# Ecoslops: strong increase in revenue and first positive EBITDA Portugal in H1

**Paris, September 27, 2017, 5.45 pm – Ecoslops (ISIN: FR0011490648; Ticker: ALESA / PEA-PME eligible)**, an innovative technology company that upgrades ship-generated hydrocarbon residue, or “slops”, into valuable new fuels and light bitumen, today announces its results for the first half of the year to June 30, 2017, as approved by the Board of Directors at its meeting of September 26, 2017.

**Vincent Favier, Chairman and CEO of ECOSLOPS**, says: “The performance achieved during this half-year validated our strategy and particularly the relevance of our process and the quality of our products. Coupled with ongoing efforts initiated last year to reduce costs, the strong increase in sales enables us to report the profitability of our Portugal subsidiary, less than two years after the starting of the industrial unit. Projects in our portfolio are progressing as planned (Marseilles and Antwerp essentially) and the mini-P2R is opening new opportunities regarding mid-size ports. Ecoslops now has every reason to consider the future with confidence, with our unique knowledge and expertise in conjunction with the achievements that we have delivered in the sector.”

## Simplified Income Statement

| *In € thousands* | 30/06/2017 | 30/06/2106 | Change |
|---|---|---|---|
| **Revenue** | **2,939** | **1,556** | **+1,383** |
| Operating products | 3,184 | 1,724 | +1,460 |
| Operating expenses | 3,865 | 4,193 | -328 |
| **EBIT** | **-680** | **-2,469** | **+1,788** |
| **Net result** | **-644** | **-2,598** | **+1,954** |
| ***EBITDA*** | ***-74*** | ***-1,915*** | ***+1,841*** |

## Near doubling of revenue led by sales of refined products

During the first half of 2017, Ecoslops revenue nearly doubled compared with last year, at close to €3 million. This performance was possible thanks to the sale of 100% of our production to customers acquired in 2016 and the excellent performance of our Sinès P2R unit during this semester. Refined products sale now represent 60% of revenue (€1.8 million vs. €1.1 million from the sub-concession) compared to 30% last year (€0.5 million vs. €1.0 million from the sub-concession) i.e. a multiplication of 3.5. 9,700 tons have been sold compared to 3,700 last year with an increase of the average selling price per ton. Notably, the first deliveries to the Galp refinery were made only in August 2017 and will continue to push up the average selling price during the second part of the year. Local slops collection is supported by the traffic and the general dynamic of Sinès port.

The agreement with MSC has been renewed in order to get maximum slops from container ships calling at the port.

Furthermore, Ecoslops signed a supply agreement for slops with CLT, a Galp subsidiary, which will be effective from September 2017.

### Positive EBITDA in Portugal in H1

During this first semester in Portugal, operating expenses decreased, impacted by stronger utilization of local slops, compared with imported, and an on-going decrease of the group staff costs. Productivity efforts enabled a 25% reduction of other fixed staff costs. Teams maintained concentration on variable and fixed costs per ton.

Group EBITDA amounts to -€74k, up +€1.8 million on H1 last year. More specifically in Portuguese operation, EBITDA is €919k up €2,085 million. French holding which bears development, engineering and design, and finance expenses, contributed a negative €993k on H1 2017.

### Numerous projects progressing during the semester

Ecoslops, ATPC (a subsidiary of VTTI group) and Antwerp Port Authority signed a tripartite MOU for the establishment of a 60,000 tons per year unit on the ATPC site in the Port of Antwerp in order to address the ARA zone (Amsterdam, Rotterdam and Antwerp).

Furthermore, the agreement with Total on La Mède-Marseilles site was confirmed in June 2017 and the formal demand to operate has been filed. This unit should be operational by the end of 2018 and the capacity should be, like Sinès, 30,000 tons per year.

ECOSLOPS signed a Letter of Intent with the Egyptian authorities for the Suez Canal region, most likely Port Said. A feasibility study is on-going.

Ecoslops launched feasibility studies for the new mini-P2R column to address mid-size ports with a 4,000 to 8,000 tons per year capacity. Discussions are already underway with interested partners

### Financial highlights

At the end of June 2017, the Company had a cash position of €4.5 million, versus €4.3 million at the end of 2016.

In the period, Ecoslops repaid €521k, contracted €1 million new medium term bank loans and benefited from the exercise of €226k bonds into new shares (BSA).

### Prospects and recent events

Ecoslops announced in September the full conversion of ORNANE bonds into new shares, creating a €5.5 million equity reinforcement.

Ecoslops signed with Galp a supply contract to deliver refined products to the Galp refinery and two deliveries have been already been completed in August, providing further concrete evidence that our products achieve the best possible standards and that our circular economy model works perfectly as planned.

Lastly, the Board of directors, at its meeting of September 26, 2017, validated that the performance-related conditions to the granting to senior executives of 50,000 free shares have been met. The retention period of these shares is a one-year period.

The share capital has been consequently raised from 3 948 394 euros to 3 998 394 euros, and is now divided into 3 998 394 ordinary shares and voting rights.

### Agenda

12 February 2018: 2017 operational report and revenue

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**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.

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

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**http://www.Ecoslops.com**

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