



Montigny Le Bretonneux, April 30, 2024

2023 Results

- **Results strongly impacted by the cost of financial debt and asset impairments**
- **Ramp-up of the in-depth restructuring of the Group's activities**

Adrien Bourdon Feniou, Chairman and Chief Executive Officer of DOLFINES, commented: *"The 2023 fiscal year of the DOLFINES Group resulted in an exceptionally high level of losses, combining operating losses and, above all, a financial result strongly impacted by the cost of financial debt related to OCABSA. Although, from an operational point of view, the extremely tense overall situation that I found when I took office in June 2023 began to ease in the second half of the year as a result of the far-reaching restructuring measures put in place in the summer, the group's financial situation remains very precarious due to the weight of the cost of financial debt. Since September 2023, we have been in active discussions with all our financial creditors in order to reduce this debt to a level adapted to the company's actual repayment capacity.*

Beyond this intense work that has not yet been completed, I would like to emphasize the fundamentals of the company. The DOLFINES group is positioned in a strategic sector that is undergoing major changes, facing the major challenges of the necessary decarbonisation of a growing demand for energy. This context offers significant development opportunities for the group, which is currently restructuring to better seize them.

In addition to the essential restructuring of the financial structure, our priorities for the coming months and years will therefore focus on leveraging these strengths around the theme of operational excellence. Our ambition is to support our customers, in the energy and industrial sectors more broadly, in optimizing the performance of their operations. Performance requires good asset management, effective management systems and trained teams.

Our goal is to turn all DOLFINES Group companies into positive EBITDA by the end of the third quarter of 2024 at the latest. The steps taken since the summer of 2023 have significantly improved operational results. The reduction of R&D expenses, the restructuring of the debt and the refinancing of the group should allow DOLFINES' teams to focus their attention on the development of their service activities under suitable financial conditions. »

In the absence of presentation of the consolidated financial statements due to a change of accounting firm during the 1st half of 2023 and the time required to harmonize the accounts of the various companies of the group, the presentation of the 2023 annual results of the DOLFINES group is made on the basis of the corporate accounts of DOLFINES SA, certified by its statutory auditors, as well as its three active operating subsidiaries, each 100% owned by DOLFINES SA: Aegide International, 8.2 France and DOLFINES do Brasil.

The activity report and the financial report as of December 31, 2023 are available on the www.dolfines.com website, in the Investors section.

The table below provides a group analytical view of revenue, cash and net financial debt. Inter-company operations have been eliminated and the revenue of Aegide International, acquired at the beginning of May 2023 by DOLFINES SA, is integrated over 8 months.

€ million	2023	2022
DOLFINES4 group revenue	8.03	7.65
o/w DOLFINES SA	2.47	3.98
o/w 8.2 France	3.63	3.10
o/w Aegide International	1.69	-
o/w DOLFINES do Brasil	0.24	0.57

€ million	At December 31, 2023	At December 31 2022
Gross cash ¹	0.80	1.68
Net financial debt ²	2.02	1.04

¹ At March 31, 2024, Gross cash amounted to €1.07m

² At March 31, 2024, net financial debt amounted to € 1.86m

I - DOLFINES SA

Income statement items € million	2023	2022
Revenue	2.73	4.16
EBITDA	(1.06)	(1.25)
Net result	(25.67) ¹	(4.08)

¹ o/w financial result: € (21,69) million

Balance sheet items	At Déc. 31, 2023	At Dec. 31, 2022
Shareholders' Equity ²	0.83	3.46
Gross cash	0.30	1.46
Net financial debt	2.05	0.90

¹ Including conditioned advances for € 2.0 million at Dec. 31, 2023 and € 1.67 million at Dec. 31, 2022

Activity and profitability

DOLFINES SA's revenue was €2.73 million, down 34.4% compared to 2022. Although the restructuring work undertaken in the summer of 2023 has begun to bear fruit, the revenue growth recorded between the first half (€1.17 million) and the second half (€1.56 million) was not sufficient to offset the decline in activity and losses recorded in the first half of 2023.

EBITDA was €(1.06) million for the year, a reduction of 12.4% compared to 2022, despite the 34.4% drop in revenue. Operating losses were divided by three between the first and second half of 2023 thanks to a pooling of costs between DOLFINES SA and its subsidiaries, as well as a significant rationalization of central expenses and payroll during the second half of 2023.

The exceptional result amounted to €(2.73) million. In particular, it reflects the total impairment of €2.81 million in the development costs of the Eolfloat project for 15 MW floating platforms and the related Trussfloat project for an amount of €0.64 million.

This project, launched in 2016 and involving the development of a semi-submersible float to meet the needs of floating wind turbines, has not yet resulted in sales. The prospects for large-scale development of the floating wind market are still remote and, although the company continues to promote the expertise gained through the development of this technology, the technical parameters of the wind turbines planned for installation on floating farms have evolved since the launch of the Eolfloat project and would require further engineering work to ensure that this float is adapted to the operational constraints created by the new generation of larger turbines. The company does not currently have the capacity to put this project into production and commercialization.

Conversely, the sale of the SEDLAR 160 rig resulted in exceptional income of €0.75 million.

The financial result was €(21.69) million. It consists mainly of the payment of the balances resulting from the conversions of OCABSA at a price lower than the nominal value of the share.

Financial structure

As of December 31, 2023, DOLFINES SA's shareholders' equity amounted to €0.83 million. The decrease compared to the level of €3.46 million at December 31, 2022 is mainly due to the balance of the positive effect of the increases in the share capital generated by the conversions during the year of convertible bonds into shares and the negative effect of the loss recorded in the 2023 financial year.

As of December 31, 2023, DOLFINES SA's gross financial debt stood at €2.35 million and its gross cash at €0.30 million, representing a net financial debt of €2.05 million. It is mainly made up of the balances of PGE loans for €0.85 million, an issue in 2022 of convertible bonds in the form of a Green Bonds for €0.57 million and the balance of the issuance of OCABSA for €0.80 million, i.e. 320 bonds convertible into shares with a nominal value of €2,500 to which 100,000,000 warrants are attached.

II - 8.2 France

Income statement items	2023	2022
€ million		
Revenue	3.63	3.31
EBITDA	(0.17)	(0.01)
Net result	(0.01)	(0.11)

Balance sheet items	Dec. 31, 2023	Dec. 31, 2022
Shareholders' Equity	0.19	0.39
Gross cash	0.15	0.13
Net financial debt	0.15	0.47

The year 2023 was marked by a change in governance within the subsidiary 8.2 France, with the dismissal of the Chief Executive Officer at the end of June 2023 and the takeover of the operational management of the company by the Chairman and CEO of DOLFINES. This decision came in a context of recurring operating losses since the acquisition of this subsidiary in 2021.

A reorganization and restructuring plan for the subsidiary was implemented in July 2023, with the objective of returning to balance of the accounts allowing 8.2 France to self-finance its operating needs.

8.2 France's revenue reached €3.63 million in 2023, up 9.6% compared to 2022. EBITDA was €(0.17) million. The half-year analysis suggests that the restructuring has started to bear fruit with an increase in revenue and, more importantly, a return to profitability with a positive EBITDA of €14 thousand in the second half of the year, compared to -€180 thousand in the first half. The return to profitability as well as the implementation of a factoring contract has enabled the company to return to a level of cash flow adapted to its level of activity.

III - Aegide International

Income statement items	2023	2022
€ million		
Revenue	2.78	2.75
EBITDA	0.11	0.21
Net result	0.03	0.15

Balance sheet items	Dec. 31, 2023	Dec. 31, 2022
Shareholders' Equity	0.76	0.73
Gross cash	0.13	0.50
Net financial debt	0.40	(0.26)

The acquisition of Aegide International by DOLFINES SA took place on May 9, 2023. However, the figures presented are for the full year 2023 in order to better understand its future contribution to the Group.

Revenue of €2.78 million is comparable to that of 2022. EBITDA amounted to €106 thousand. The 50% decrease compared to 2022 is due to an increased use of subcontracting as well as the immediate effects of the integration into the DOLFINES group, the changeover of part of the support services having impacted the company's ability to maintain its growth rate.

The signing or renewal of several framework contracts on all service lines as well as a significant number of ongoing commercial offers suggest a return to growth. Exploiting commercial synergies with other Group companies is also an important driver of future growth, with the customers of 8.2 France and DOLFINES SA being the core target for Aegide International's QHSE services.

IV – All companies in the DOLFINES group

As of December 31, 2023, the gross cash position of DOLFINES SA and its subsidiaries amounted to €0.80 million. Total gross financial debt amounted to €2.82 million, representing a net financial debt of €2.02 million.

This very tense financial situation improved slightly during Q1 2024, with gross cash of €1.07 million as of March 31, 2024 and gross financial debt of €2.95 million, i.e. net financial debt of €1.88 million.

For more than five years, the DOLFINES Group has been posting recurring operating losses. This situation is notably the consequence of an aggressive R&D investment policy, but also of poor management of 8.2 France post-acquisition. This has resulted in a significant weakening of cash flow and the use of extremely expensive and dilutive financing methods.

The short-term sustainability of the company therefore requires a strengthening of its cash flow. The sale of the SEDLAR 160 has helped to meet some of this need, but it has not fundamentally changed the

equation. The two biggest items impacting the company's ability to generate cash are R&D costs on the OHMe project and the cost of debt.

On the first point, at the end of the next key stage of the ongoing ADEME project scheduled for the end of May 2024, it is planned to transfer the intellectual property of OHMe to the Ohmex Services subsidiary in order to allow a partial sale or fundraising allowing this project to move on to the next phase which would consist of building a first example of the telescopic crane to carry out installation or heavy maintenance on offshore wind turbines.

With regard to the essential reduction in the cost of financial debt, DOLFINES has been in active discussions with all financial creditors since September 2023 to find solutions to reduce the burden of monthly repayments. All possible options are being explored (total and partial cancellations, refinancing, securities clearing, etc.) in order to reduce the debt to a level adapted to the company's real repayment capacity.

It is also essential to return to more conventional financing methods and in proportions adapted to the company's financial capacities. In order to complete the process of restructuring the company, it will most likely be necessary to refinance the company with a capital injection to strengthen the cash position to a level sufficient to finance the working capital requirement of a profitable growing company.

V – Perspectives

The year 2023 was marked by the renewal of the company's management, which quickly made significant and necessary organizational changes during the second half of the year. In parallel with the essential work on strengthening cash flow and restructuring financial debt mentioned above, these changes are aimed at an operational restructuring aimed at returning to balance of the accounts through an increase in revenue, the reduction of fixed costs and the increase in gross margins.

The operational restructuring process began with the centralization of support functions between DOLFINES SA and its subsidiaries as well as the pooling of management tools, making it possible to achieve financial synergies between the Group's various entities and to promote a common vision, approach and strategy.

The next step in this restructuring aims to pool operational services around the service hubs that are common to all the Group's entities, starting with Technical Assistance. In order to achieve commercial and organizational synergies, Technical Assistance contracts and resources will be grouped together from the first half of 2024 around a single Business Line Manager covering all the company's business lines.

The increase in revenue also requires a more active cross-selling approach, with the establishment of a Group-wide Sales Department that will lead a unified commercial strategy and support the existing Business Line Units. This strategy will be based in particular on DOLFINES' regional presence in the O&G field in Abu Dhabi and Brazil for the promotion of our QHSE and ENR services.

About Dolfin: www.dolfin.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.

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DOLFINES is éligible to PEA-PME**

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