

FY 2020 RESULTS

- **2020 results marked by the impact of the health pandemic on the Global Oil and Gas business**
- **Strengthened financial structure, with positive net cash of 0.7 million euros at the end of 2020**
- **Outlook:**
 - **Launch of the *Cash&Value21/25* Renewable Energy Plan**
 - **Finding a start of recovery in the O&G sector:**
 - **Q1 2021 revenue up 68% to €0.84 million vs Q4 2020**
 - **Order book of €2.2 million at end-March 2021**

DOLFINES, an independent specialist in engineering and services for the renewable and conventional energy industry, today announced its audited results for the year ended December 31, 2020.

Key data		
(Millions of euros, french norms)	FY 2020	FY 2019
Turnover	2.5	6.0
EBITDA	(1.8)	(1.1)
Net income	(2.3)	(2.7)
Recurring net income	(2.0)	(1.5)
As of December 31 :		
Equity ¹	4.1	3.2
Net Cash / (Debt)	0.7	(1.0)

¹ Of which €1.7m of conditional advances at the end of 2019 and 2020

Jean-Claude Bourdon, President and Founder of DOLFINES, said: « *The results of fiscal year 2020 are, unsurprisingly, marked by the major impact of the health pandemic on the Oil and Gas global business. However, DOLFINES has managed to get through this complex period by preserving its development capabilities and strengthening its financial structure.*

For DOLFINES, 2020 will remain as the year of the changeover of its economic model and its desire to be identified as a specialist in renewable energies, even if we keep our historical activities which, at the beginning of 2021, are experiencing a beginning of recovery.

We approach 2021 with confidence and determination. The company's financial structure has been strengthened by the great success of the fundraising in late 2020 and early 2021 with qualified European investors, including a private placement of convertible bonds in the form of "Green Bond".

The Cash&Value21/25 Plan that we are implementing on the strategic renewable energy axis aims to reveal the full potential of value creation, in the short and medium term, presented by the huge market of renewable marine energy, especially offshore wind, geothermal and the support of energy operators in their strategy of reducing their carbon footprint and improving the profitability of their facilities.

The momentum is potentially powerful. Responsive, agile and solid on its technological and commercial support, benefiting from an excellent reputation in its markets, DOLFINES is now ready to take its place in a world that will gradually reopen to trade and that will need all its energies. »

I - Fiscal Year 2020 Results

❖ Level of activity impacted by the health pandemic

Revenues for the 2020 financial year amounted to 2.5 million euros, down 58% from 2019. All conventional energy activities, more than 90% internationally oriented, have been impacted by the major consequences of the health pandemic on the global Oil and Gas business: closure of borders, suspension of travel, fall in energy consumption and collapse of oil prices in parallel with the sharp decline in investment.

• Conventional energy activities

- **Technical Assistance (Dolfines Services):** the turnover achieved by the Dolfines Services division in 2020 was 0.8 million euros compared to 2.1 million euros in 2019. This drop is due to the halting of drilling campaigns and the suspension or sharp slowdown of the investment programs of all oil operators.
- **Audit/Inspection (Dolfines Factorig):** the Dolfines' Factorig division has managed to maintain a minimum level of activity (1.4 million euros compared to 3.1 million euros in 2019) thanks to its privileged links with its customers. We have strengthened our local presence in different regions with our UAE branch, our subsidiary in Brazil and many strong partners in Africa and Asia.
- **Engineering Design Office (Dolfines Solutions):** the Design Office had very little activity in the Oil and Gas sector in 2020.
- **Drilling and Project Management (Dolfines Contracting):** Dolfines Contracting's sales in 2020 were 0.3 million euros compared to 0.6 million euros in 2019. The activity focused mainly on an intervention platform project.

• New Energy activities

Throughout 2020, DOLFINES has continued its commercial efforts to enhance the potential of the TrussFloat™ float and to respond to customers on the characteristics of larger wind turbines for future field developments.

❖ Decline in profitability limited by drastic reduction in expenses

Very soon after the outbreak of the health pandemic, DOLFINES significantly reduced its fixed cost base. As a result, the Technical Assistance activity has been completely restructured. External expenses were reduced by 1.2 million euros and staff costs by 1.7 million euros, benefiting in particular from the government's measures of partial unemployment.

On this basis, EBITDA stood at (1.8) million euros in 2020, compared to (1.1) million euros in 2019. The decline in recurring net income is limited to 25%, from (1.5) million euros in 2019 to (2.0) million euros in 2020, whereas revenues are down by 58%.

❖ Strengthened financial structure

The subsequent capital raisings by qualified European investors increased DOLFINES' equity to 2.4 million euros at the end of 2020, or 0.30 euro per share, plus conditional advances of 1.7 million euros. Cash at the end of 2020 amounted to 1.5 million euros, compared to 0.4 million euros at the end of 2019. At the end of the 2020 financial year, DOLFINES was in a positive net cash position of 0.7 million euros.

As of March 31, 2021, DOLFINES' share capital is 9,572,774 euros, consisting of as many shares of 1 euro of face value each.

II - Outlook

❖ **New Energies: Launch of the *Cash&Value21/25* Plan**

The *Cash&Value21/25* Plan is based on two axes developing their Cash Flow and value-generating effects over the next five years, starting in 2021. They mobilize all of DOLFINES' human, technological, commercial and financial resources:

- **Expansion of services activities developed in conventional and Cash Flow contributors in the short term to the market for marine and terrestrial turbines: Technical Assistance and Consulting, Audit, Inspection and Reporting.**

The credibility of the processes developed by DOLFINES in the field of conventional energy services, particularly with Factorig, is a major asset to penetrate the sea/land turbine market. The fixed wind market is now mature, and therefore fully open to proposals to optimize its processes. The partnership agreement signed with France 8.2 in November 2020 was the first step in establishing an integrated and value-creating offer in the technical expertise of turbines, electrical infrastructure and foundations.

Furthermore, DOLFINES does not rule out making one or more acquisitions in the coming period, allowing it to gain market share and/or time in this process.

The first results of the structuring and commercialization of this offer are expected by the end of 2021.

- **Accelerating the development of the 15 MW turbine-carrying float, the standard of tenders for floating wind that will be launched continuously over the coming period.**

The floating wind market is currently entering a three-year bidding cycle. Three major geographical areas are now identified: SouthKorea, Scotland and France, with a target of more than 100 float units in total. In order to be in a good pre-qualification position for these tenders, DOLFINES must reach the TRL6 level (demonstration of the prototype system in the operational environment) by the end of 2022. The first step in this process is to develop a solid 15 MW upscaling industrial scheme for the current TrussFloat™ float, which is expected to be completed by the fourth quarter of 2021. To this end, the strengthening of DOLFINES' current teams is under way with high-level recruitments.

Beyond the development of a high-capacity float, open discussions with EPCists of all sizes continue. DOLFINES' goal is to have the maximum flexibility to respond optimally to future tenders by choosing the best model based on clients profile.

❖ **Conventional energy: the beginning of a recovery in Q1 2021**

In the Oil and Gas sector, the outlook is first conditioned by the gradual reopening of the borders which will allow DOLFINES to fully resume its services activities with its own experts finally having the opportunity to travel. The pace of this reopening will depend in particular on that of vaccination campaigns, in the absence of any further deterioration of the health context.

Beyond that, in a post-Covid context, a gradual recovery in economic growth, and hence of associated energy demand, should be favourable to oil prices, already stabilized above \$60/bbl (Brent oil) since mid-February 2021, as well as the resumption of Oil and Gas investments.

With regard to the first quarter of 2021, Dolfines Services has already seen a recovery in its activity, particularly in Latin America and the Middle East, made possible by the rise in oil prices in recent months.

Despite the strong constraints on the mobilization of international personnel, Factorig, very active in the international market of Audits and Inspections of drilling equipment, has reconstituted its order book with several important contracts since the beginning of 2021.

Factorig's offering has been enriched by DIGIFACT software, remote services technology for audit and inspection activity and successfully tested on projects in countries such as China, Malaysia, Indonesia,

Brazil, Algeria and the UAE. It is ideally positioned to meet the continued strengthening of regulatory requirements for control and safety of oil and gas infrastructure, which further contributes to the ecological transition.

Finally, DOLFINES has confirmed the signing of a contract for the Design of an offshore intervention platform that makes a significant contribution to the use of its engineering capabilities.

These items led to sales in the first quarter of 2021 of 0.84 million euros, a marked increase compared to the fourth quarter of 2020 (0.50 million euros). As of 31 March 2021, DOLFINES' backlog was 2.2 million euros.

III - Reinforced Operational Governance

The Board of Directors meeting on 13 April validated the appointment of Yann Lepoutre as Managing Director of DOLFINES. Alongside Jean-Claude Bourdon, President and Founder, his mission is to implement the *Cash&Value21/25* Plan and to achieve the objectives validated by the Board of Directors.

With more than thirty years of experience in strategic and operational management in the oil and gas sector, Yann Lepoutre masters the problems of creating industrial and commercial value in an international environment. A non-executive director of DOLFINES since the beginning of 2020, he is well aware of the challenges of restarting the company's conventional activities, as well as the success of the *Cash&Value21/25* Plan, which he has played a major role in developing. Yann is a graduate of the Graduate School of Mechanics and Electricity (ESME Sudria). He also completed a Management Partnerships and Strategic Alliances training at INSEAD.

All of the company's press releases can be found on the website www.dolfines.com.

About DOLFINES (www.dolfines.com)

Founded in 2000, DOLFINES is an independent specialist in engineering and services in the renewable and conventional energy industry. Faced with the challenges of decarbonizing the energy sector and capitalizing on its strong expertise, DOLFINES wants to play a key role in this energy transition by designing and providing innovative services and solutions for the exploitation of renewable energy sources onshore and offshore, above and below sea level.

Respecting the highest standards of quality and safety, DOLFINES is labelled an innovative company certified ISO 9001 for its technical assistance, auditing, inspection and engineering activities.



DOLFINES is listed on Euronext Growth™ – FR0010377127 – ALDOL
DOLFINES is eligible to PEA-PME

DOLFINES

Delphine BARDELET GUEJO
Chief Financial Officer
delphine.bardelet@dolfines.com

COMALTO

Jean-François CARMINATI
Analysts and Medias Relations
jfcarminati@comalto.com
Tel. : +33 6 63 87 57 60