

Voisins Le Bretonneux, 30th April 2018 (18h00)

ANNUAL RESULTS 2017

OREGE presents its annual results for the financial year ended 31st December 2017.

Summary financial information (from audited consolidated financial statements approved by the Board 27th April 2018).

In k€ - IFRS	2017	2016
Turnover	706	703
Operating expenses(net):		
Payroll costs	-5 082	-5 577
Other operating expenses	-5 753	-6 007
Depreciation and amortisation	-1 242	-2 241
Non-current operating expenses	-	- 4 087
Total operating expenses (net)	-12 077	-17 912
Operating loss	-11 371	-17 209
Finance costs (net)	-2 149	-654
Income tax expense	-	114
Net loss for the financial year	-13 520	-17 750

Turnover and business

Turnover for 2017 is stable compared to 2016. During the year, Orege strengthened its development in several of its targeted international markets.

In the USA, Orege sold and delivered 4 SLG[®] solutions for conditioning sludge before dewatering:

- The first was installed and delivered by autumn 2017 at the treatment plant of Gloucester County Utilities Authority (GCUA) in New Jersey;
- The other three were substantially installed by 31st December 2017 at the wastewater treatment plant of the City of Deland near Orlando, Florida, with final acceptance in the first months of 2018.

These two contracts represent slightly more than 550 k€ of 2017 turnover.

In December 2017, Orege signed its second contract in New Jersey for the sale of an SLG[®] solution to Two Rivers Water Reclamation Authority. This contract together with those signed with Synagro Technologies, announced in July 2017, and with the City of Gresham, announced recently, should be fully executed in the first half of 2018.



In Germany, Orege has successfully started its commercial activity with the completion of the installation and handover of two SLG[®] solutions at Sappi's paper mill at Ehingen in the last quarter of the 2017. The two SLG[®] solutions are being leased to Sappi under a four year contract, including after sales servicing, which will generate some 400 k€ of turnover starting from 2018. In addition, Orege has started to structure a team in Germany with local consultants for sales and project management.

In the UK, following a presentation by Anglian Water in November 2017 at the European Biosolids Conference in Leeds which validated the SLG[®] technology and its results, a number of projects (for both mobile and fixed SLG[®] solutions on sludge thickening and sludge dewatering applications) are being discussed with several of the UK water companies.

Operating expenses (net)

Total net operating expenses are some 33% lower in 2017 compared to 2016. This decrease is explained by (i) a rationalisation of the organisation and cost base of the Group carried out in 2017 in order to reduce financing needs whilst commercial activity ramps up significantly, and (ii) a provision for depreciation against intangible assets for development costs and patents recorded in 2016 for impairment under IFRS rules (in non-current operating expenses).

Financing

At 31st December 2017, the Group had cash and cash equivalents of 506 k€ (950 k€ at 31st December 2016).

Borrowings totalled 34 133 k€, including 31 963 k€ of shareholder current account (2016: 20 937 k€, including 19 417 k€ of shareholder current account). Total equity was -29 310 k€ (2016: -16 421 k€).

A further shareholder current account advance of 4 000 k€ was agreed with Eren Industries on 27th April 2018 and this should enable the Group to meet its financing requirements for the financial year 2018.

Outlook

The potential for growth in the four targeted international markets (USA, Canada, United Kingdom and Germany) looks strong. A number of new contracts should be signed and completed in 2018.

Other information

The 2017 annual financial report (in French) is available on the company's website (www.orege.com).

About OREGÉ:

Orege is an international cleantech business specialised in the development, manufacture and sale of solutions for the treatment of municipal and industrial sludge and of complex effluents. The Group services its clients throughout some ten countries from its sites in France, the USA and the UK.

Orege is listed on the regulated market of Euronext - Paris since 5th July 2013 ISIN FR0010609206 - OREGÉ.

<http://www.orege.com>

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