

**Press release**

Saint-Nolff, 29 April 2024

**Annual Results 2023:**

- 2023 results reflect the investments necessary to drive future growth
- 2027 targets confirmed

**Charwood Energy (ISIN: FR001400AJ60, ticker: ALCWE), a French specialist in customised biomass energy solutions, announces its 2023 full-year results.**

The annual financial statements were approved by the Board of Directors on 26 April 2024. These financial statements were audited, and the associated certification reports are currently being prepared. The company will publish its annual financial report online by 30 April at the latest.

<i>(In millions of euros)</i>	2023	2022
<b>Revenue</b>	<b>4.1</b>	<b>4.9</b>
Other operating income	2.2	0.6
<b>Total business activity</b>	<b>6.3</b>	<b>5.5</b>
Purchases of raw materials	(3.6)	(2.6)
External expenses	(2.0)	(1.7)
Personnel expenses	(2.3)	(1.5)
<b>EBITDA<sup>1</sup></b>	<b>(1.5)</b>	<b>(0.3)</b>
Depreciation, amortisation and provisions	(0.4)	(0.2)
<b>Operating result</b>	<b>(2.0)</b>	<b>(0.5)</b>
Net financial income	(0.2)	(0.2)
Non-recurring items	-	-
Income tax	0.6	0.2
<b>Consolidated net income (expense)</b>	<b>(1.6)</b>	<b>(0.6)</b>
<b>Net income (Group share)</b>	<b>(1.6)</b>	<b>(0.5)</b>

Charwood Energy recorded a business volume<sup>1</sup> of €6.3m for 2023, up 15% compared with 2022. The total consists of €4.1m in revenue and €2.2m in other income.

Revenue was generated entirely on behalf of third parties, for design, construction and installation services for custom biomass energy recovery solutions, on behalf of external clients such as agricultural or industrial operations, or communities.

Other income breaks down as follows:

- Stored production of €1.1m for a pyrogasification unit intended for future sale, pending the signing of the contract;
- Capitalised production of €1.1m, for development costs incurred in R&D at the Colpo innovation centre for €0.7m, and other development costs of €0.4m.

<sup>1</sup> EBITDA (earnings before interest, tax, depreciation and amortisation) refers to operating income before taking into account depreciation, amortisation and provision allocations and reversals, which are non-cash expenses.

### Solid sales growth

**In the third-party business**, further operational progress was achieved in 2023 with the completion of several projects:

- Start of construction on a hygienisation unit, combined with a biomass boiler for a methanation biomass production site operated by a group including a community and 15 farms in Normandy<sup>2</sup>;
- Start of construction on a biomass boiler combined with a heating network, on behalf of a large-scale poultry farm in the Sarthe region<sup>2</sup>;
- Start of construction following the April signing of the order<sup>2</sup>, for a biomass boiler on behalf of a large-scale poultry farm in Mayenne;
- Commissioning in December of a hygienisation unit<sup>3</sup>, coupled with a biomass boiler unit at the Methadomf site in the Normandy region.

Other major projects are under discussion and are expected to be announced in the first half of 2024.

**Regarding the own-account business**, the Group is moving ahead with its initial business plan, with five plants under development as of 31 December 2023.

Once these plants are commissioned and fully operational, they will make it possible to generate nearly €7.7m in ARR<sup>4</sup> from energy sales.

### 2023 results reflect the investments necessary to drive future growth

Personnel expenses increased in full-year 2023, reflecting the ongoing structuring of the teams to support the Group's growth, as well as the ramp-up of projects to be delivered in 2024.

At 31 December 2023, the Group's total average workforce was 35, compared with 23 a year earlier.

Given this increased investment, Charwood Energy posted an operating loss of -€2m at 31 December 2023.

After accounting for financial income and tax expense, Charwood Energy recorded a net loss of -€1.6m.

### A solid financial structure

At 31 December 2023, Charwood Energy had equity of €8.6m, gross financial debt of €2.8m, and gross cash of €3.1m.

### Acquisition of a stake in LG Concept, a major regional player in renewable biomass supply

In a press release dated 4 October 2023, Charwood Energy announced the acquisition of a 40% stake in LG Concept, a major regional player in the supply of renewable biomass for boiler plants in Brittany and neighbouring regions. LG Concept's business is proportionally consolidated in Charwood Energy's accounts over five months in 2023.

<sup>2</sup> See press release of 11 April 2023

<sup>3</sup> See press release of 21 December 2023

<sup>4</sup> ARR: annual recurring revenue, representing the revenue generated by plants once in operation, over an annualized basis.

This investment is consistent with Charwood Energy’s determination to control its renewable biomass supply with a firmly established player in the region that responds to customers’ energy challenges.

**Outlook**

For the third-party business, the Group has a secure order book<sup>5</sup> totalling €1.8m, deliverable and billable over 2024 and 2025. Furthermore, business is characterized by a persistently solid pipeline<sup>6</sup>, reflecting the robust sales momentum.

In the own-account business, 17 other plant projects are under discussion, representing a potential ARR of €58m.

**Reiteration of 2027 targets**

Benefiting from favourable structural and contextual factors, which represent powerful accelerators for its development in France but also internationally, Charwood Energy is confirming its 2027 targets, namely:

- €100m in revenue, 60% of which derived from business on its own behalf;
- 50 plants owned outright under operation and under construction, representing an estimated ARR of approximately €90m.

**Next publication:** Half-year 2024 revenue on 16 September 2024, after market.

**About Charwood Energy**

Convinced that biomass is a key response to the challenges of the energy transition, Charwood Energy designs, installs and maintains tailored solutions for the production of biomass renewable energy.

Charwood Energy boasts a wealth of technical know-how and expertise in all biomass recovery technologies, including heating and heat networks, anaerobic digestion, and pyrogasification.

Positioned since 2019 in the promising area of pyrogasification technology, Charwood Energy is now also involved in the development and operation of proprietary pyrogasification units aiming to produce and sell green gas, biochar and carbon credits to industrial customers under direct purchasing contracts.

The company is listed on Euronext Growth® Paris (ISIN: FR001400AJ60; Ticker: ALCWE) – Eligible for PEA PME equity savings plans – Certified as an “Innovative Company” by Bpifrance.

To find out more: <https://charwood.energy/investisseurs>

**Contacts**

**CHARWOOD ENERGY**  
investisseur@charwood.energy  
02 97 26 46 30

**SEITOSEI.ACTIFIN**  
**Investor Relations**  
Ghislaine Gasparetto  
charwood@seitosei-actifin.com  
01 56 88 11 22

**SEITOSEI.ACTIFIN**  
**Press Relations**  
Michael Scholze  
michael.scholze@seitosei-actifin.com  
01 56 88 11 14

<sup>5</sup>Total order book for signed projects deducted from revenue already recorded based on the progress of work completed.

<sup>6</sup> Detailed or preliminary estimate sent and awaiting a response.