Ecoslops

The cleantech that brings oil into circular economy

ANALYSTS' PRESENTATION
2018 annual results

Integrated into port logistics

Economical

Traceable

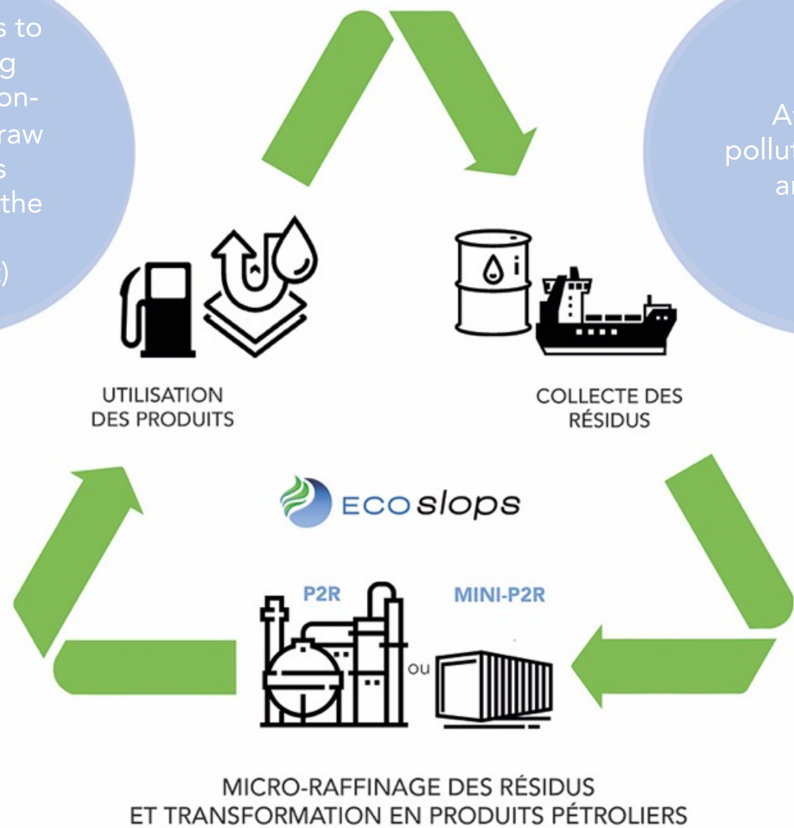
Eco-friendly

www.ecoslops.com

Ecoslops: the cleantech that brings oil into the circular economy

Contributes to preserving stocks of non-renewable raw materials (improving the material footprint)

Avoids oil pollution (marine and land)

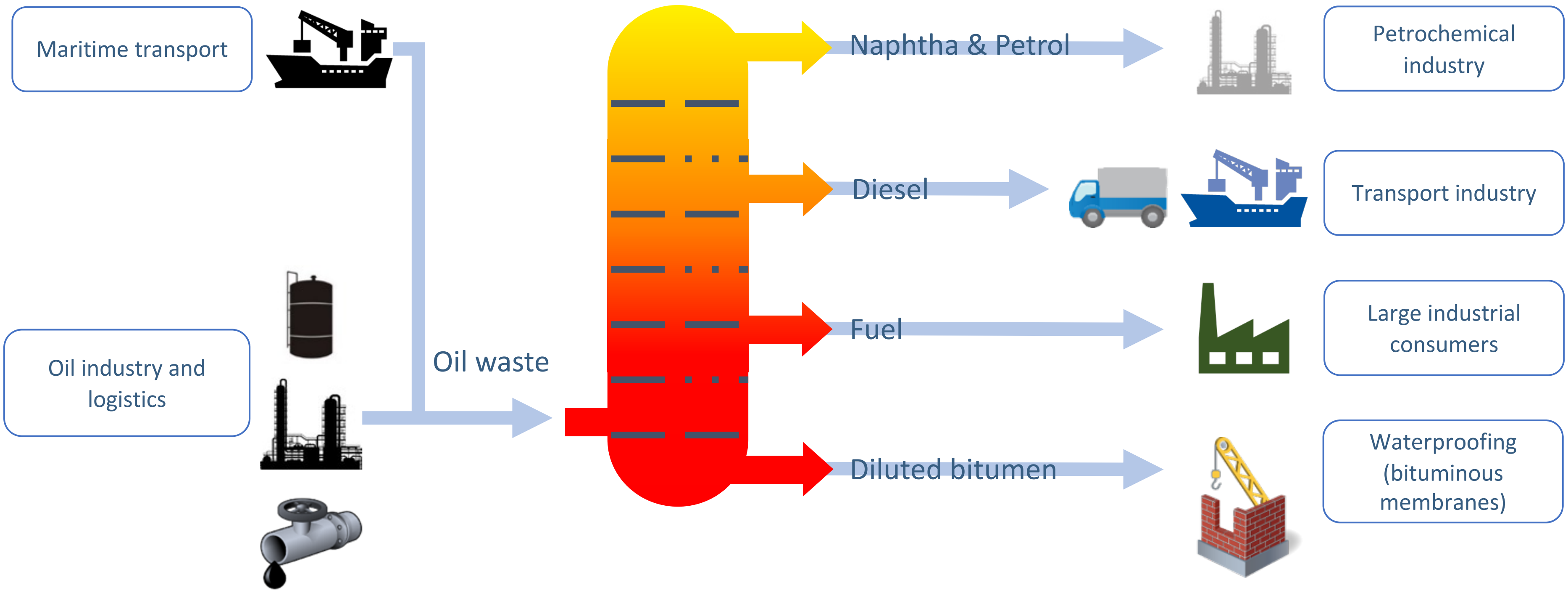


Reduces greenhouse gas emissions (GHG) per tonne of fuel produced by three times

Without Ecoslops:

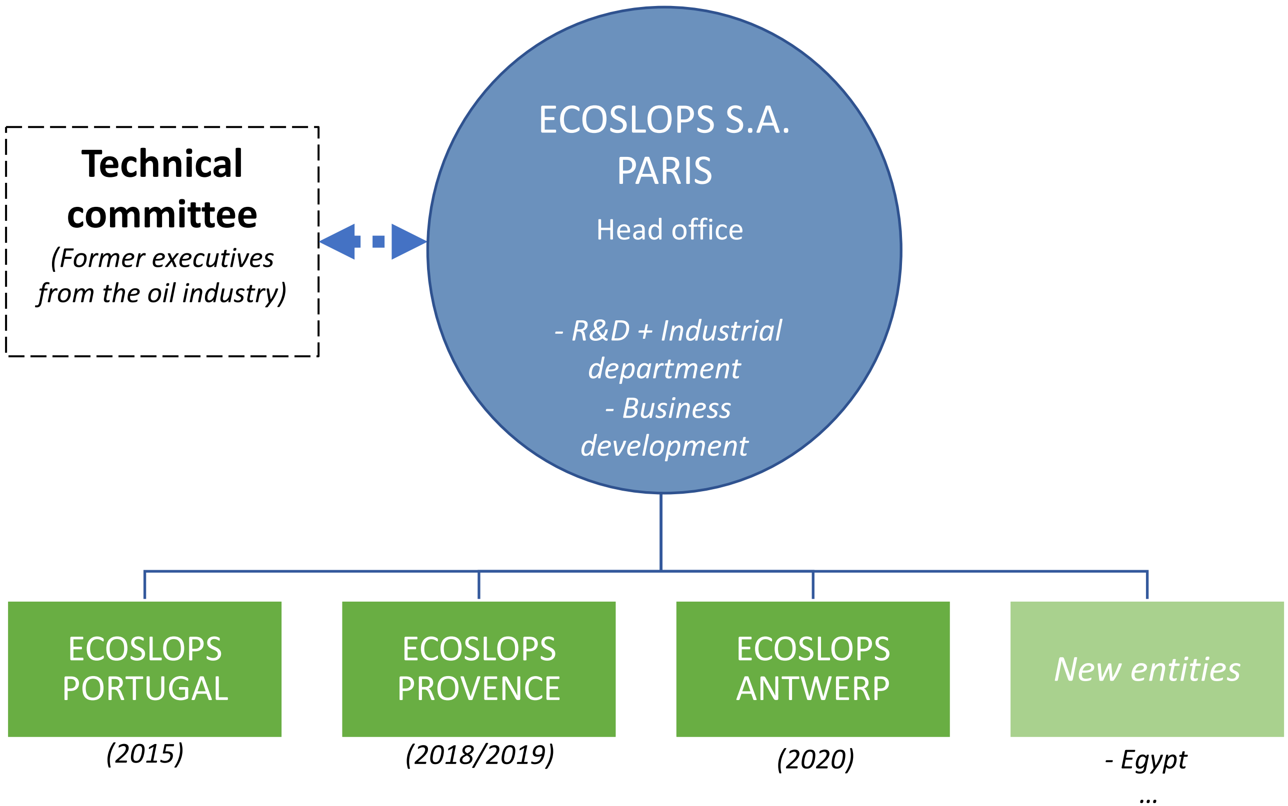
Waste is most often incinerated (lack of traceability - few economic benefits)

Our expertise: a real micro-refinery



With a return of 98% and a market for each product,
our economic model is sustainable.

Ecoslops, a business built for growth



KEY DATES	
2013	**Construction of the first industrial unit (Portugal)**
2015	**Launch. Fuels certified. First sales.**
2016	**Increase in production capacity. Signing of the Marseille project with Total.**
2017	**Signing of the Antwerp project. Signing of a letter of intent with the Suez Canal authorities. Acceleration of Portugal.**
2018	**Construction of the Mini-P2R pilot. Start of works in Marseille. Optimisation of Portugal.**

A positive environmental impact

- A three-time reduction in GHG emissions related to the manufacture of oil products

- 22 ktCO2eq avoided per year for a site like that of La Mède treating 30,000t of waste per year

- Reduction in illicit dumping in the sea

- Contribution to improving the fossil-fuel related material footprint (preservation of stocks of non-renewable fossil-fuel raw materials)

- Complete traceability of the waste treatment process, encouraging more virtuous behaviour

carbone 4

GREENHOUSE GAS EMISSIONS AVOIDED =

Ecosystem

galp energia

msc

TOTAL

SOPREMA

ENTREPRISE INNOVANTE
bpifrance

GREEN AWARD

EUROPEAN INVESTMENT FUND

INNOVATION 2030
CONCOURS MONDIAL D'INNOVATION

ADEME
Agence de l'Environnement et de la Maîtrise de l'Energie

Forbes
FUTUR 40
2018

Trophées Innovation Océan 2018
Croissance bleue & Développement durable
LAUREAT

ECO slops
Prix de l'innovation 2018
par EVOLEN

2018 overview

- Turnover up by 23%
- Stable profitability in terms of EBITDA (+ purchases, - expenses)
- Gradual refinancing of EPSA by local banks
- A solid start for Marseille (financing, permits, works etc.)
- Construction of the mini-P2R
- Strengthening of the balance sheet in the long term (EIB)
- Strengthening of the team (Group CFO in 2019)

2018 - ECOSLOPS consolidated P&L

€K

	31/12/2018	31/12/2017	Var. k€	Var. %
Turnover	7 465	6 080	1 385	23%
Capitalised proction	33	163	(130)	(80)%
Subsidy	57	187	(130)	(70)%
Provision reversal	80	4	76	
Other operating income	75	113	(38)	(34)%
Total operating income	**7 710**	**6 547**	**1 163**	**18%**
Cost of sales	(2 285)	(913)	(1 372)	150%
General and Administrative expenses	(2 803)	(2 937)	134	(5)%
Taxes	(137)	(46)	(91)	198%
Staff costs	(2 676)	(2 800)	124	(4)%
Depreciation and Amortization	(1 243)	(1 290)	47	(4)%
Other expenses	(144)	(182)	38	(21)%
Operating expenses	**(9 288)**	**(8 168)**	**(1 120)**	**14%**
Operating result	**(1 578)**	**(1 621)**	**43**	**(3)%**
EBITDA	**(379)**	**(354)**	**(25)**	**7%**
Financial income	25	13	12	92%
Financial reversal	20		20	
Financial expenses	(333)	(131)	(202)	154%
Financial result	**(288)**	**(118)**	**(170)**	**144%**
Extraordinary income	39	18	21	117%
Extraordinary expenses	(3)	(37)	34	(92)%
Extraordinary result	**36**	**(19)**	**55**	
Corporate tax	330	408	(78)	(19)%
Net result	**(1 500)**	**(1 350)**	**(150)**	**11%**

- Turnover up by 23%
- Operating loss at the same level as 2017:
  - EPSA activity growth (+€1.3 million in sales)
  - Compensated by the increase in purchases
  - Staff costs and other expenses well managed
  - 2018 EBITDA = Stable (EPSA: +€0.1 million, ESA: -€0,1 million)
- Financial result : EPSA interest expense for €0.3 million (including €0.2 million for IAPMEI)
- Tax income linked to the research tax credit (ESA) for €0.4 million and to Portugal's tax expense
- Net loss of €1.5 million

2018 - ECOSLOPS consolidated balance sheet

€K

	31/12/2018	31/12/2017	Var. k€	Var. %
Intangible fixed assets	372	450	(78)	(17)%
Tangible fixed assets	18 479	17 037	1 442	8%
Financial assets	161	57	104	182%
Deferred tax asset	1 929	1 967	(38)	(2)%
Fixed assets	**20 941**	**19 511**	**1 430**	**7%**
Inventory	1 460	482	978	203%
Trade receivables	1 529	935	594	64%
Other receivables	1 582	1 429	153	11%
Cash and Cash equivalent	7 909	8 257	(348)	(4)%
Prepaid expenses	76	108	(32)	(30)%
Current assets	**12 556**	**11 211**	**1 345**	**12%**
Total Assets	**33 497**	**30 722**	**2 775**	**9%**

	31/12/2018	31/12/2017	Var. k€	Var. %
Capital & Reserves	21 598	22 772	(1 174)	(5)%
Subsidy	2 320		2 320	
Net result for the Group	(1 500)	(1 350)	(150)	11%
Equity	**22 418**	**21 422**	**996**	**5%**
Provision for risks & charges	**21**	**187**	**(166)**	**(89)%**
Financial debt	**7 867**	**7 134**	**733**	**10%**
Trade payables	1 670	1 004	666	66%
Social and tax payables	1 316	699	617	88%
Other payables	205	276	(71)	(26)%
Current liabilities	**3 191**	**1 979**	**1 212**	**61%**
Total Liabilities & Equity	**33 497**	**30 722**	**2 775**	**9%**

- 2018 investments (before amortisation)
  - €2.3 million (for the Marseille site)
- WCR:
  - Increase in stocks (and accounts payable) related to an unfavourable comparison compared to 2017 and
  - Increase in accounts receivable related to the level of activity
- Equity:
  - Recognition in equity of the IAPMEI subsidy (€3 million - €0.7 million tax)
- Net cash at the end of 2018: €0 million

2018 - ECOSLOPS Cash flow

€K

	France	Portugal	Total
EBITDA	-1 881	1 502	-379
Subsidy recognized in the P&L	0	-39	-39
Working capital variance	656	-1 903	-1 247
Operating cashflow	**(1 225)**	**(440)**	**(1 665)**
Capex	-2 358	-286	-2 644
Investing cashflow	**(2 358)**	**(286)**	**(2 644)**
Capital increase	176	0	176
Loans	2 400	1 359	3 759
Financial interests	-3	-304	(307)
Financing cashflow	**2 573**	**1 055**	**3 628**
Corporate tax	398	-68	330
Cash variance	**(612)**	**261**	**(351)**

	France	Portugal	Total
Cash - Opening balance	6 913	1 344	8 257
Cash - Closing balance	5 983	1 923	7 906
Cash variance	**(930)**	**579**	**(351)**

- Limited Head office "Cash Burn":
  - €1.5 million (10 staff, development, projects, finances etc.)
- Marseille
  - In the investment phase. Financing by loan and WC
- Portugal:
  - Variance in WC for 2018
  - Limited Capex
  - -€0.2 million loan repayment (IAPMEI)
  - €1.5 million of new loans

Cash position

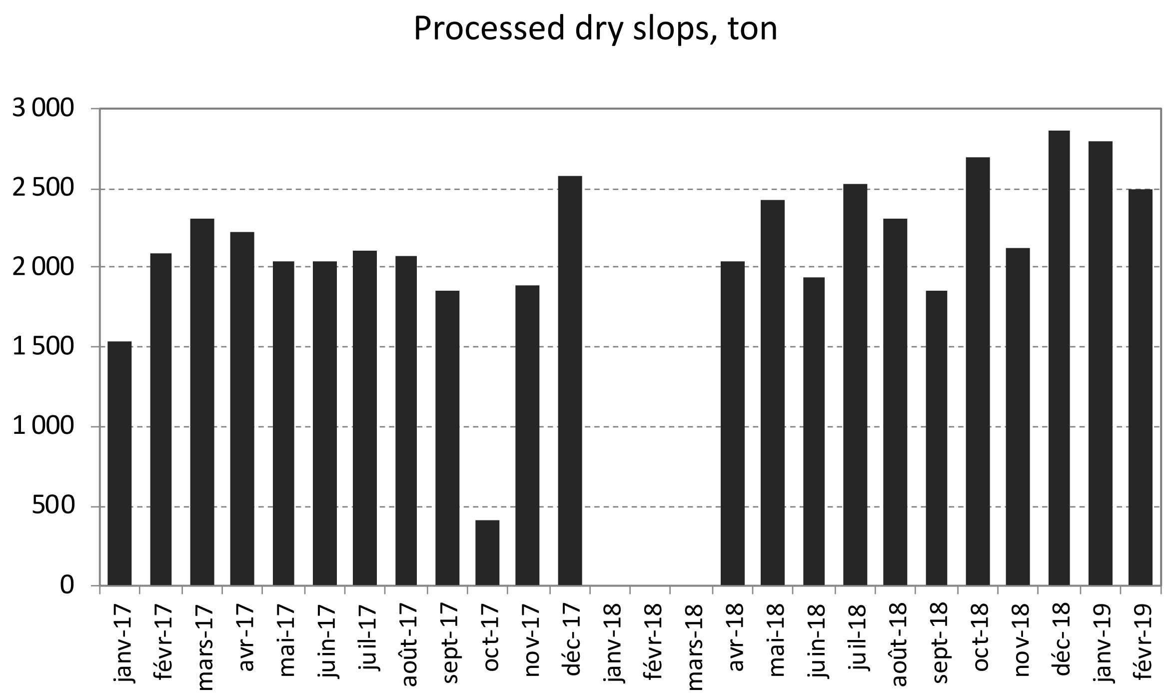
❑ 2018 year-end:

A good situation in terms of cash position and net debt

€K	< 1 year	2 - 5 years	> 5 years	Total
Loan BPI		1 200	800	**2 000**
Loan PACA		400		**400**
IAPMEI	877	1 267		**2 144**
Loan Portugese banks	1 579	1 733		**3 312**
Others	11			**11**
Financial debt	**2 467**	**4 600**	**800**	**7 867**
Cash in bank	**7 909**			**7 909**
Net debt	**5 442**	**-4 600**	**-800**	**42**

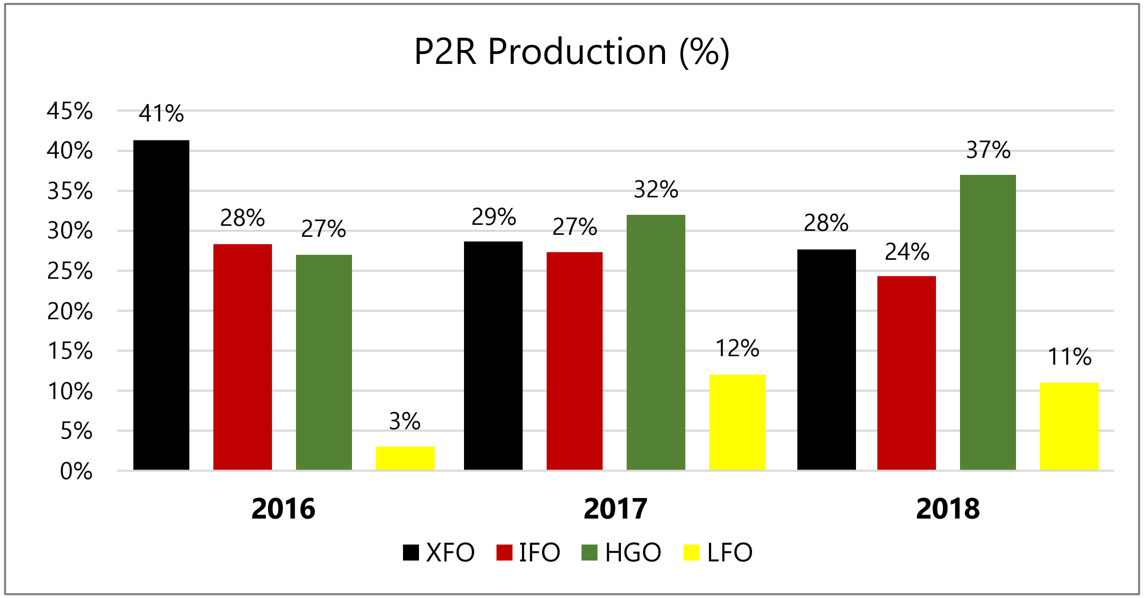
2018 Sines production

Average monthly production between 2,000T and 2,500T
Target of 2,500T+ per month



2018 Sines sales

- 17KT sold in 2018 over 9 months (3 months of interruption = 6KT) or only -8% vs 2017
- Mix under sustained improvement (diesel/GALP) with 37% diesel compared to 27% in 2016 in terms of volume (55% in terms of value in 2018)
- Average selling price per tonne: +50% of which +30% oil, +25% product mix and -5% €vs$



Marseille

- Permitting:
  - Construction permit granted by the Town Hall of Chateauneuf les Martigues, transferred to EP
  - Environmental license to operate granted, currently being transferred to EP

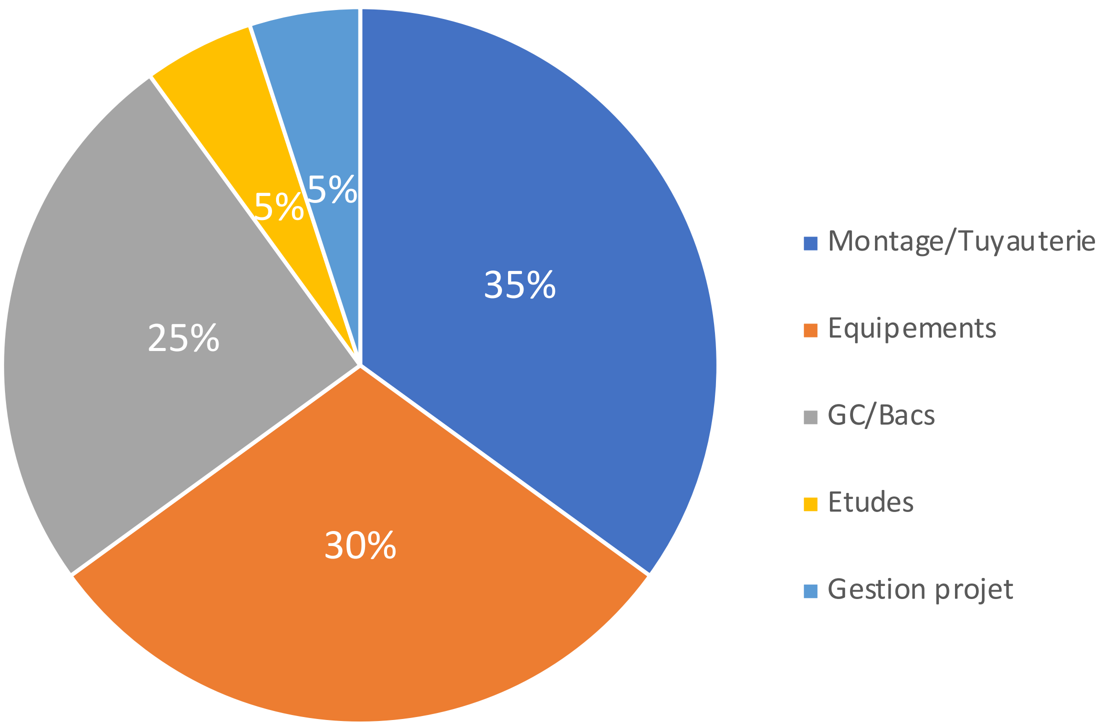
- TOTAL:
  - Closing and equity investment on 29/03/2019

- Financing:
  - €6.5 million by BNP, HSBC, BP Med + €0.4 million by the PACA region
  - Closing on 15/04/2019

- Key indicators:
  - Capex budget: €16 - €18 million
  - Turnover in a full year: €10 million - €12 million (Brent @ 65$/t)
  - EBITDA: 25%

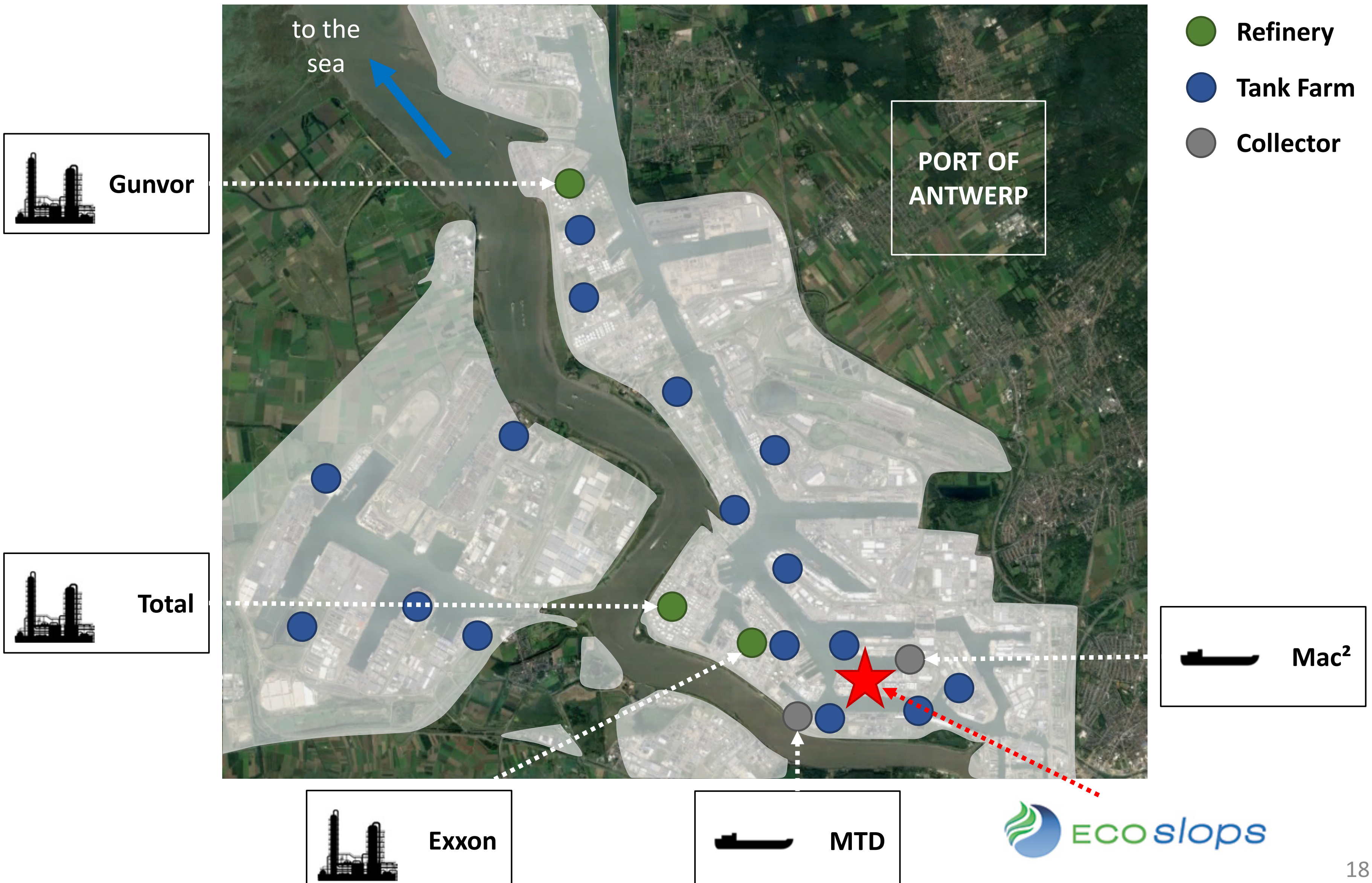
Marseille: breakdown of investment costs

More than 90% of suppliers are local or national
Limited execution risk



Marseille: Civil work / tanks on site

Antwerp: Port layout



Antwerp

- ATPC-ECOSLOPS working group in place
- Significant support from the Port of Antwerp which wants to develop a Cluster of energy industries in the circular economy
- Discussions under way with the government authorities on the scope of the studies required to set up
- First assessment at end of 1st half of 2019

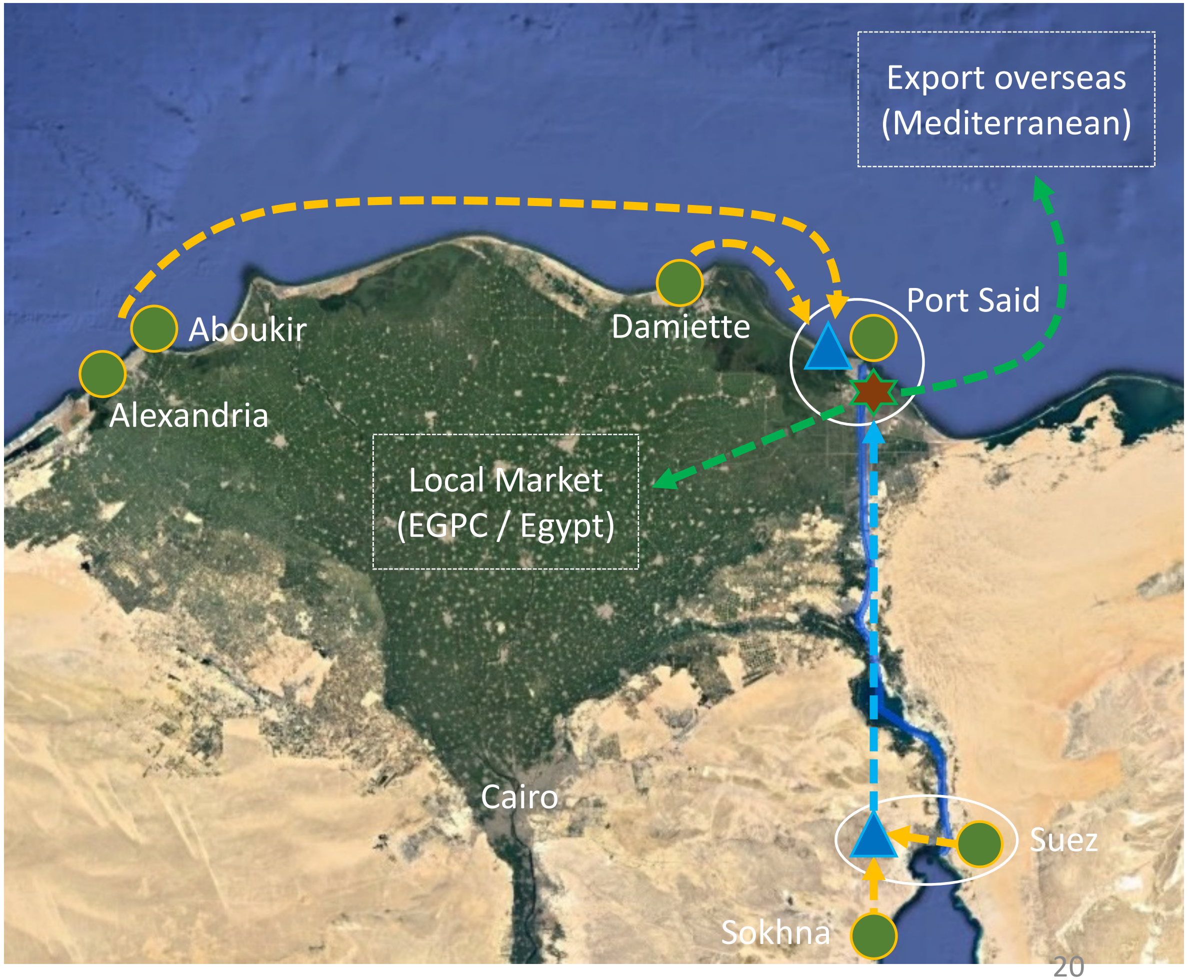
Feasibility study in Egypt for mid-2019

Facilities:

- Collection Point
- Port Reception & Treatment Facility
- P2R

Flows:

- Wet slops / Raw wastes
- Dry slops / Treated wastes
- Products / New fuels



Mini P2R

- Pilot:
  - Delivered
  - In testing phase
  - Next stage: Scale 1 prototype at a pilot client

EIB financing: €18 million for Marseille and Antwerp

- Seeking long-term financing able to replace Equity of the new projects and therefore to minimise/avoid future increases in capital
- International recognition giving additional credibility to the company and its projects in relation to ports, national authorities, major clients, banks, employees, suppliers etc.
- Minimising the cash part of the financial interests in the initial years

- Drawdown (1st tranche, €10 million): mid 2019

2019 Objectives

- Increased productivity over the full year at Sines: 25,000t
- Closing EIB mid 2019
- Launch of studies on Antwerp in H2 2019
- End of Egypt feasibility study and negotiation on contracts/financing
- Development of Mini P2R and selection of a site for the prototype
- Opening of Marseille end 2019