



# MADRID LOND CAPITAL CONFERENCE

October 7, 2024



## OUR STRENGTH

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1923-2024: OVER 100 YEARS OF HISTORY

A “SUSTAINABLE BY DESIGN” COMPANY

## OUR CHALLENGE

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MEGATRENDS IN THE OLEOCHEMICAL MARKET AND R&D PROJECTS

FINANCIAL HIGHLIGHTS

2024 OUTLOOK AND 2024-2026 GROWTH STRATEGY

# TOP MANAGEMENT

# 3



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BEATRICE  
BUZZELLA  
Chairman & CEO



FRANCESCO  
BUZZELLA  
CEO



RAFFAELLA  
BIANCHESSI  
CFO



ALESSANDRO  
VIANO  
Commercial Director



SIMONE  
ARMANI  
R&D Manager



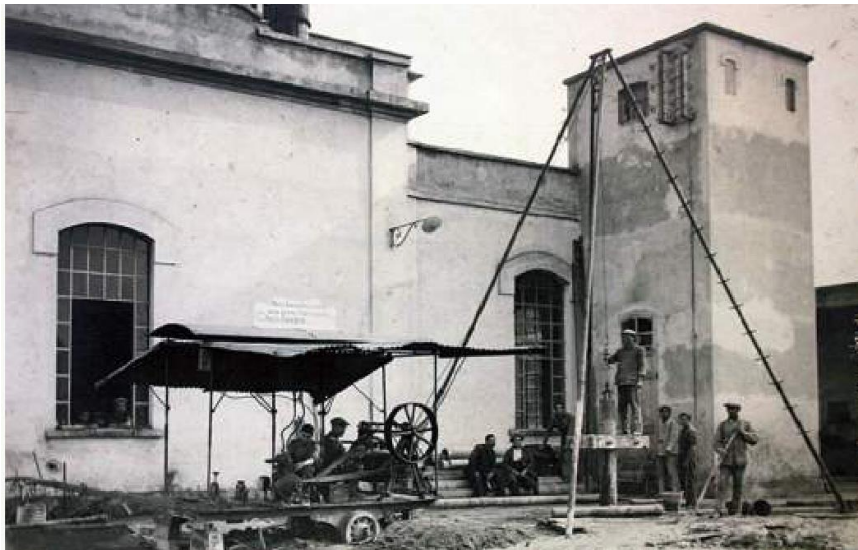
GIOVANNI  
PATRITTI  
Plant Manager



1923-2024: OVER 100 YEARS OF HISTORY



## 1923: Stabilimenti Chimici Mazzini



### THE FOUNDATION

To satisfy the high demands of the local economy, Stabilimenti Chimici Mazzini was born as an industrial supplier of fertilizers, glues and animal feed bases obtained from:

- Processing of animal bones with trichlorethylene (extraction) > Glues
- Bone grinding > Fertilizers and animal feed bases

## 1955

### Simel (Società Immobiliare Mazzini e Lacchini)

The entry into the Company of Engineer Lacchini brought new know how to the company.

The factory takes on its current configuration thanks to the introduction of various types of processing systems:

- Splitting plant
- Fatty acid distillation plant
- Wet separation plant
- Glycerine concentration plant
- Hydrogenation plant

SIMEL S.p.A. began to expand its market in the industrial sector at a European level, using by-products supplied by local agriculture in the territory of the Po river.



1985



UNILEVER creates its own business branch dedicated to chemistry, UNICHEMA INTERNATIONAL, including:

- Fine chemistry
- Specialty chemistry
- Oleochemistry

In 1985 Unichema Italia purchased 85% of the shares held by Engineer Lacchini. In 1990 he purchased the remaining 15%.

In these years, there was a renewal of existing plant systems and an expansion of the product range.

1997



uniqema

UNILEVER sells UNICHEMA INTERNATIONAL to I.C.I., which changes the brand to UNIQEMA.

I.C.I. carries out a corporate reorganization and begins to sell part of its business branches. In 2000, in particular, it sold assets to Hunstman and Ineos.

2006

CRODA

I.C.I. sells the UNIQEMA business unit to Croda International Plc.

Starting from 2010, Croda International Plc decides to exit the direct oleochemical business and acquire its products:

- in 2010 the Emmerich plant was sold to KLK Oleo (Malaysian multinational)
- in 2012 the factory in Cremona was sold to the Buzzella family

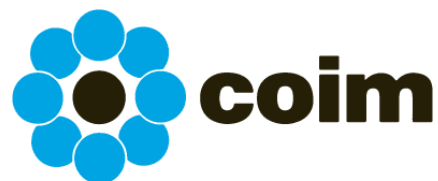
# THE BUZZELLA FAMILY

# 7



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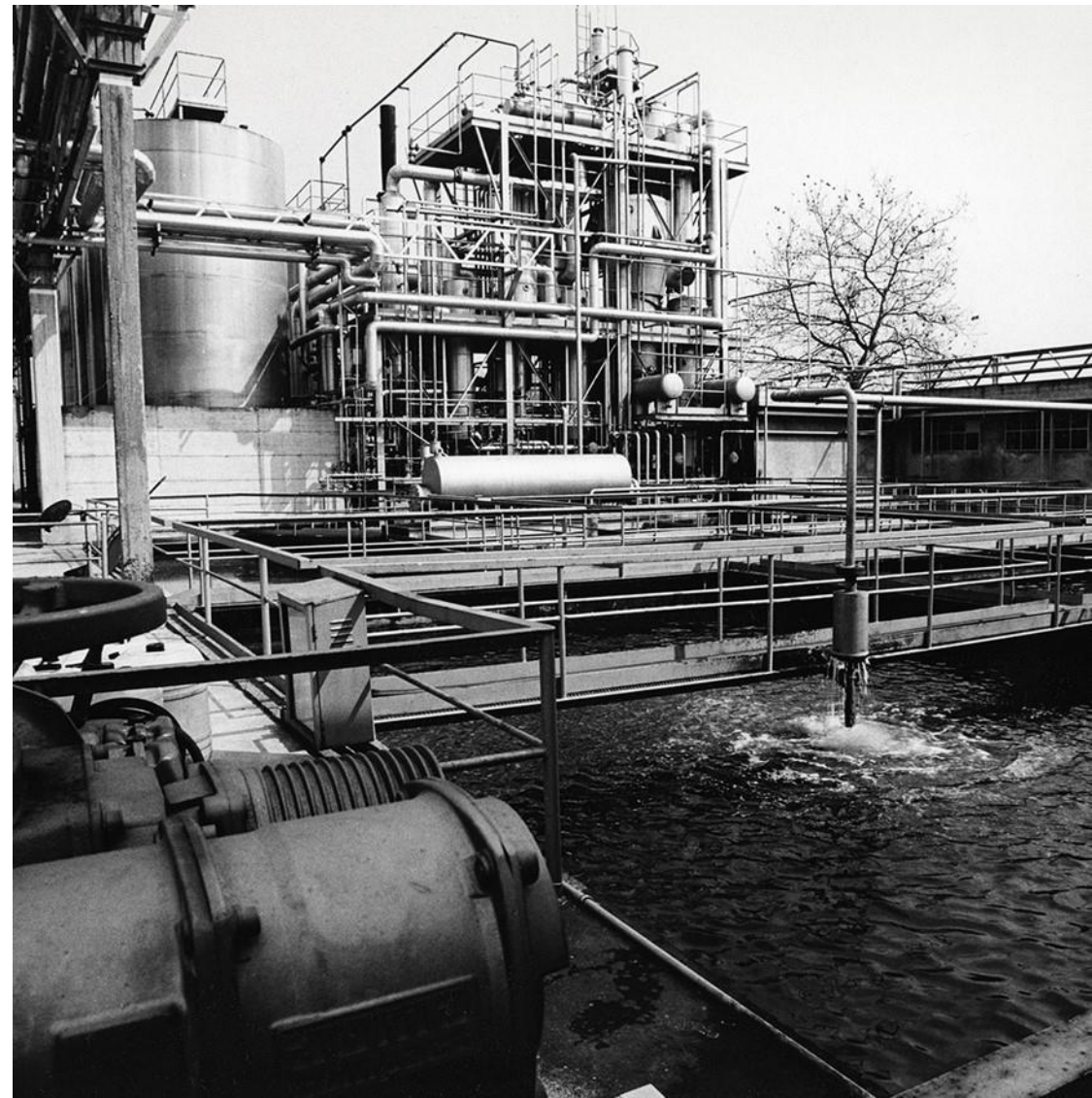
The Buzzella family has been operating in the industrial chemistry sector for over 60 years in the company named COIM, one of the main Italian chemical groups with a turnover of more than 1 billion euros and plants located in many areas of the world.



The history of COIM began with the meeting between Mario Buzzella (a lab technician in a chemical plant in Milan) and Cesare Zocchi (a customer of the company).

The first major insight of the two founders was to venture into an uncovered area of the Italian chemical industry. Thanks to Buzzella's technical expertise and Zocchi's business acumen, they received their first order for methyl ethyl ketone peroxide (KETANOX), a product that was difficult to find in Italy.

This order allowed them to establish COIM and, just a few months later, in October 1962, to create a production site in Offanengo, in the province of Cremona.



Since 2012 the Buzzella family has carried out  
**over 37 €M of investments**

to improve and update the Cremona production site,  
carrying out interventions aimed at **economic, environmental and social sustainability**

PRODUCTION  
CAPACITY AND  
EFFICIENCY

ENVIRONMENT

SAFETY



- **New esterification plants** with an annual capacity of 15,000 tons have been installed, diversifying the product portfolio and integrating downstream processes. This new plant sets aside the **oleochemical plant** with an annual capacity of 50,000 tons.
- In 2023, supplementary works related to the esterification plants commenced, aimed at maximizing production capacity.
- **MAG80** was established, a new highly automated warehouse with a storage capacity of around 2,700 pallet spaces, which will facilitate the transition to a make-to-stock model for certain products, yielding benefits in terms of margins.
- To effectively manage the new warehouse, an advanced **Warehouse Management System** has been implemented, designed to improve operational efficiency, reduce errors, and optimize inventory management.
- The new warehouse has been equipped with **photovoltaic panels** with a peak power output of 141.44 kWp.
- **A 1 MW cogenerator** powered by natural gas has been installed, meeting 80-85% of the electricity needs and enabling the production of steam and hot water, which are widely used on-site.
- The **CRM Sales Force**™ software was introduced to enhance customer relationship management by monitoring the entire approval process for new products, particularly in relation to developments in cosmetics and lubrication.
- The heating plant has been upgraded with a backup boiler and a modular collector system, which makes the system more efficient and flexible.
- New **evaporative towers** have been installed, with electricity consumption reduced by 50% while maintaining cooling capacity.
- New equipment has been purchased to improve the quality and precision of chemical analyses.
- A new utilities area has been created, featuring an electrical substation, a REMI substation, evaporative towers, and a nitrogen storage tank, optimizing site management.

## ENVIRONMENT

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The surface of MAG80, covering 3,700 m<sup>2</sup>, was coated with TiO<sub>2</sub> **photocatalytic technology**, a catalytic paint commonly referred to as "smog-eating", capable of decomposing nitrogen oxides (NOx) generated by fossil fuel combustion, creating an effect equivalent to approximately 296-370 trees.

A piping system was established to connect the tanks and direct gaseous emissions into **a regenerative combustor**. This intervention significantly reduced the odors produced by the treated raw materials, resulting in a positive impact on the surrounding neighborhood.

Additionally, **a stripping plant** was installed to reduce the chemical oxygen demand (COD) of wastewater, making it more biodegradable. The outgoing air, which is rich in volatile organic compounds, is directed to the combustor.

## SAFETY

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The installation of **new pipe racks** has allowed for a more orderly and safe management of the positioning of transfer lines on well-tested and engineered structures.

The capacity of the **firefighting tank** has been expanded, increasing the intervention time during emergencies by 25%.

Reservoirs have been replaced or refurbished with internal lining, and basins have been enhanced to improve their capacity and condition.

The **drainage circuit** has been completely overhauled with new valves, exchangers, pumps, and PLC control, significantly reducing the risk in the event of a fire in the boiler room or a major emergency leak.

# THE BUZZELLA «REVOLUTION»

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A «SUSTAINABLE BY DESIGN» COMPANY



## RAW MATERIALS AND BY PRODUCTS

### VEGETABLE BASED



Acidic oils  
and olive oil



Mixed semi-  
acidic oils and  
soybean oil



Sunflower  
oil



Safflower



SUSTAINABLE  
palm oil



High oleic  
sunflower oil

### ANIMAL-BASED



animal fat  
(Tallow Cat. III Ministry of Health)

## PRODUCTIVE PROCESS

## FAMILIES OF OLEOCHEMICAL PRODUCTS

### ESTERS

### GLYCERINE

### FATTY ACIDS

- oleic acids
- stearic acids
- distilled fatty acids
- polyunsaturated fatty acids
- partially hydrogenated fatty acids

- fatty acid derivatives

## WASTE PRODUCED

- non-hazardous waste (95%)
- hazardous waste (5%)

## TARGET MARKETS



Adhesives



Intermediates  
for industry



Agro



Lubricants



Candles



Plastic and  
elastomers



Paper



Resins and paints



Personal care



Textile and  
Leather



Detergents



Others

Energy, fertilizers, asphalt, ...

## DESTINATION

- recovery (97%)
- disposal (3%)

# CIRCULAR ECONOMY: FROM UPCYCLING, RENEWABLE, BIODEGRADABLE, CERTIFIED AND SHORT CHAIN RAW MATERIALS



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Thanks to the technical know-how and the features of the production plant, **GREEN OLEO** is **among the few global players to process olive oil derivatives**, which allow the creation of products with high added value and margins: this is a **competitive advantage** in sectors such as **cosmetics, life science, agriculture**.

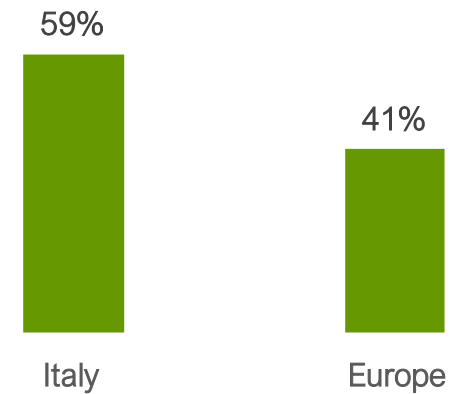
**64%** of the raw materials used are derived from **upcycling**, meaning they come from by-products of the food chain that are unsuitable for human consumption.

**93%** of the raw materials used are **renewable**.

Category materials*	Type of product purchased	Renewable material	Amount purchased 2023 (t)	%
Raw materials of plant origin	Oils and Acidic Oils	YES	19,835	53%
Raw materials of animal origin	Animal fats cat. III	YES	12,001	32%
Raw materials of mixed natural origin	Various oils and fats	YES	3,095	8%
Minerals	Synthetic products	NO	2,517	7%
<b>Total</b>			<b>37,448</b>	<b>100%</b>

\* All materials of natural origin associated with a "natural" production cycle have been considered as renewable materials. Animal tallow also belongs to this category as it is a by-product deriving from the processing of meat and bovine fat

SPENDING TOWARDS SUPPLIERS BY GEOGRAPHICAL AREA (2023)



PALM OIL is a minor raw material for GREEN OLEO (<5%).



Since 2015, GREEN OLEO has strictly adhered to RSPO standards, to protect the living conditions of local communities and the biodiversity of the ecosystems involved in accordance with international best practices

# PRODUCTION PLANT

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FROM 2012

>35 MILLION EUROS  
OF INVESTMENTS

to improve and update the  
Cremona production site,  
carrying out interventions aimed  
at economic, environmental and  
social sustainability

## PRODUCTION PLANTS

Hydrolytic splitting  
Separation  
Multi-stage distiller  
Multiple effect evaporators  
Hydrogenation  
Glycerin fractionation  
Flaking  
Soaps  
Drumming  
Esterification

Both the high versatility of the systems in processing a wide variety of *feedstock* and the know-how allow to **create solutions *ad hoc* to quickly intercept the needs of an evolving market.**

GREEN OLEO's ability to obtain the best combination mix of *input* production, the maximization of the yield of raw materials both in terms of cost efficiency and output quality and the saturation of production capacity, **allow the creation of economies of scale.**

	Oleochemistry	Esters
Productive process	in continuous	in batches
Capacity	50,000 t/a	15,000 t/a
Operation	3 shifts of 8 hours 24/7 h/d 330 days/year	3 shifts of 8 hours 5/7 g/d 240 days/year

# TARGET MARKETS

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## APPLICATIONS WITH GREATER ADDED VALUE

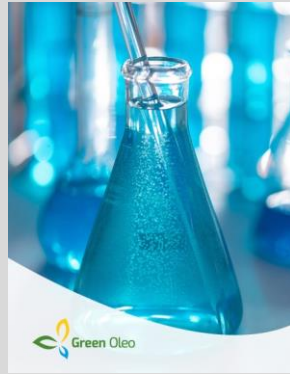
Customization and maximization of product quality



Cosmetics



Lubrication



Intermediates for industry



Detergents



Resins and Paints



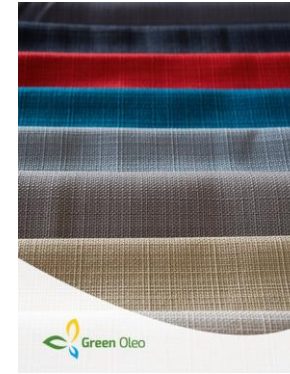
Agro

## OTHER APPLICATIONS

Standardization, increase in volumes, creation of economies of scale



Plastic and Elastomers



Textile and Leather



Adhesives



Paper



Candles



Others



# PRODUCT CARBON FOOTPRINT (PCF) CRADLE-TO-GATE

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GREEN OLEO provides to customers PCF cradle-to-gate of its products.

The **PCF of olive oil derivatives** have a **LOWER CARBON FOOTPRINT** compared to those of the same products derived from other raw materials of natural origin, such as sunflower and palm\*.

Obtaining reduced PCF values is **an essential goal for future developments in sectors sensibles to sustainability**, such as in Cosmetics.

All major cosmetic companies have significant targets for reducing the PCF of their products. Emissions linked to *supply chain* (Scope 3) are typically those with the greatest impact.

GREEN OLEO therefore stands as a **Front Runner** in the creation of low PCF raw materials used for the achievement of targets of **GHG emissions**.



Derivatives  
Olive oil  
from Upcycling



**6x**  
Palm oil



**6x**  
Sunflower oil

*“Halve greenhouse gas impact of our products across the lifecycle by 2030.”*  
**UNILEVER**

*“We will reduce all GHG emissions by 50% per finished product for scopes 1, 2 and 3 by 2030, and achieve net zero by 2050.”*  
**L'OREAL**

*“With its CARE BEYOND SKIN Sustainability Agenda, the company aims to achieve a 30% absolute reduction of CO2 emissions across the entire value chain (scope 1, 2 and 3) by 2025 (vs. base year 2018)”*  
**BEIERSORF**

\* Software: Simapro  
PCF calculation according to: ISO 14040, ISO 14044, ISO 14067,  
WBCSD Excl. Biogenic contribution  
Databases: World food LCA Database, Ecoinvent3, Agri-footprint

**Pilot production of cosmetic formulations** based on ingredients derived from the olive oil supply chain, accompanied by stability studies of the developed formulas aimed at demonstrating their reliability and performance over time.

GREEN OLEO has drawn on **the expertise of a prestigious, authoritative and independent Italian cosmetics laboratory**, a recognized leader in the development of skin care, toiletry, hair care and decorative formulations.

The collaboration with the cosmetics laboratory is mainly based on the **promotion of cosmetic ingredients derived from the olive supply chain**, an area in which the laboratory boasts a solid track record: GREEN OLEO's mission, in fact, is to promote short-chain Made in Italy ingredients.



# CERTIFICATIONS

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Only 1% of all companies assessed by EcoVadis manage to achieve this result.

Aspects analysed during the certification process:

- *sustainable procurement*
- *environment*
- *labour practices and human rights*
- *ethics*

## SUPPLY CHAIN AND PRODUCT



## PROCESS



Quality management system



Environmental management system



Safety management system

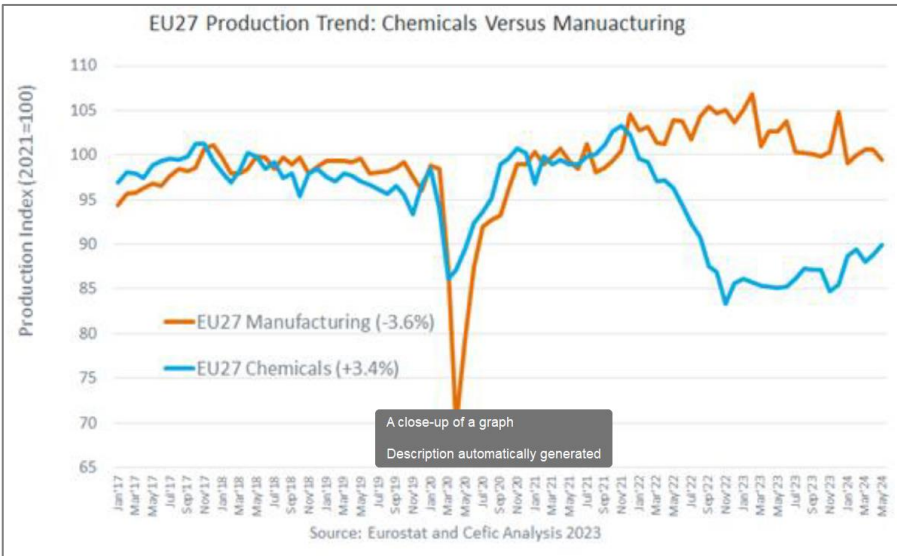


# MEGATRENDS IN THE OLEOCHEMICAL MARKET AND R&D PROJECTS



# THE EU27 CHEMICAL INDUSTRY

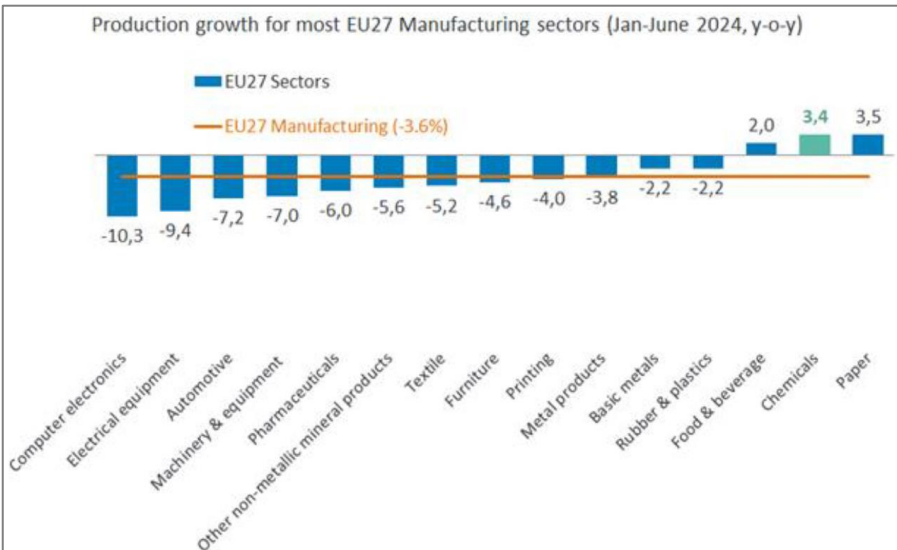
# 21



The EU27 chemical industry recorded the worst crisis of the millennium in the 2008-2009: following the recession generated by the subprime crisis that lasted 4 consecutive quarters and marked a rapid rebound in the following 6.

2022-2023 time frame was characterized by an overall less clear slowdown but it lasted 6 quarters, beyond any reasonable expectation. In particular:

- during 2023 H1, the return of the gas price at values lower than those at the end of 2021 was expected to generate reasonable conditions for a solid market recovery for the 2023 H2
- on the contrary, the expected rebound in demand did not occur due to a massive «destocking» and aggressive pricing by Far East suppliers. The combination of these 2 circumstances postponed the restart of the Chemical Industry to 2024.



2024 H1 show a growth in Chemicals (+3.4%) compared to industrial production (-3.6%). >>> The Chemical Industry is recovering the decoupling from the trend of EU industrial production.

A decoupling of this magnitude had never occurred in the last 10 years and, considering the drop in gas prices starting from 2023 Q1, the drop in chemical volumes during 2023 H2 was even more anomalous.

# GREEN DEAL: A COMPETITIVE ADVANTAGE FOR THE EU OLEOCHEMICAL INDUSTRY

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The Green Deal regulatory framework is rapidly becoming populated with increasingly stringent sustainability regulations. GREEN OLEO foresees a positive trend for oleochemicals in the medium term because of:

- the **EUDR (European Deforestation-free products Regulation)**, which requires mapping of the palm oil supply chain and other products at high risk of deforestation. Its implementation led to a significant increase in costs for Asian producers who saw the available cultivated areas significantly reduced and had to invest in a segregated supply chain. At the moment, EUDR-compliant palm derivatives have a cost that can be quantified as approximately +30% compared to a standard grade and, even if this difference will narrow over time, there are no elements that can justify their total disappearance.
- the growing use of **chemicals from renewable sources**;
- the increased **demand for biodegradable lubricants** in numerous sectors ranging from metal working to automotive;
- the statements included in the **EU Chemical Industry Transitional Pathway**, which sets the objective that by 2030, 20% of all plastic materials and chemical products synthesized in the EU are from renewable sources;
- the **PPWR (Plastic Packaging Waste Regulation)**, which supports the transition towards plastics biobased for the packaging sector. In this context GREEN OLEO products can act both as intermediates with high technological value (oleochemical production) and as 100% biobased additives (esters) for the production of plastic materials.

Furthermore, although non-EU states have not equipped themselves with a package of sustainability policies as important as the Green Deal, sustainability is now a global driver and even the US and Asian operators are building internal policies to mitigate the carbon footprint. Completion of the PCF for oleochemical derivatives means GREEN OLEO is on track to compete as a front runner in the global oleochemical sector.

**MORE STRICTIVE REGULATIONS  
INCREASED OCEAN FREIGHTS  
SUPPLY CHAIN DISRUPTION**

**ARE CREATING A STRUCTURAL COMPETITIVE ADVANTAGE FOR THE  
OLEOCHEMICAL INDUSTRY IN EUROPE.**

# THE CHOICES OF THE BIG BRANDS

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## COSMETICS

### LUSH

We are also working to reduce the climate and nature impact of our supply webs, while creating more opportunities for nature to thrive and help to remove emissions. Ultimately, we want to have a net positive supply web by 2030.

## DETERGENTS

### UNILEVER

We want to ensure our brands not only do less harm but also do more good for people and the planet, and collaboration will be vital. Accelerating our science and technology partnerships and programs will play a crucial part in bringing our vision to life.

That's why today we're launching a challenge to find the next generation of biodegradable and sustainable cosmetic ingredients and packaging materials that deliver incredible benefits to the millions of people who choose our products every day – and to the planet.

## INTERMEDIATE FOR INDUSTRY

### BASF

#### Why do we use renewable raw materials at BASF?

First of all, renewable raw materials may feature unique properties and functionalities that are either impossible or very difficult to create using fossil resources. Production based on renewable raw materials may thereby save costs and at the same time often enables innovation. In addition to that using renewable raw materials helps to save fossil resources and may contribute to reducing greenhouse gas emissions. We evaluate the impact on the environment during production and the use of products based on renewable raw materials using life cycle analysis methods.

## LUBRICANTS

### CASTROL

High-performing, hardworking lubricants are a critical component of efficient, profitable vessel operations. But in a world of ever-stronger environmental legislation, you may prefer Environmentally Acceptable Lubricants (EALs)\*\*.

Castrol Bio Range products have been created to meet demanding global environmental legislation challenges; their use provides confidence wherever your ships operate around the world.

## RESINS AND PAINTS

### IKEA

#### Materials are key for becoming circular

We are committed to becoming a circular business and enabling our customers to live a more sustainable life. To make this a reality, one of our ambitions is to move towards the use of renewable and recycled materials by 2030, and to design recyclable products. We talked to Stefan Månsson, Material & Innovation Development Manager at Inter IKEA Group, to find out how far we have come on our journey and what lies ahead.

## AGRO

### BAYER

At Bayer, Biologicals are an important part of [our commitment](#) to encourage diversity in modern agricultural practices and enable regenerative agricultural practices by providing a broad range of solutions to support farmers. Bayer partners with leading innovators around the world to bring new biologicals from the open innovation ecosystem to growers of all kinds.



## R&D: COSMETICS

Competitive advantages: upstream integration and short supply chain feedstock

**Light esters: alternative emollients to cyclic silicones.** The latter are poorly biodegradable and ECHA has already banned their use in wash-off cosmetics and will propose a further limitation in other cosmetics.

**Emulsifying esters: alternatives to ethoxylated emulsifiers.** The latter contain the by-product 1,4-dioxane, which is considered carcinogenic by ECHA: the reduction of the dioxane impurity limit in cosmetic products and house holdup to a limit of 2 ppm which, in fact, severely limits the use of ethoxylated systems.

## R&D: LUBRICATION

Competitive advantages: upstream integration and short supply chain feedstock

**Esters for lubrication 100% from renewable sources:** development of a natural derivative that goes to **replace the fraction deriving from fossil sources** currently present in most synthetic esters for lubrication. Intended for **applications that may result in lubricant dispersion** in the surrounding environment.

**Esters for cooling systems.** This is a new frontier of lubrication that impacts two fast growing markets: the cooling system of **batteries for electric cars** and the cooling of **data centers**.

## NEW MARKETS

**Light esters** as an alternative ingredient to solvents, with various applications (cosmetics, ceramics, etc.)

**By-products enhancement**

# COSMETICS: INTERNATIONAL FAIRS

# 26



in-cosmetics global (Parigi, April 16-18)  
Making Cosmetics (Milan, November 20-21)



# LUBRICATION: INTERNATIONAL FAIRS

# 27



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STLE (Minneapolis, May 19-23)  
Lubricant EXPO (Dusseldorf, September 17-19)



# LISTED COMPETITORS

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GREEN OLEO differs from its competitors for a product range based mainly on **olive oil derivatives**, which are the most requested in the sectors with higher margins and in the Green Deal perspective the most favored ones.

COMPANY	COUNTRY	RAW MATERIAL			PRODUCTS			2023		2024 H1	
		Natural	Olive	Synthetic	Esters	Fatty acids	Glycerins	Volumes	Revenues	Volumes	Revenues
GREEN OLEO	Italy	•••	•••	• <sup>1</sup>	••	•••	•	0%	-25%	+35%	+16%
KLK (Manufacturing)	Malaysia	•••		•	•	•••		n.a.	-16% <sup>2</sup>		-2% <sup>2</sup>
<i>(KLK subsidiary Temix, 9M23 data)</i>	Italy	•••		•	•••	•			-53%		n.a.
CRODA (Industrial Specialties)	UK	•••	•	•	•••	•		n.a.	-19% <sup>2</sup>		-17% <sup>2</sup>
AAK (Technical Products & Feeds)	Sweden	•••				•••	•••	-6%	-17% <sup>3</sup>	-6%	-16% <sup>3</sup>

<sup>1</sup> minimum quantities of raw materials used by GREEN OLEO to expand the offer of mainly renewable-based synthetic esters

<sup>2</sup> consolidated data (source: company financial statements)

<sup>3</sup> data relating to the division «Technical Products & Feed» (source: company financial statements)

• low •• medium ••• high



# FINANCIAL HIGHLIGHTS



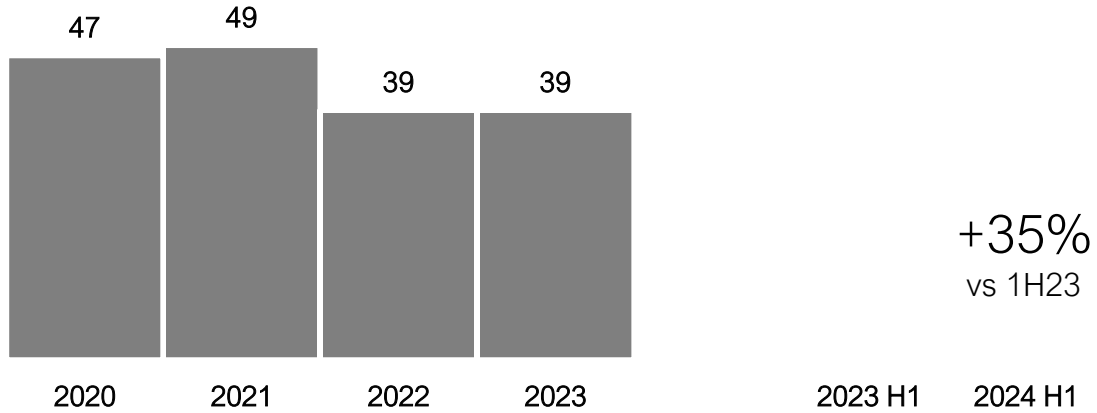
# VOLUME AND REVENUE TREND

# 30

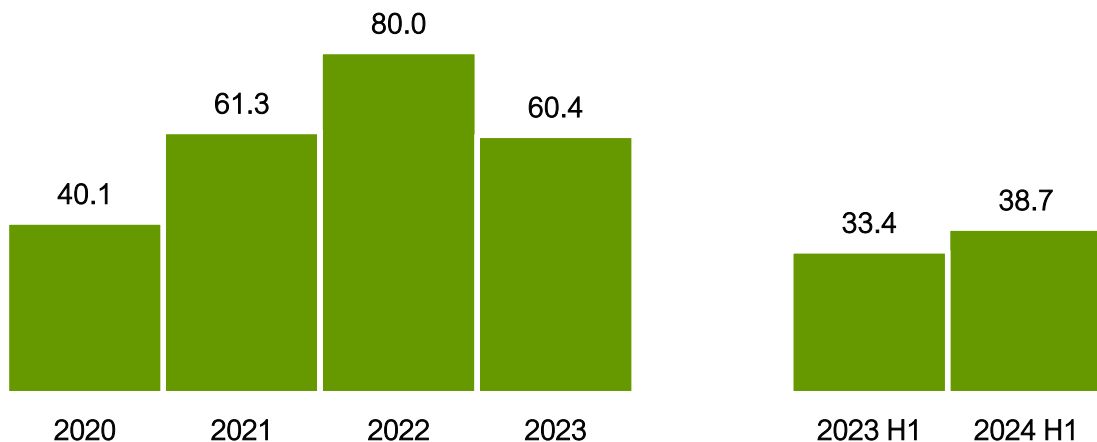


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VOLUMES (K t)



REVENUES (€M)



The comparison between 2021 and 2023 Volumes and Revenues confirms the validity of the strategy pursued over these years: **downstream integration and growth in applications with greater added value.**

In 2023 GREEN OLEO reached **3 important results:**

- Volumes unchanged compared to 2022 (39K t)
- a drop in Revenues compared to 2022 attributable solely to the drop in the sales price (driven downwards by the drop in raw material prices)
- Revenues in line with 2021 (year in which volumes stood at 49K t) **thanks to the different product mix.**

**2022** characterized by a **progressive trend of increasing raw material prices and product sale prices** generating Revenue growth despite a contraction in Volumes.

**2024 Strategy:** focus on Volumes to generate economies of scale. Volumes up 35% in H1.

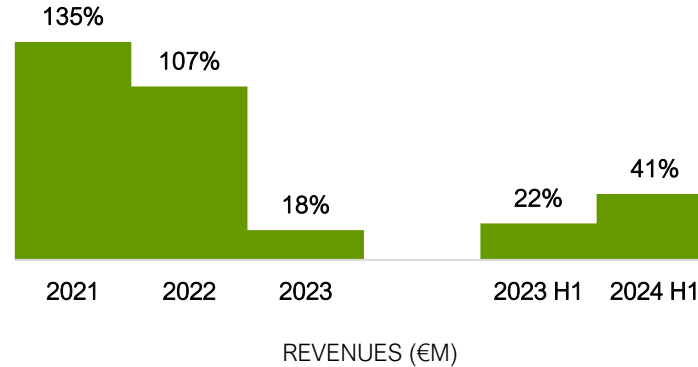
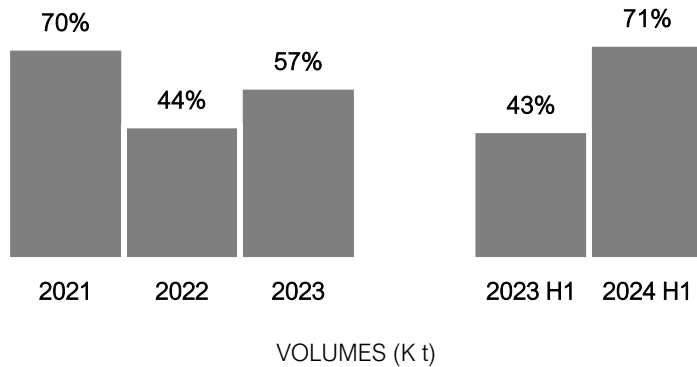
# VOLUME AND REVENUE TREND: GROWTH RATES BY PRODUCT



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# 31

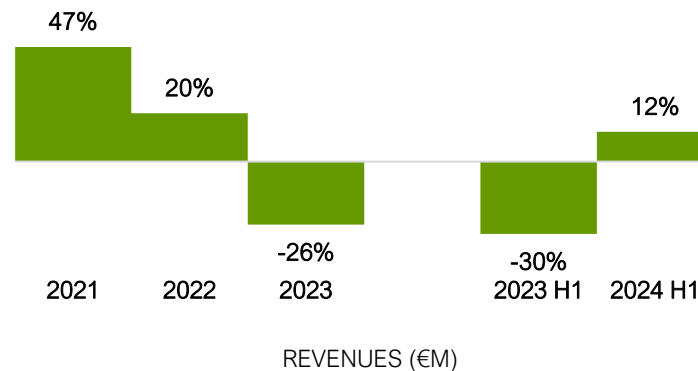
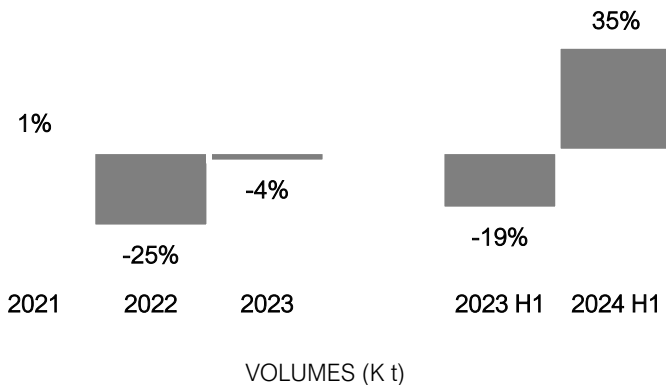
## ESTERS



**2023** - Significant contribution of *Medium Chain Triglycerides* (Reach registration process completed in September) which have strengthened the presence in the **Cosmetics** and in the **High performance industrial lubrication**.

**2024 H1**: excellent performances in both the **cosmetics and lubrication** businesses.

## FATTY ACIDS



**2023** - The decline in oleic acids was offset by the growth in **Polyunsaturated fatty acids**, thanks to the launch in August of products that represent a **competitive alternative, from a technical and commercial point of view, to Tall Oil Fatty Acids (TOFA)** whose availability is currently limited as they are used on a large scale in the food industry *biodiesel*, paints and asphalts.

**2024 H1**: positive contribution from **all major categories**.

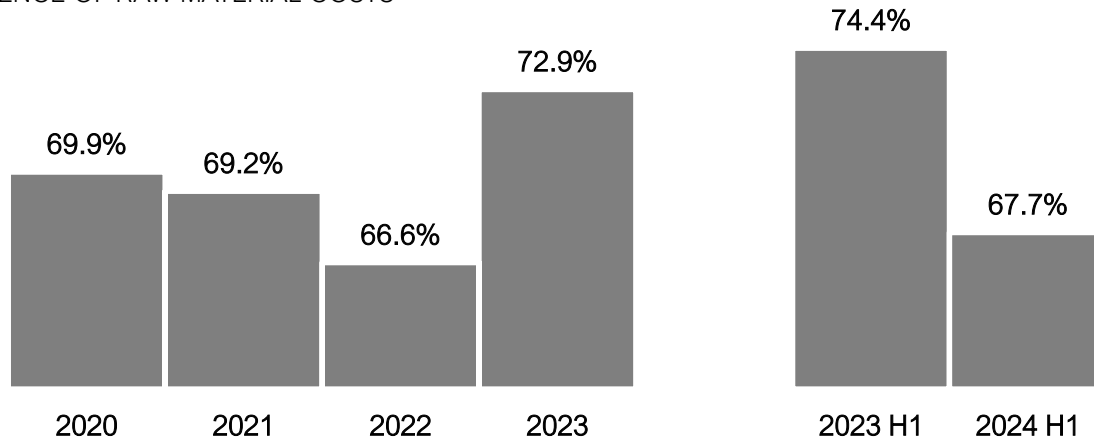
## GLYCERINES

GREEN OLEO adopted the strategic choice to optimize - primarily using glycerine generated internally during the production process - a low value-added and highly energy-intensive product, yielding benefits on production costs.

# INCIDENCE OF RAW MATERIAL COSTS AND EBITDA

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## INCIDENCE OF RAW MATERIAL COSTS

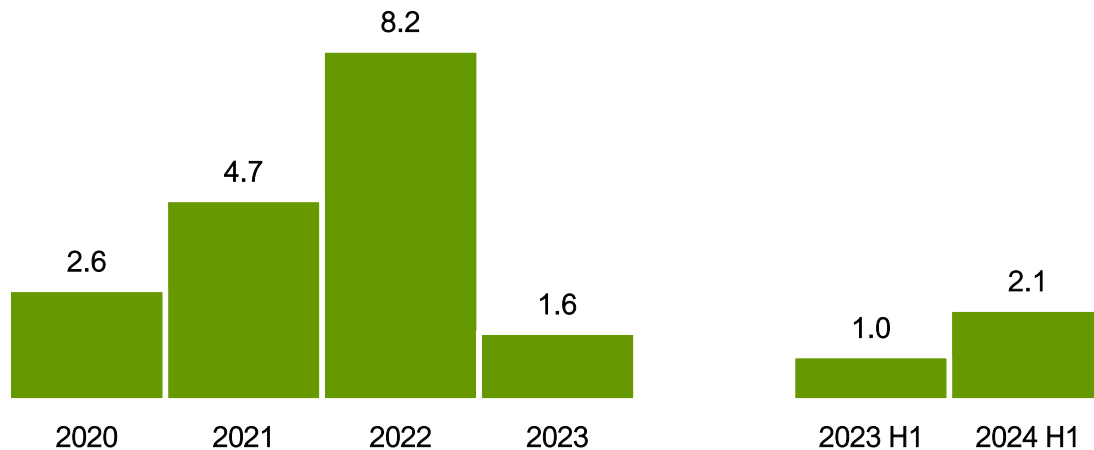


**2024 H1:** regarding the improvement in the Gross Operating Margin, the impact of raw material costs decreased from 74.4% in 2023 H1 to 67.7% in 2024 H1, **benefiting from the efficiency of the procurement process started in Q4 2023.**

In particular, as there are no suitable financial instruments to hedge fluctuations in the natural raw materials purchased:

- a quarterly sales forecasting activity has been introduced to allow for precise coverage of the raw materials needed for the entire quarter, **minimizing risk;**
- the percentage of sales based on quarterly contracts has been increased, reducing spot sales **to favor stability in margins and cash flow.**

## EBITDA (€M)



**2023:** in addition to the **reduction in raw material prices and therefore in the prices of products sold**, EBITDA was also significantly impacted by the **methane gas component** (as a precaution, at the end of 2022 GREEN OLEO arranged coverage for methane gas both through agreements with the supplier and a derivative).

**2024 H1:** EBITDA stands at 2.1 €M, +104% compared to 1.0 €M 2023 H1, benefiting from the improvement of the Gross Operating Margin and from lower costs for services and despite higher personnel costs (with the strengthening of the structure for pursuing the development project) and charges related to the status of a listed company.



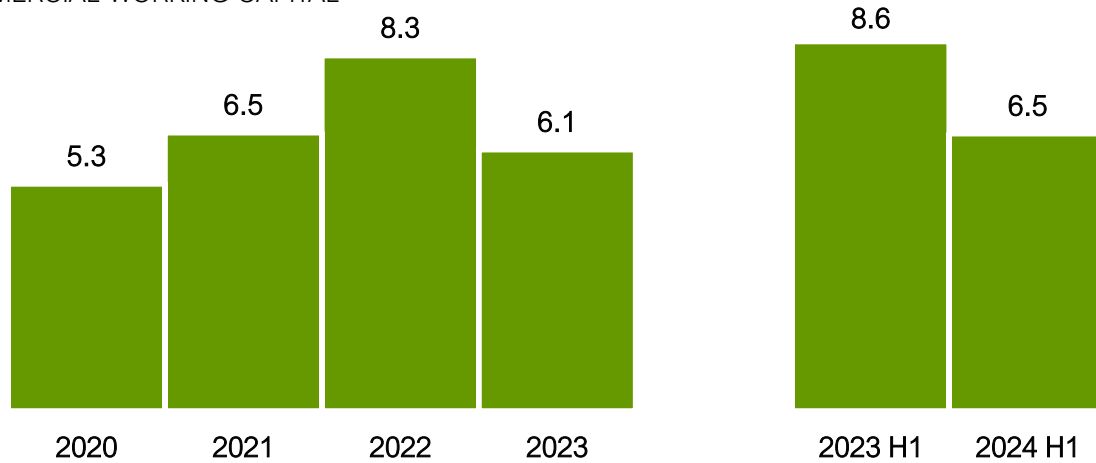
# COMMERCIAL WORKING CAPITAL, NET FINANCIAL DEBT AND EQUITY

# 33



a «sustainable by design» company

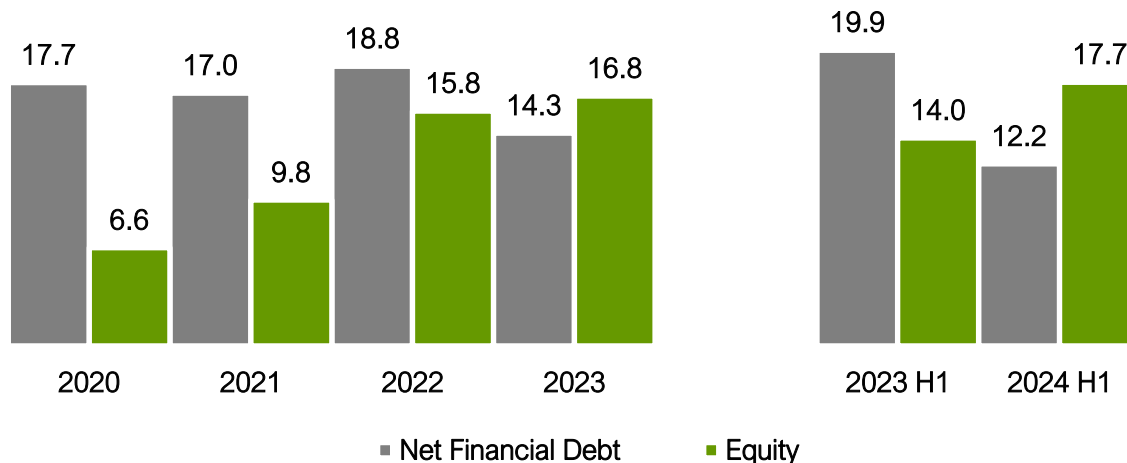
## COMMERCIAL WORKING CAPITAL



**2023:** subject to careful management policy, especially with regards to inventories; **the stock decreased both due to the reduction in prices and quantities, to minimize cash absorption.** DSO and DPO constantly under control to keep the duration of trade receivables and payables in balance. A constant rating monitoring system guarantees a limited level of credit risk (credit losses in 2020-2023 equal to 4 €K)

**2024 H1:** the change is **contained despite the significant increase** in business volume.

## NET FINANCIAL DEBT AND EQUITY (€M)



### Net Financial Debt

- **14.3 €M in 2023:** reduction of current and non-current debt; the company did not absorb cash thanks to the careful management of working capital
- **12.2 €M in 2024 H1:** reduction in financial liabilities and cash generation from core operations, resulting in a decrease in Net Working Capital

### Equity

- **16.8 €M in 2023:** IPO capital increase (5.0 €M), operating loss (-0.6 €M), *Reserve for hedging operations of expected financial flows*, relating to *commodity methane gas* (-3.4 €M)
- **17.7 €M in 2024 H1:** reduction of the *Reserve for hedging operations of expected financial flows*, relating to *commodity methane gas*



# 2024 OUTLOOK AND 2024-2026 GROWTH STRATEGY



## 2024 Q3

### GROWING VOLUMES AND REVENUES

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## 2024 OUTLOOK

### GROWING VOLUMES AND REVENUES

The year 2024 will benefit from two important factors:

- 1.The effects of the entry into force of the EUDR will drive sales of products based on short supply chains, excluding palm oil.
- 2.Supply chain disruptions have raised customer awareness of the importance of sourcing from oleochemical producers that predominantly use EU raw materials.

### IMPROVEMENT IN MARGINALITY THANKS TO:

- economies of scale generated by the increase in volumes
- further shift of esters Revenues, for which double-digit growth in Volumes vs 2023 is expected
- esters development in application areas with greater added value (Cosmetics, Lubrication and new markets)

## DOWNSTREAM INTEGRATION AND GROWTH IN APPLICATIONS WITH GREATER ADDED VALUE

### PRODUCTION CAPACITY AND EFFICIENCY

2024 focus on Volumes

2025-2026 margin optimization through  
*product mix*

Investments aimed at optimizing esterification plants, with the aim of speeding up production and making it more flexible

Investments to revamp the oleochemical department dedicated to products for the cosmetics sector and intermediates for esters

### PRODUCT

Internal function «Regulatory»: reference regulatory monitoring to intercept sector trends and anticipate market demands by directing R&D activity

Investments in R&D with focus on foreign development in the Cosmetics and Lubrication sectors

*Product Carbon Footprint*: obtaining certification (ISO14067)

### COMMERCIAL NETWORK

Development of a commercial proposal *just in time* thanks to the «make to stock» model

Participation in the main international trade fairs

Strengthening of the internal sales network: inclusion of a *sales manager* dedicated to Cosmetics

# 2024-2026: M&A STRATEGIC RATIONALE

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	COSMETICS			LUBRICATION
	TARGET A	TARGET B	TARGET C	TARGET D
STRATEGIC RATIONALE FOR GREEN OLEO	Expansion of sales channels, distribution network and downstream integration	Increase/rationalization of production capacity and reduction <i>time to market</i>	Consolidation of the brand in natural cosmetics Access to a high added value market	Increase in production capacity International expansion
CHARACTERISTICS OF THE POTENTIAL TARGET COMPANY	Distributor of ingredients for cosmetics that has developed the online sales channel for micropackaging	Manufacturer of esters already approved for cosmetics	Manufacturer of natural extracts on cosmetic active ingredients (aloe vera, natural vitamin E, ...)	Manufacturer of lubricating formulations in the US market
OPPORTUNITY FOR THE POTENTIAL TARGET COMPANY	Expand and differentiate your offering with unique and highly <i>appealing</i>	Upstream integration on the oleochemical supply chain and expansion of production capacity	Upstream integration on raw materials and expansion of the product range	First mover in lubrication natural high performance

# DISCLAIMER

# 38

THE FORWARD-LOOKING STATEMENTS CONTAINED IN THIS DOCUMENT ARE MADE IN GOOD FAITH, BASED ON A SERIES OF ASSUMPTIONS REGARDING FUTURE EVENTS AND INFORMATION AVAILABLE TO THE DIRECTORS AT THE TIME OF APPROVAL OF THIS DOCUMENT. SUCH FORWARD-LOOKING STATEMENTS ARE BASED ON INFORMATION THAT IS INHERENTLY UNCERTAIN, REFERRING TO ASSUMPTIONS OF FUTURE FACTS RELATING TO MARKET PERFORMANCE AND PRICE VARIABLES OF PRODUCTION FACTORS WHICH ARE OUTSIDE THE COMPANY'S CONTROL, AND THEREFORE SHOULD BE TREATED WITH CAUTION. FORWARD-LOOKING DATA CANNOT BE A GUARANTEE OF FUTURE LEVELS OF ACTIVITY, PERFORMANCE OR RESULTS.

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Green Oleo

a «sustainable by design» company

# APPENDIX





# 2020-2023 INCOME STATEMENT

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a «sustainable by design» company

€M	2020	2021	2022	2023
<b>Revenues from sales</b>	<b>41.0</b>	<b>62.0</b>	<b>80.8</b>	<b>60.6</b>
Changes in inventories	0.8	2,2	2,2	(2.6)
Other income	1.7	1.3	3,4	4.6
<b>Production Value</b>	<b>43.4</b>	<b>65.4</b>	<b>86.4</b>	<b>62.6</b>
Raw material costs	(29.2)	(44.4)	(55.3)	(42.2)
Costs for services	(7.1)	(11.2)	(17.8)	(13.5)
Costs for the use of third party assets	(0.1)	(0.1)	(0.2)	(0.2)
Staff costs	(4.1)	(4.8)	(4.8)	(4.8)
Various management costs	(0.3)	(0.2)	(0.2)	(0.3)
<b>EBITDA</b>	<b>2.6</b>	<b>4.7</b>	<b>8.2</b>	<b>1.6</b>
Depreciation and write-downs	(2.3)	(2.5)	(2.6)	(2.8)
<b>EBIT</b>	<b>0.3</b>	<b>2,2</b>	<b>5.5</b>	<b>(1.3)</b>
Financial income and expenses	(0.3)	(0.2)	(0.2)	(0.7)
<b>EBT</b>	<b>(0.0)</b>	<b>1.9</b>	<b>5.3</b>	<b>(2.0)</b>
Income taxes	(0.3)	(0.1)	0.3	1.4
<b>Net Income</b>	<b>(0.3)</b>	<b>1.8</b>	<b>5.6</b>	<b>(0.6)</b>

**Change in inventories** equal to -2.6 €M, ascribed to the reduction in raw material prices compared to 2022 and the careful management of inventories

**Other income** for 4.6 €M, attributable to non-repayable contributions and state contributions for energy-intensive and gas-consuming companies

**Raw material costs** for 42.2 €M, suffered a less than proportional decline compared to sales due to some purchase contracts with high prices between 2022 and 2023

**Costs for services** for 13.5 €M, include 6.7 €M of methane gas (including the cost of covering the price of *commodity*) and the costs associated with the status of listed company. Kept constant yoy expenditure on plant maintenance (0.8 €M)

**Financial charges** for 0.7 €M: thanks to favorable rate coverage stipulated between 2020 and 2021, the cost of existing debt is fully sustainable

## 2023 ADJUSTED

**1.5 €M**

price impact  
raw material

**1.6 €M**

price impact  
methane gas\*

**4.7 €M adj EBITDA**

**1.8 €M adj EBIT**

**1.2 €M adj EBT**

**2.5 €M adj Net Income**

\* At the end of 2022 GREEN OLEO stipulated coverage contracts both through agreements with the supplier and through a financial derivative.

# 2020-2023 BALANCE SHEET – Net Invested Capital

# 42

€M	2020	2021	2022	2023
Intangible fixed assets	0.7	0.7	0.7	1.3
Tangible fixed assets	20.3	21.6	24.3	23.6
Financial fixed assets	0.0	0.0	0.4	0.1
<b>NET FIXED ASSETS</b>	<b>21.1</b>	<b>22.3</b>	<b>25.4</b>	<b>25.0</b>
Inventories	5.0	7.9	10.6	7.2
Commercial credits	7.6	8.4	7.8	8.2
Commercial debts	(7.3)	(9.8)	(10.1)	(9.2)
<b>COMMERCIAL WORKING CAPITAL</b>	<b>5.3</b>	<b>6.5</b>	<b>8.3</b>	<b>6.1</b>
Other current assets	0.2	0.2	0.2	1.8
Other current liabilities	-0.6	1.0	(0.8)	(0.6)
Tax receivables and payables	0.6	0.4	4.0	3.8
Net accruals and deferrals	0.2	0.2	(0.9)	(0.8)
<b>NET WORKING CAPITAL</b>	<b>5.7</b>	<b>6.4</b>	<b>10.8</b>	<b>10.3</b>
Provisions for risks and charges	(1.9)	(1.5)	(1.3)	(4.0)
Severance Fund	(0.5)	(0.4)	(0.3)	(0.2)
<b>NET INVESTED CAPITAL</b>	<b>24.3</b>	<b>26.7</b>	<b>34.6</b>	<b>31.1</b>

**Net fixed assets:** stably >20 €M, derives directly from the Company's productive investment policy

**Commercial Working Capital:** subject to careful management policy, especially with regards to inventories; the stock decreased both due to the reduction in prices and quantities, to minimize cash absorption. DSO and DPO constantly under control to keep the duration of trade receivables and payables in balance. A constant rating monitoring system guarantees a limited level of credit risk (credit losses in 2020-2023 equal to 4 €K)

**Other current activities:** includes credits for non-repayable contributions to be collected

**Tax receivables and payables:** linked to tax credits for R&D, interconnection, deferred tax assets

**Provisions for risks and charges:** the increase compared to 2022 is determined by the accounting of MtM of gas derivatives valued as of 31.12.2023

# 2020-2023 BALANCE SHEET – Net Financial Debt and Equity

# 43

€M	2020	2021	2022	2023
Current financial debt	3.1	0.5	3.5	2.3
Current portion of non-current financial debt	3.0	5.3	5.4	5.9
Non-current financial debt	12.2	12.3	12.0	8.1
Total bank and financial debts	18.3	18.1	20.9	16.4
Other current financial assets	0.0	0.0	(0.1)	(0.1)
Cash	(0.6)	(1,1)	(2.0)	(1.9)
<b>NET FINANCIAL DEBT</b>	<b>17.7</b>	<b>17.0</b>	<b>18.8</b>	<b>14.3</b>
Share capital	0.1	0.6	0.6	0.8
Reserves	6.8	7.4	9.6	16.5
Operating result	(0.3)	1.8	5.6	(0.6)
<b>EQUITY</b>	<b>6.6</b>	<b>9.8</b>	<b>15.8</b>	<b>16.8</b>
<b>TOTAL SOURCES</b>	<b>24.3</b>	<b>26.7</b>	<b>34.6</b>	<b>31.1</b>

## Net Financial Debt equals to 14.3 €M (18.8 €M in 2022)

- reduction of current and non-current debt
- the company did not absorb cash thanks to the careful management of working capital
- debt capacity towards the banking system maintained
- modest use of self-liquidating in the short term debt
- high turnover in short-term financing
- balanced capital structure in terms of duration between non-current fixed assets, liabilities and net worth

## Shareholders' Equity of 16.8 €M (15.8 €M in 2022)

- IPO capital increase (5.0 €M)
- operating loss (-0.6 €M)
- *Reserve for hedging operations of expected financial flows, relating to commodity methane gas (-3.4 €M)*

# 2024 H1 INCOME STATEMENT

# 44

€M	2023	2023 H1	2024 H1
<b>Revenues from sales</b>	<b>60.6</b>	<b>33.4</b>	<b>38.7</b>
Changes in inventories	(2.6)	(1.6)	(1.5)
Other income	4.6	2.7	0.3
<b>Production Value</b>	<b>62.6</b>	<b>34.6</b>	<b>37.5</b>
Raw material costs	(42.2)	(23.7)	(25.2)
Costs for services	(13.5)	(7.2)	(7.0)
Costs for the use of third party assets	(0.2)	(0.1)	(0.1)
Staff costs	(4.8)	(2.4)	(2.9)
Various management costs	(0.3)	(0.1)	(0.2)
<b>EBITDA</b>	<b>1.6</b>	<b>1.0</b>	<b>2.1</b>
Depreciation and write-downs	(2.8)	(1.2)	(1.4)
<b>EBIT</b>	<b>(1.3)</b>	<b>(0.2)</b>	<b>0.7</b>
Financial income and expenses	(0.7)	(0.3)	(0.3)
<b>EBT</b>	<b>(2.0)</b>	<b>(0.5)</b>	<b>0.4</b>
Income taxes	1.4	0.6	(0.3)
<b>Net Income</b>	<b>(0.6)</b>	<b>0.1</b>	<b>0.1</b>

**Change in inventories** amounts to -1.5 €M, attributed to the reduction in raw material prices.

**Other income** totals 0.3 €M, stemming from tax credits for R&D activities and revenues from energy efficiency certificates. In the first half of 2023, this item included government contributions for gas-intensive and energy-intensive enterprises, as well as a non-repayable grant for a funded project.

The **impact of raw material costs decreased** from 74.4% in the first half of 2023 to 67.7% in the first half of 2024, benefiting from the efficiency of the procurement process initiated in Q4 2023.

**Service costs** are recorded at 7.0 €M, which include 0.7 €M for methane gas (covering the cost of the commodity).

**Staff costs** amount to 2.9 €M, reflecting the strengthening of the structure to support the development project.

**Financial charges** total 0.3 €M; thanks to favorable rate coverage established between 2020 and 2021, the cost of existing debt is fully manageable.

## 2024 H1 ADJUSTED

**0.7 €M**  
price impact  
methane gas



2.8 €M *adj* EBITDA

1.4 €M *adj* EBIT

1.1 €M *adj* EBT

0.8 €M *adj* Net Income

# 2024 H1 BALANCE SHEET – Net Invested Capital

# 45

€M	2023	2024 H1
Intangible fixed assets	1.3	1.2
Tangible fixed assets	23.6	23.0
Financial fixed assets	0.1	0.1
<b>NET FIXED ASSETS</b>	<b>25.0</b>	<b>24.3</b>
Inventories	7.2	6.3
Commercial credits	8.2	13.1
Commercial debts	(9.2)	(12.9)
<b>COMMERCIAL WORKING CAPITAL</b>	<b>6.1</b>	<b>6.5</b>
Other current assets	1.8	0.9
Other current liabilities	(0.6)	(0.9)
Tax receivables and payables	3.8	3.1
Net accruals and deferrals	(0.8)	(0.8)
<b>NET WORKING CAPITAL</b>	<b>10.3</b>	<b>8.8</b>
Provisions for risks and charges	(4.0)	(3.0)
Severance Fund	(0.2)	(0.2)
<b>NET INVESTED CAPITAL</b>	<b>31.1</b>	<b>30.0</b>

**Net fixed assets:** consistently above 20 €M, directly resulting from the Company's productive investment policy.

**Commercial Working Capital:** the change remains contained despite a significant increase in business volume. This is due to careful management practices, particularly regarding inventory, Days Sales Outstanding (DSO), and Days Payable Outstanding (DPO), which are consistently monitored to maintain a balance in the duration of trade receivables and payables. A constant rating monitoring system ensures a limited level of credit risk, with credit losses from 2020 to 2023 amounting to 4 €K.

**Other current activities:** the change is attributed to the collection of a credit from SIMEST.

**Tax receivables and payables:** these are linked to tax credits for R&D, interconnection, and deferred tax assets. The available tax credits were utilized during the first half of 2024.

**Provisions for risks and charges:** the decrease compared to 2023 is due to the accounting of the Mark-to-Market (MtM) of gas derivatives as of June 30, 2024.

# 2024 H1 BALANCE SHEET – Net Financial Debt and Equity

# 46

€M	2023	2024 H1
Current financial debt	2.3	2.1
Current portion of non-current financial debt	5.9	5.3
Non-current financial debt	8.1	8.0
Total bank and financial debts	16.4	15.4
Other current financial assets	(0.1)	(0.1)
Cash	(1.9)	(3.1)
<b>NET FINANCIAL DEBT</b>	<b>14.3</b>	<b>12.2</b>
Share capital	0.8	0.8
Reserves	16.5	16.9
Operating result	(0.6)	0.1
<b>EQUITY</b>	<b>16.8</b>	<b>17.7</b>
<b>TOTAL SOURCES</b>	<b>31.1</b>	<b>30.0</b>

Net Financial Debt stands at 12.2 €M (compared to 14.3 €M in 2023).

Reduction of both current and non-current debt.  
The company generated cash flow from operations.  
Debt capacity with the banking system remains stable.  
Modest use of self-liquidating short-term debt.  
High turnover in short-term financing.  
Balanced capital structure in terms of the duration between non-current fixed assets, liabilities, and net worth.  
Shareholders' Equity is at 17.7 €M (up from 16.8 €M in 2023).

Reduction in the reserve for hedging operations related to expected financial flows concerning commodity methane gas.

# 2020 – 2024 H1 INVESTMENTS

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a «sustainable by design» company

**14.6 €M**  
INVESTMENTS  
IN 2020 - 2024 H1

13.4 €M  
in tangible assets

1.2 €M  
in intangible assets

