strong demand for a sustainable and economic treatment of these residues.”

Consolidated Income Statement

<i>in M€</i>	2016	2015	Var.
Sales	4.2	2.3	+1.9
Other products	0.2	0.4	-0.2
Gross margin	3.1	2.0	+1.1
Operating costs <i>(excluding depreciation)</i>	-6.0	-6.7	+0.7
<i>of which France</i>	-1.8	-2.2	+0.4
<i>Sines</i>	-4.2	-4.5	+0.3
EBITDA	-2.9	-4.7	+1.8
Depreciation	-1.1	-1.6	+0.5
Operating profit/loss (EBIT)	-4.0	-6.3	+2.3
Financial profit/loss	-0.3	-0.2	-0.1
Tax	0.9	0.7	+0.2
Net result	-3.4	-5.8	+2.4

Strong increase in revenues

Audited consolidated sales reached €4.2M in 2016 vs. €2.3M in 2015. This increase is due to the strong ramp up of our micro-refining core activity and to the sale of refined products, which represented €2.2M in 2016, vs. €0.3M in 2015. This is now more than 50% of the revenues of our subsidiary.

In 2016, Ecoslops treated more than 17,000 tonnes (6,000 tonnes and 11,000 tonnes during the first and second quarters respectively), showing a strong increase between the two periods.

This industrial unit has demonstrated its ability to reach an annual capacity of 30,000 tonnes, and the transformation ratio of waste products is maintaining a very high rate of 98%. 2016 also demonstrated the ability of the Port of Sines plant to treat every type of waste product, including those at low and high flash points.

These technical successes, combined with 2016's commercial success, demonstrate that the quality of our production is meeting the exacting standards of purchasers in petrol companies.

- Ecoslops has signed an exclusivity agreement with SOPREMA group for the supply of light bitumen (XFO)
- The fuel oil (IFO) is all sold to industrial customers and also to EDP (Energias de Portugal), the historical Portuguese electricity producer
- The gas oil is also sold to specialized international customers

Decrease of operating expenses

After 18 months of activity and the development of a local team, which is now very well-prepared, strong measures aiming at reducing costs have been taken. These have been focused on non-essential staff and variable costs. The impact in 2016 was only partial, and will be realized in full in 2017. A cost reduction of €0.7M has already been recorded, even though revenues nearly doubled in 2016.

Group EBITDA improved by €1.8M, notably thanks to the reduction in the Portugal operating loss, which has halved (from -€3.1M to -€1.5M).

The net result improved by €2.4M.

Signature of a memorandum of understanding with Total to partner in Marseilles

As announced on September 21st 2016, Ecoslops and Total signed a Memorandum of Understanding to form a partnership to set up an oil residue waste-processing unit in la Mède bio-refinery, in the department of Bouches du Rhône. A combined project team has been created which will enable the two companies to come to a final agreement in April 2017. The building of the unit is forecast to start in 2018, after the submission of the building permits and the finalization of detailed studies.

Financial situation

As of December 31, the cash position has reached €4.3M vs. €3.6M compared to the end of June 2016.

During 2016, Ecoslops finalised the discussions with IAPMEI to defer the reimbursements of the balance of the Europe public aid (i.e. €5.3M at the end of 2016). February 2017 term has been postponed to 2019 and 2020). In the meantime, discussions with IAPMEI should allow Ecoslops to determine the share that should be reimbursed, and the share that should not. In 2016, ECOSLOPS issued an ORNANE (€5.5M), BSA and BSPCE (€1.9 M) and reimbursed bank and IAPMEI loans for €1.5M.

Balance Sheet as of December 31, 2016

Assets (net)	<i>in M€</i>	2016	2015	Var.
Tangible fixed assets		18.3	19.1	-0.8
Deferred tax credit		1.8	1.0	+0.8
Fixed assets		20.1	20.1	0.0
Raw material		0.4	0.9	-0.5
Receivables		0.9	0.7	+0.2
Cash		4.3	1.6	+2.7
Other		1.3	1.5	-0.2
Net current assets		6.9	4.7	+2.2
Total assets		27.0	24.7	+2.3
Liabilities	<i>in M€</i>	2016	2015	Var.
Shareholders' equity		15.7	19.7	-4.0
Net result		-3.4	-5.8	+2.4
Owner's equity		12.3	13.9	-1.6
Contingent advances		5.5	5.9	-0.4
Convertible bond		5.5	-	+5.5
Financial debt		1.6	2.7	-1.1
Payables and taxes		1.8	2.0	-0.2
Other		0.3	0.2	+0.1
Total debt		14.7	10.8	+3.9
Total liabilities		27.0	24.7	+2.3

Outlook

In the current petrol price environment, Ecoslops confirms that its business model is highly profitable and that, as early as 2017, the Port of Sines industrial unit should generate its first operating profit.

Along with the Total agreement, the development of other projects is progressing well, particularly in Northern Europe.

Furthermore, main maritime transport routes like the Suez Canal remain very attractive opportunities. Within this framework, ECOSLOPS has signed a letter of intent with EGPC (Egyptian General Petroleum Corporation) to study the feasibility of creating an oil residue collection and recycling plant in the Suez Canal region.

On this basis, Ecoslops confirms its objective to sign a total of three new projects before the end of 2017, including Marseilles.

Financial Agenda 2017

Tuesday 13th June 2017: General Meeting of shareholders

Wednesday 27th September 2017: Results of the first half of 2017

About Ecoslops (<http://www.ecoslops.com>):

Ecoslops has developed and implemented a unique technology to upgrade maritime transport oil residues (slops and sludge) into new fuels and light bitumen. The solution proposed by Ecoslops is based on a unique micro-refining industrial process that transforms these residues into commercial products that meet international standards. Ecoslops offers an economic and ecological solution to port infrastructure, waste collectors and ship-owners through its processing plants. The first industrial unit (30,000t/year) is based in Sines, Portugal's largest commercial port.

Ecoslops is listed on Alternext in Paris (ISIN: FR0011490648; ticker: ALESA) and is PEA PME eligible.

Follow us on Twitter @Ecoslops.

<http://www.Ecoslops.com>

For further information, please contact:

Sébastien Desarbres

Investor relations

sebastien.desarbres@ecoslops.com

01 84 16 80 37 / 06 25 14 13 52

