

Company Presentation



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Competitive Landscape

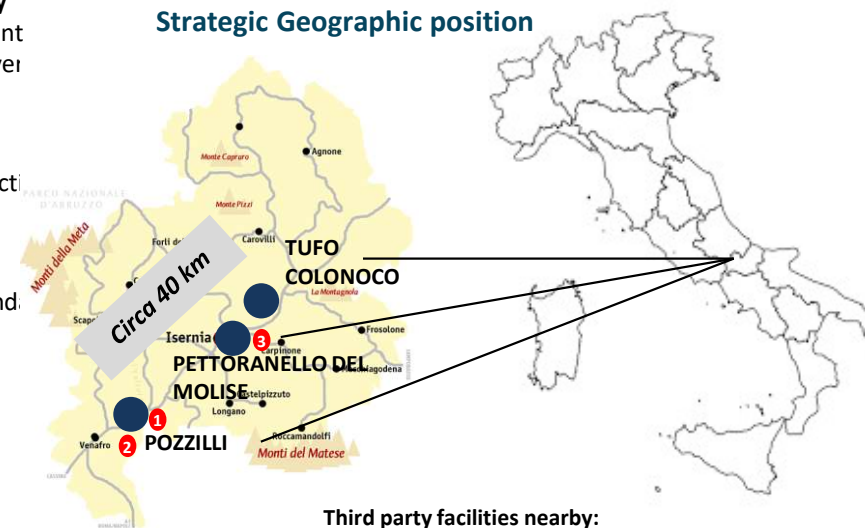
Company

RES S.p.A. has been operating in the circular economy and environmental sustainability sector for over 30 years. The company deals with the entire process of waste management from selection to functional treatment and transformation to the regeneration and recover of waste and reuse as raw production materials.

Operations are carried out in 3 plant facilities:

- **Pozzilli (IS)**, where there is a dedicated plant to plastic and bulky materials selection and the production of Secondary Solid Fuel («SSF»);
- **Tufo Colonoco (IS)**, where there are:
 - ✓ A mechanical-biological waste treatment plant («TMB») and production of Secondary Solid Fuel («CSS»);
 - ✓ A landfill;
 - ✓ A composting plant;
 - ✓ A biogas plant and two photovoltaic systems.
- **Pettoranello del Molise (IS)**, where there are:
 - ✓ Plastics Advanced selection plant;
 - ✓ Plastics Washing and granulation plant
 - ✓ Plastic Chemical Recycling (under construction)

Strategic Geographic position



Third party facilities nearby:

- 1 Herambiente waste to energy plant
- 2 Colacem cement factory
- 3 Sewage/purification plant managed by Cogem (RES related party) in association with Herambiente

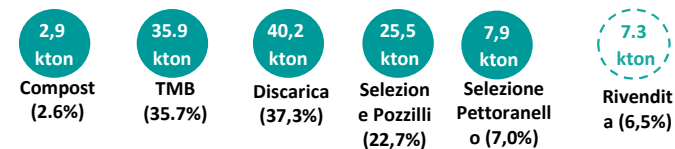
Key Financials

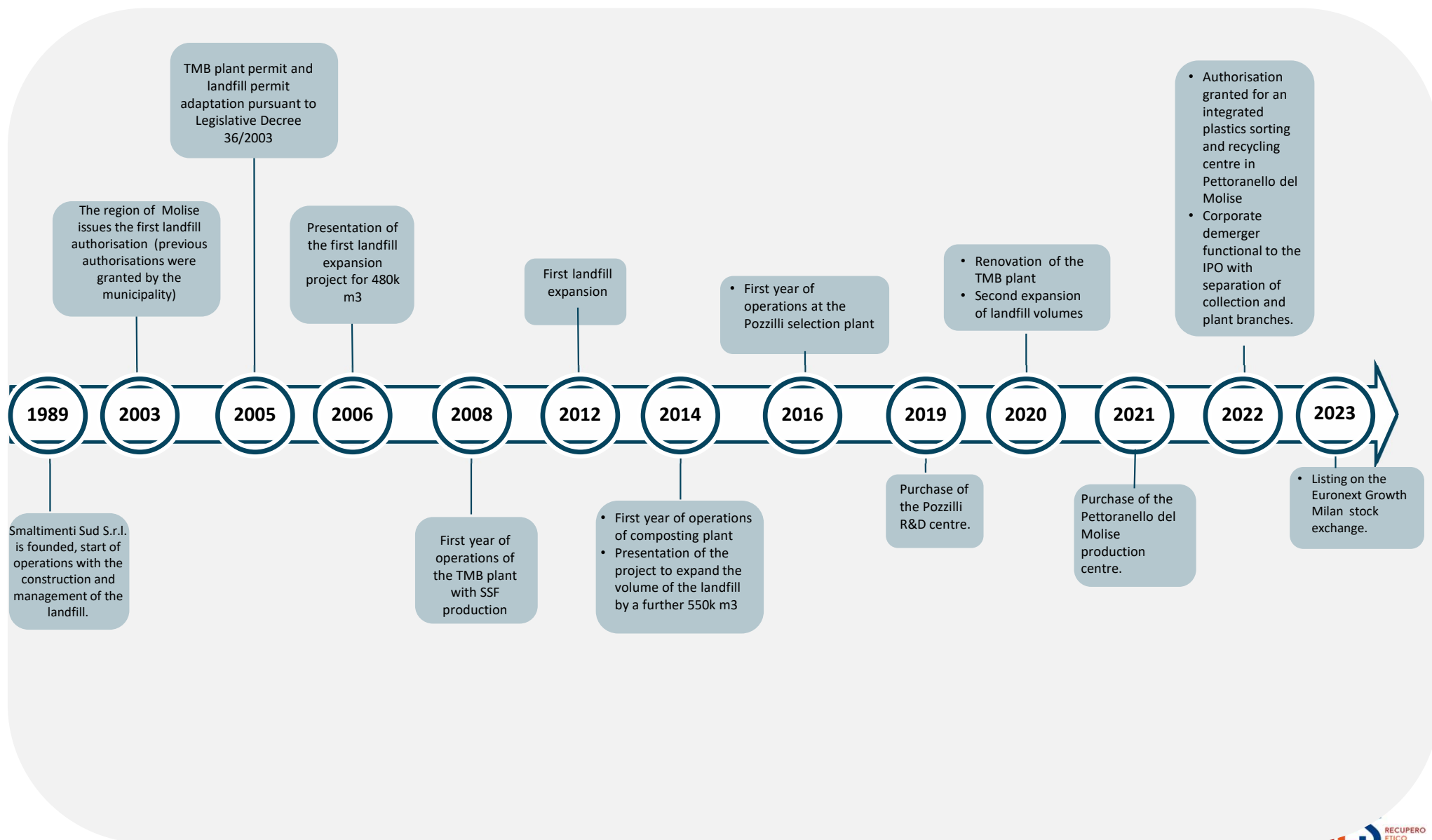
(€'000)	30.06.2024	30.06.2023	Var %	31.12.2023
Turnover	15,097	9,958	51.6%	20,663
EBITDA	5,141	2,049	150.9%	4,435
EBITDA %	34.1%	20.6%	13.5%	21.5%
NET RESULT	2,802	899	211.8%	2,034

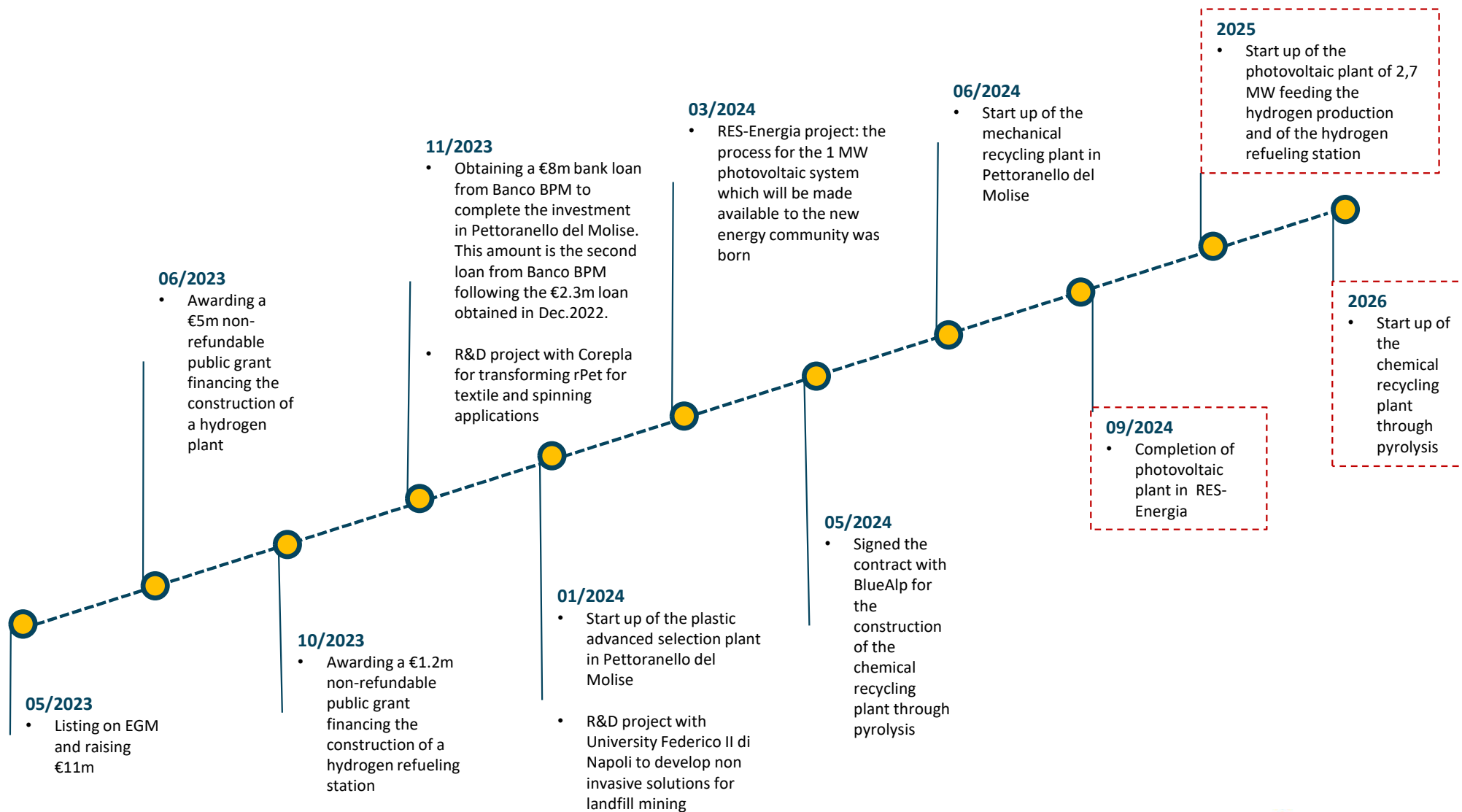
EBITDA Adj	5,468	2,369	130.8%	5,062
EBITDA % Adj	36.2%	23.8%	12.4%	24.5%

(€'000)	30.06.2024	30.06.2023	Var	31.12.2023
Net Financial Position	7,974	1,581	6,394	1,581

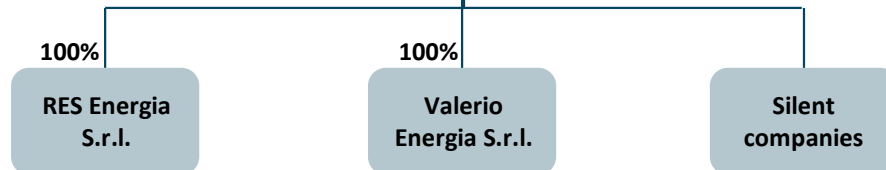
Total waste quantities managed in H1 2024 112.5 kton (165.3 kton in FY2023)



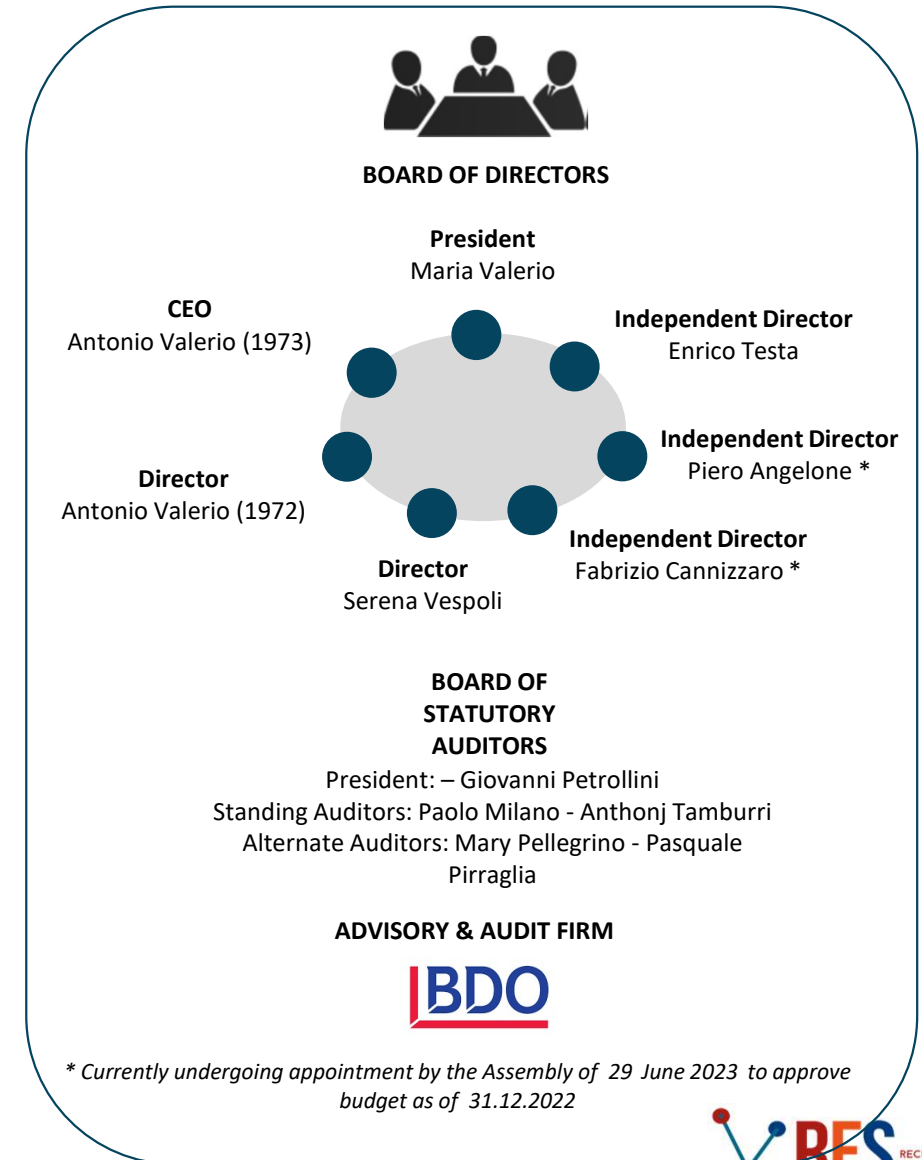




Antonio Valerio (1973)	Antonio Valerio (1972)	Maria Valerio	Serena Vespoli	Invitalia S.p.A.	Mercato
38,58%	19,69%	19,69%	0,79%	7,44%	13,81%



- **Valerio Energie S.r.l.:** owner of two photovoltaic systems at the landfill. In turn it controls 100% of Valerio Servizi S.r.l., a purpose company established for the construction of a methane gas distributor for motor vehicles.
- **RES Energia S.r.l.:** owner of ex Fonderghisa production plant (where a 1MW photovoltaic plant will be built).
- **Inactive companies:**
 - **DV Ecologia (20%):** Company for specific projects, currently inactive.
 - **Marte S.r.l. (100%):** Inactive company (originally established for the construction of a demolition plant).





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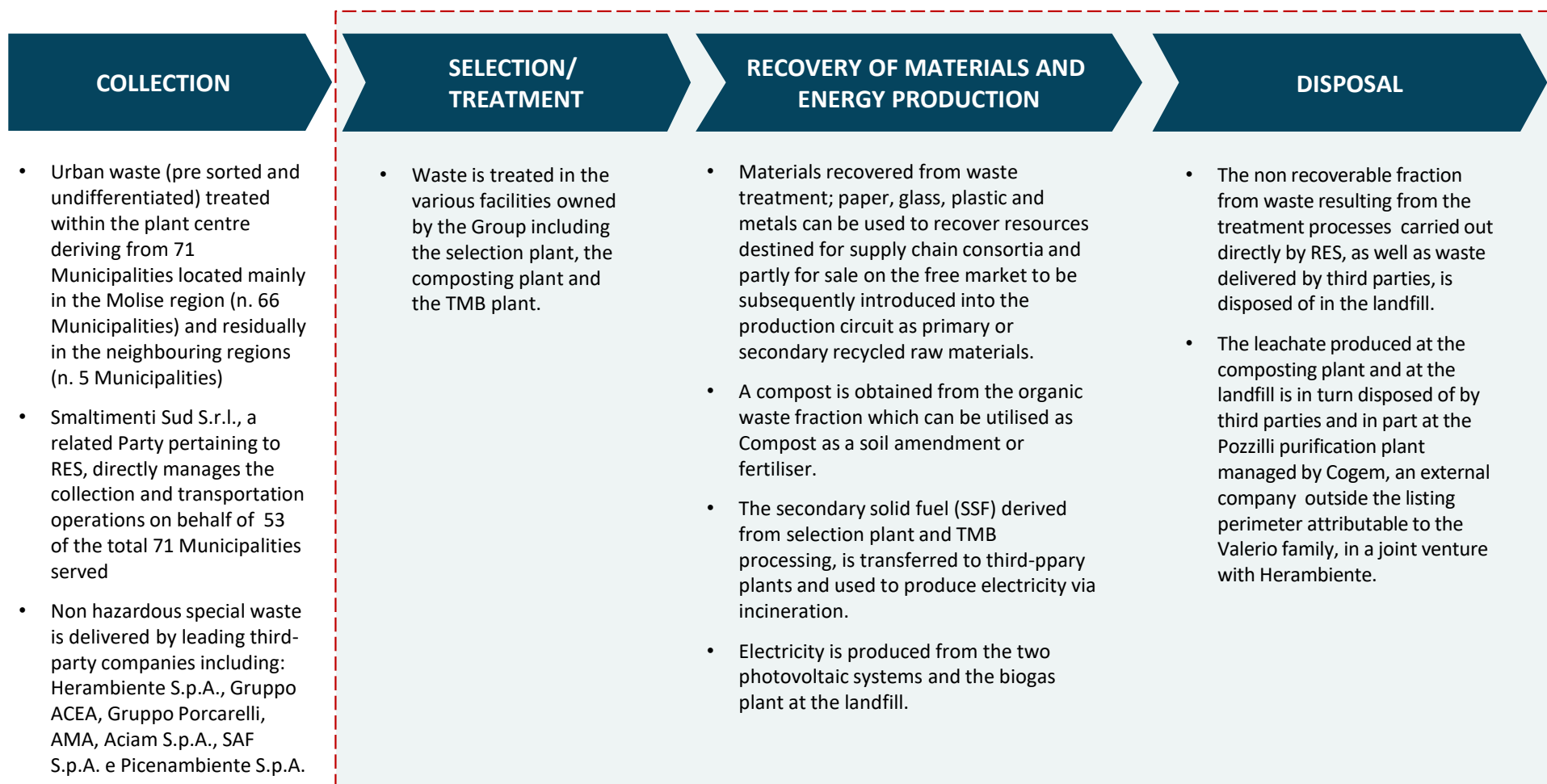
Key Financials

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Competitive Landscape

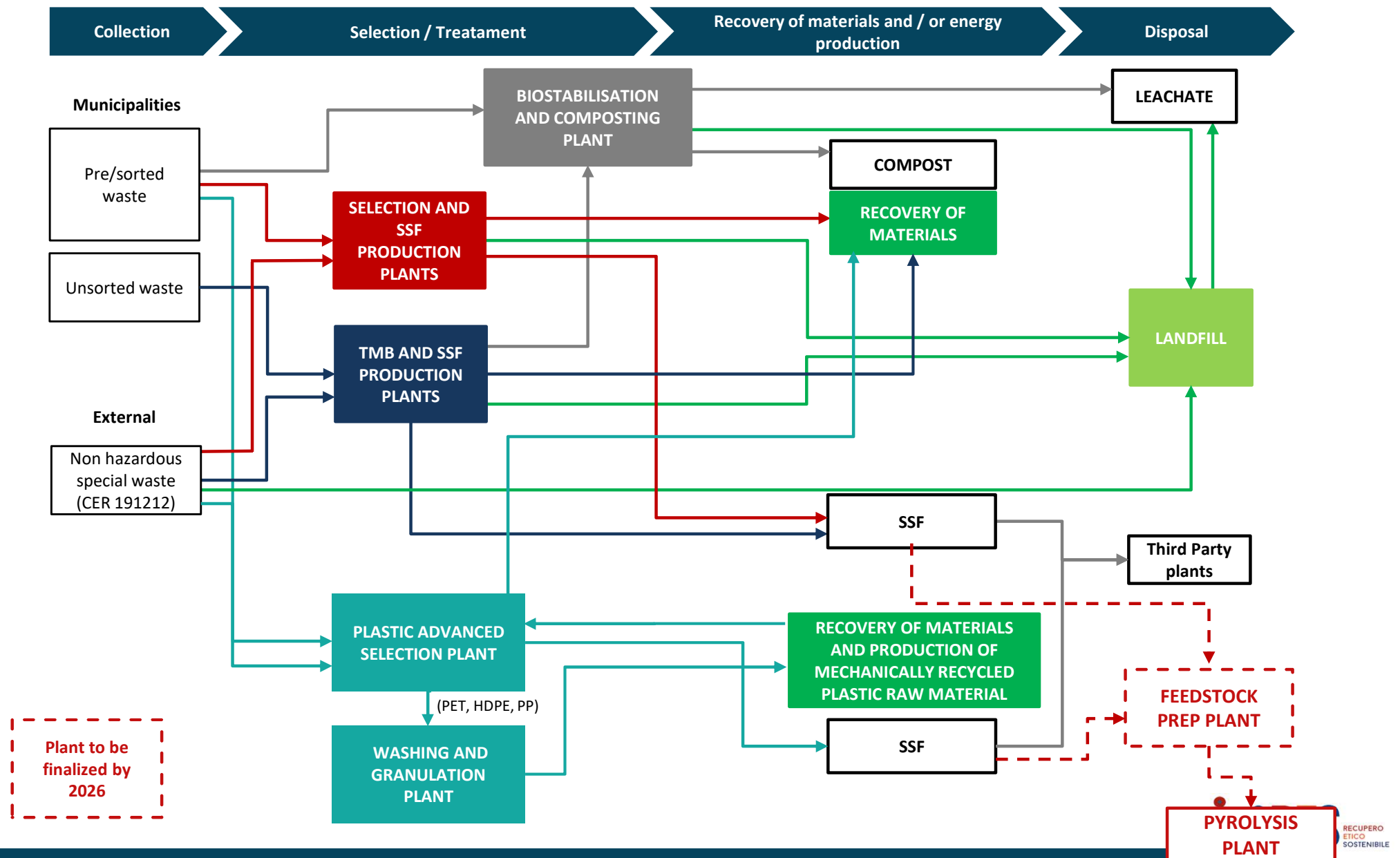
- RES is vertically integrated across the entire waste supply chain, overseeing every phase of waste lifecycle.
- The Company business model focuses on waste management ; passing from entry as waste and exiting the plant in the form of a resource:

 Tasks carried out by RES



End-to-End control of the whole value chain

RES is one of the few companies to be present in every phase of the waste management cycle, guaranteeing cost efficiency and operational flexibility.





Pozzilli		Tufo Colonoco					Pettoranello		
INPUT	Selection Plant for SSF production	R&D Centre	TMB Plant for SSF production	Composting and biostabilisation Plant	Landfill	Biogas Plant (625 kWp)	Two photovoltaic Systems (988 kWp and 80 kWp)	Plastic advanced selection & washing and granulation plants	Plastic Chemical Recycling plant (pyrolysis)
									
	• Waste sorting • Non hazardous special waste		• Unsorted waste collection • Non hazardous special waste	• Differentiated organic waste • Fraction from TMB	• Non hazardous special waste • Composting and TMB waste	• Biogas generated from landfill waste (organic fraction)		• Presorted plastic waste collection (PET, HDPE, PP) • Non hazardous special waste • Plasmix	• Poliolefin from Plasmix / Flexible packaging
	• Recycled materials (plastic, paper, glass, metals) • SSF	• Landfill Mining • rPet for textile and spinning applications	• Recycled materials (plastic, glass, metals) • SSF	• FOS • Leachate • Compost	• Leachate	• Renewable energy	• Renewable Energy	• Recycled materials in bales • PET flakes and pellets (R-Pet), HDPE flakes and pellets (R-HDPE), PP flakes and pellets	• Pyrolytic Oil
AUTHORIZED QUANTITIES	• 59 ktons per year		• 91,25 ktons per year	• 18 ktons per year	• 84k/tons per year	• 3,93 mln mc/year of biogas	• n.a.	• Selection Plant: 40 kton per year • Washing and granulation Plant: 8 kton per year	• 20 ktons per year

To be finalized by 2026



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Strengthening our innovative positioning into Circular Economy and Sustainability industry, by:

- **Landfill Mining and landfill inspection through non invasive innovative solutions**
- **Further investments into chemical recycling of plastic waste**
- **Hydrogen production from organic waste**
- **Recovery of car components and providing automotive industry with recycled materials**

RES TODAY	ACTION PLAN	RATIONALE	RES TOMORROW
Mechanical Recycling Plastic Products → Plastic advanced selection & washing and granulation plants → Plastic flakes and pellets Organic Recycling Organic → Organic Recycling plant → Compost	CHEMICAL RECYCLING PLANT (PYROLYSIS) Timeline: 2026 Investment: €22m-€25m	➤ Making the Pettoranello site an innovative hub for plastic recovery and a ref. point for the transformation and chemical recycling of plastics ➤ RES to be the first waste management company entering the chemistry industry and the first national operator able to close the entire waste cycle, from initial collection to the direct sales of the raw material, both from mechanical and chemical recycling processes.	Mechanical Recycling + Organic Recycling + Chemical Recycling Plastic Products → Plastic advanced selection & washing and granulation plants → Pyrolytic Oil
Renewable energy production Photovoltaic → Biogas	HYDROGEN PRODUCTION PLANT FROM PHOTOVOLTAIC 2,7 MW PHOTOVOLTAIC PLANT HYDROGEN REFUELING STATION Timeline: 2025 Investment: €7m	➤ Strengthening RES's position with the production of an innovative fuel. ➤ Renewing company waste collection fleet with hydrogen/powered ones within the next 5 years	Renewable energy production Photovoltaic → Biogas → Hydrogen
Photovoltaic 1.1 MW	1 MW PHOTOVOLTAIC	➤ Allocate 50% of the produced green energy to our selection plant in Pozzilli and the remaining 50% to residential users and public administrations through an Energy Community.	Photovoltaic 4.8 MW
	RECOVERY OF CAR COMPONENTS PLANT	➤ Promote sustainability through the recycling of materials, reducing the environmental impact of end-of-life vehicles	
	R&D PROJECTS Timeline: end of 2024	➤ Landfill Mining interventions to enhance the disposed materials and recover volumes	

Pettoranello del Molise

Innovative hub for plastic recovery

With the aim of becoming a reference point for advanced and innovative plastic recycling in Italy, the construction of the pyrolysis plant will complete the innovative hub for plastic recovery in Pettoranello, creating a cutting-edge model of circular economy.

- Total investment of approximately €35m-€40m, divided into two phases.
- Obtained a non-repayable contribution of €9.6 million within the PNRR, which recognized the strategic and innovative value of the project.
- Highly innovative technological project, which goes beyond the current state of the art in the circular economy field: RES has been the first waste management company entering the chemistry industry and will be the first national operator able to close the entire waste cycle, from initial collection to the direct sales of the raw material, both from mechanical and chemical recycling processes.

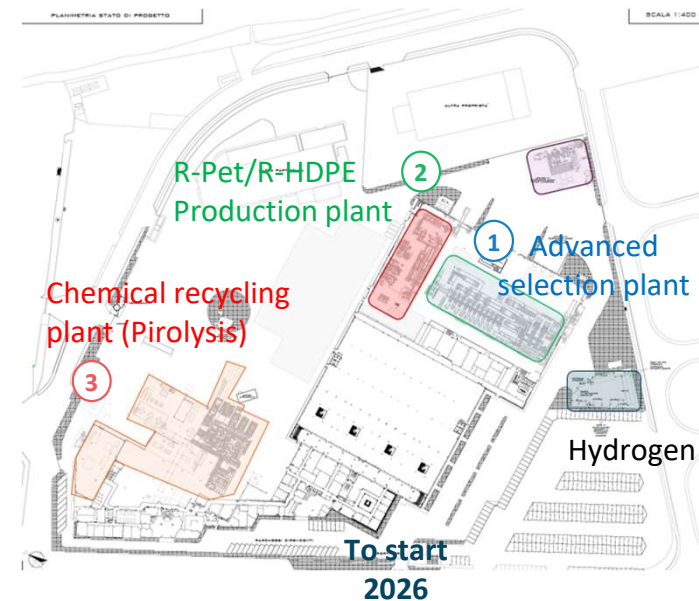
Delivered in
2023-2024

PHASE 1 – MECHANICALLY RECYCLED MATERIAL

- ① • Plastic advanced selection plant equipped with 10 optical selectors
- ② • Mechanical recycling plant for the production of PET / HPDE / PP flakes and pellets

BUSINESS SYNERGIES

- The pyrolysis plant will be powered/fed by the processing waste of the selection plant and by the SSF currently produced by other RES plants with a clear economic benefit for the Group (reduction of disposal costs)
- Currently under negotiation 10years offtake contracts with key petrol-chemical companies to supply the entire plant output capacity
- Currently under negotiation an agreement with a key Italian polymers distribution company for the sale of mechanical recycled PET/HDPE/PP



PHASE 2 – NEW END OF WASTE RAW MATERIAL

- ③ • Industrial plant able to transform process plastic waste into pyrolytic oil for the plastics industry, with end of waste certification

Strengthening RES position in green energy production, renewing vehicles with new hydrogen-powered ones and providing the HQ in Pettoranello with a renewable hydrogen plant powered by photovoltaic energy

The project involves the construction of an advanced 1008 kWp hydrogen production plant capable of producing 210Nm³/hr of hydrogen with a purity of 99.9%, and two photovoltaic plants with a total capacity of approximately 2670 kWp. The construction of a hydrogen station is also planned.

The activities already started in H1-2024 and the system is planned to be in production by the end of 2025.

Strategic Objectives of the Project:

- Strengthening RES position in the innovation of the integrated waste recovery and energy production system through the production of an innovative fuel in line with the directions of the European energy transition.
- Developing skills in hydrogen production, which represents the first step of a long-term project that aims to produce sustainable green energy through waste recovery.
- Renewing the waste collection vehicles with hydrogen vehicles within 5 years.
- Completing the technological hub of the HQ with a renewable hydrogen production plant powered by photovoltaic energy. The renewable hydrogen production plant using the energy produced by a photovoltaic system installed on the roofs of the HQ would thus close the plan for the conversion of the industrial site into a hub for the innovative recovery of secondary raw materials according to the principles of the circular economy



Planned Investment

The expected investment is around €7m, almost 90% of which can be financed with contributions from the PNRR and the rest with the cash flow from current business. The project has been approved by the Molise Region and is eligible to receive PNRR funds (€5m).

Total Production

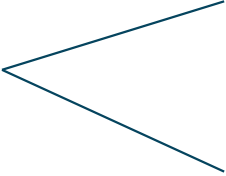
The sale of green hydrogen is conservatively estimated at €7.5/kg, double the current price of traditional hydrogen. Thanks to its zero environmental impact, green hydrogen has much higher market potential, with projections indicating a sales price triple the initial estimate. The expected annual production is approximately 150 tons.

Environmental Impact

Expected benefits and impacts include a significant reduction in CO₂ emissions through the use of green hydrogen, the creation of jobs in manufacturing and maintenance of the plant, and the development of advanced technologies for hydrogen production and energy integration renewable.

The project called “Energia in Comune” promoted by RES aims at transforming a former industrial site into a renewable energy hub, creating environmental and social benefits for the community of Pozzilli.

Renewable Energy Production

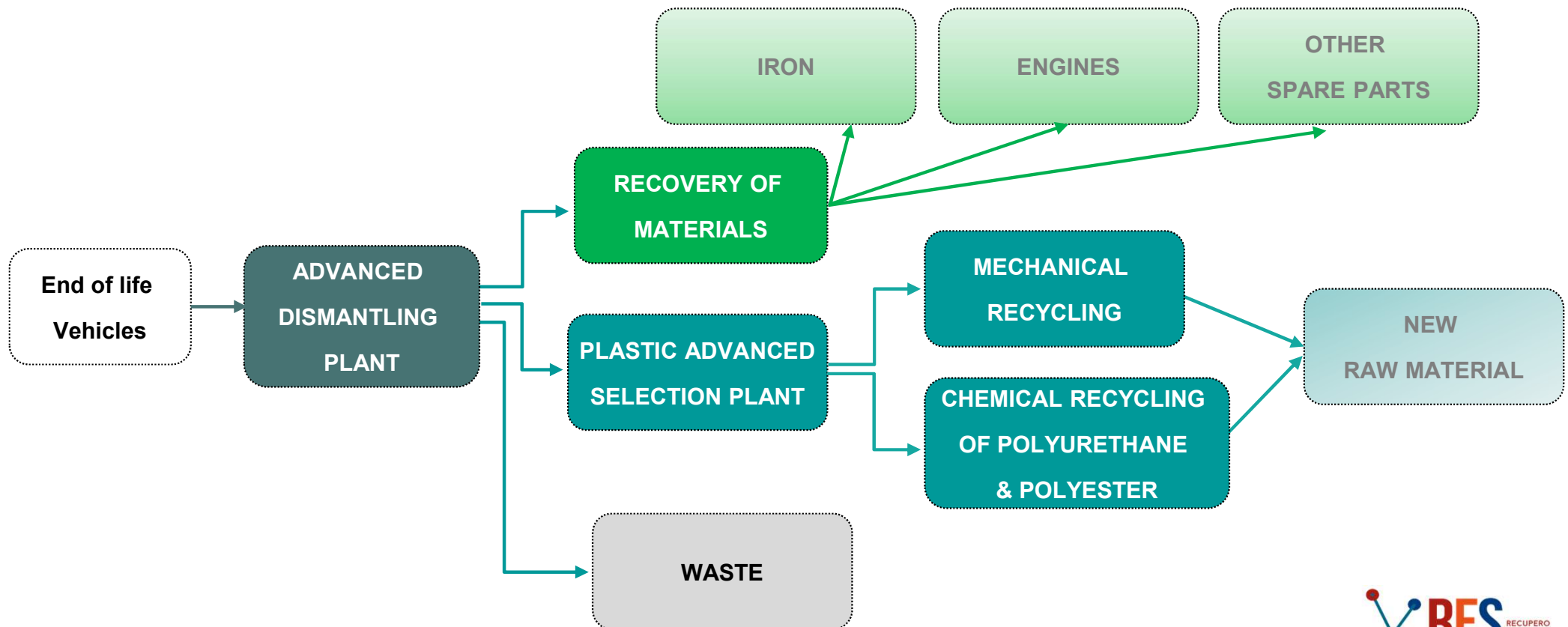
- The construction of several photovoltaic plants for a total of 1 MW is planned, installed on the roof of the former Fonderghisa industrial site in the area of Pozzilli (IS).
 - The photovoltaic system will produce over 1,300 MWh/year of renewable energy.
- 
- 50% will be made available to our waste recycling plant located less than 1 km away from the photovoltaic plant.
 - The remaining 50% will serve residential users and public administrations

Recovery of car components plant

RES is developing an advanced and fully automated car component demolition and recovery plant on the same former Fonderghisa site, with the aim of further promoting environmental sustainability through the efficient recycling of materials, reducing the environmental impact of end-of-life vehicles and creating a circular economy model that enhances the recovery and reuse of resources

The plant will be in production by end of 2026 and will be managing up to 6,000 vehicles per year.

The Plant, fully automated, has the aim of meeting the objectives imposed by the 2030 EU regulation which establishes that vehicles have 30% recycled material, of which 5% coming from car components recycling.





Landfill Mining & innovative non invasive Landfill inspection

- The research contract between the Department of Physics of the University of Naples, Federico II, and RES (duration of 12 months starting from January 2024) states that the Department, under the guidance of Prof. Giovanni De Lellis, conducts a feasibility study on muon radiography of waste landfills (use of atmospheric muons for imaging large material structures, which allows the study of large objects).
- The main activities include the simulation of the muons flow through the landfill, the identification of the most favorable investigation points, the construction and installation of a muon detector with the nuclear emulsion technique, the extraction and treatment of the detector, the data acquisition with automatic microscopes and data analysis to draw investigation conclusions.
- The ultimate goal is to study the feasibility of Landfill Mining (LFM) interventions on the landfill, with the aim of recovering and valorizing the noble part of the deposited materials (primarily plastic) and at the same time recovering volumes.

Chemical recycling of polyurethane

- RES is actively scouting R&D opportunities in chemical recycling of polyurethane.
- Polyurethane is in mattresses, sofa upholstery, shoes, car interiors and other industrial waste.
- In Europe, 30 million mattresses are replaced every year, each of which contains an average of 15kg to 20kg of foam
- So far polyurethane has never had a second life and its natural destination is either landfill or SSF.

M&A

- RES has the possibility to significantly grow in the Sustainability and Circular Economy industry through M&A operations.
- Targets may include:
 - acquisition of neighboring waste management plants
 - obtaining new authorizations
 - acquisition of complementary companies, (i.e. ones producing biobased and biodegradable polymers)



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Business Model

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Key Financials

Competitive Landscape

Consolidated Profit & Loss

Consolidated Balance Sheet

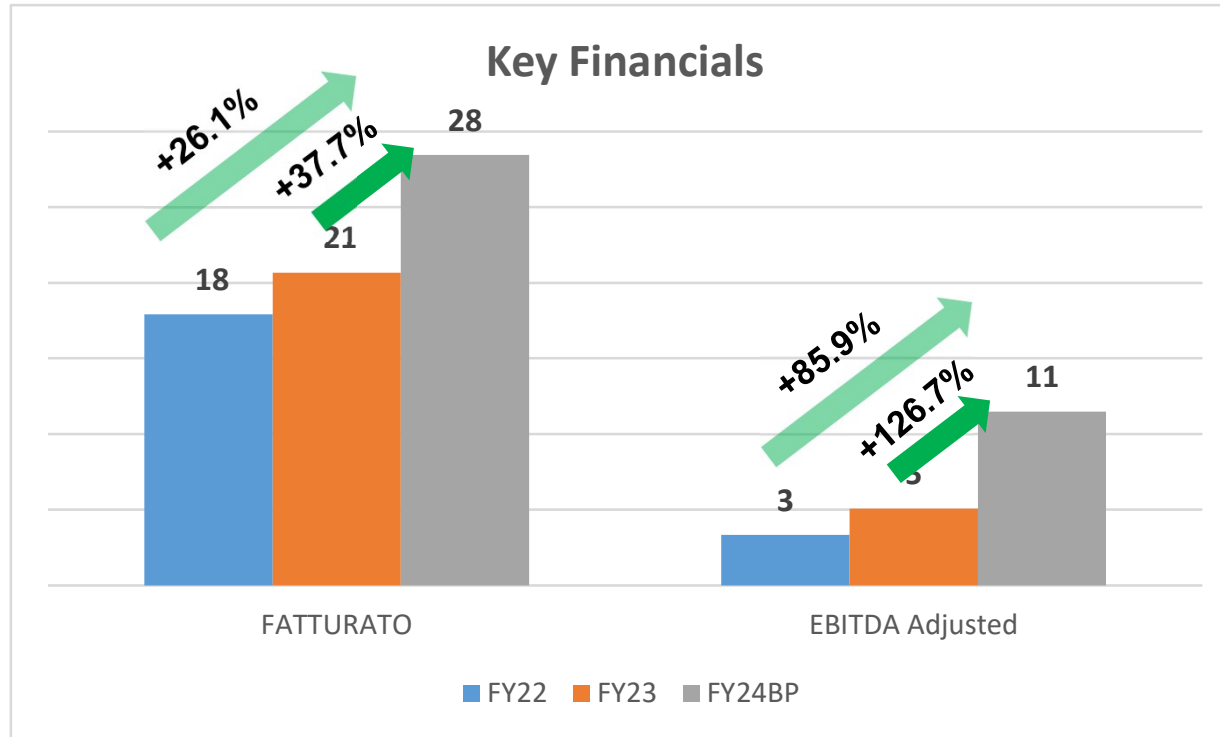
(€'000)	30.06.2024	30.06.2023	Var %
Service Revenue	13.838	9.413	47,0%
Other Revenue	1.259	545	131%
Turnover	15.097	9.958	51,6%
Prod Costs & Opex	(9.956)	(7.909)	25.9%
EBITDA	5.141	2.049	150,9%
EBITDA %	34,1%	20,6%	13,5%
Depr & Amort	(808)	(584)	38,4%
EBIT	4.334	1.465	195,8%
Financial costs	(290)	(92)	215,1%
EBT	4.044	1.373	194,5%
Taxes	(1.241)	(474)	161,7%
NET RESULT	2.802	899	211,8%

EBITDA Adjusted (*)	5.468	2.369	130,8%
EBITDA %	36,2%	23,8%	12.4%

(€'000)	30.06.2024	31.12.2023	Var.
Fixed Assets	35.302	30.346	5.056
Current Assets	15.789	12.444	3.345
Current Liabilities	11.458	11.403	56
Net Current Capital	4.331	1.041	3.290
Long term Liabilities	15.088	15.165	(76)
Net Invested Capital	24.544	16.123	8.422
Shareholders Equity	(16.570)	(14.542)	(2.028)
Net Financial Position	(7.974)	(1.581)	(6.394)
Equity & Net Financial Position	(24.544)	(16.123)	(8.422)

(*) Adjusted for landfill post mortem mgmt costs & machinery leasing costs

IPO GUIDANCE CONFIRMED: EBITDA ADJUSTED FY2024 AT €11M



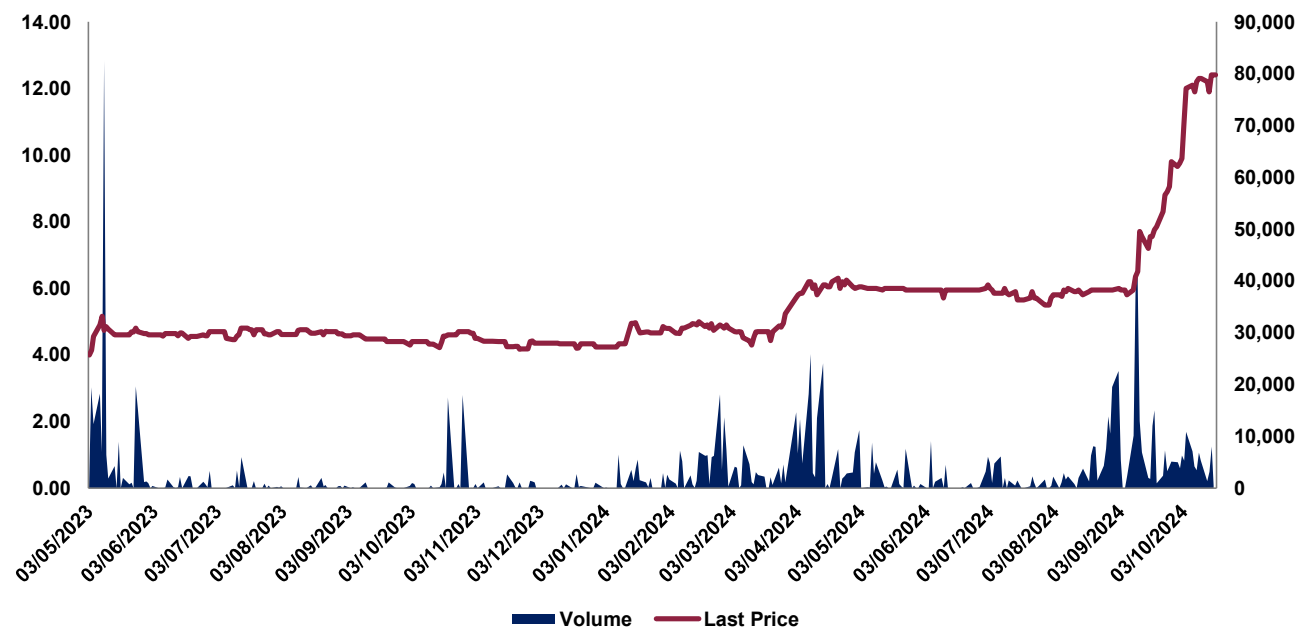
TARGET 2026

- TURNOVER €37m – €40m
- EBITDA Margin Adjusted 36% - 38%

Stock Price Performance

STOCK QUOTE

Prezzo di riferimento	12.40 €
Data Ultimo Contratto:	18/10/2024
Numero Azioni (escl PAS)	10,7m
Capitalizzazione di Mercato (€'000)	132,680 €
Flottante	13,8%
Performance dalla quotazione	210%
Performance dal 01.01.2024	192%
Performance 6 mesi	100%
Performance 1 anno	172%





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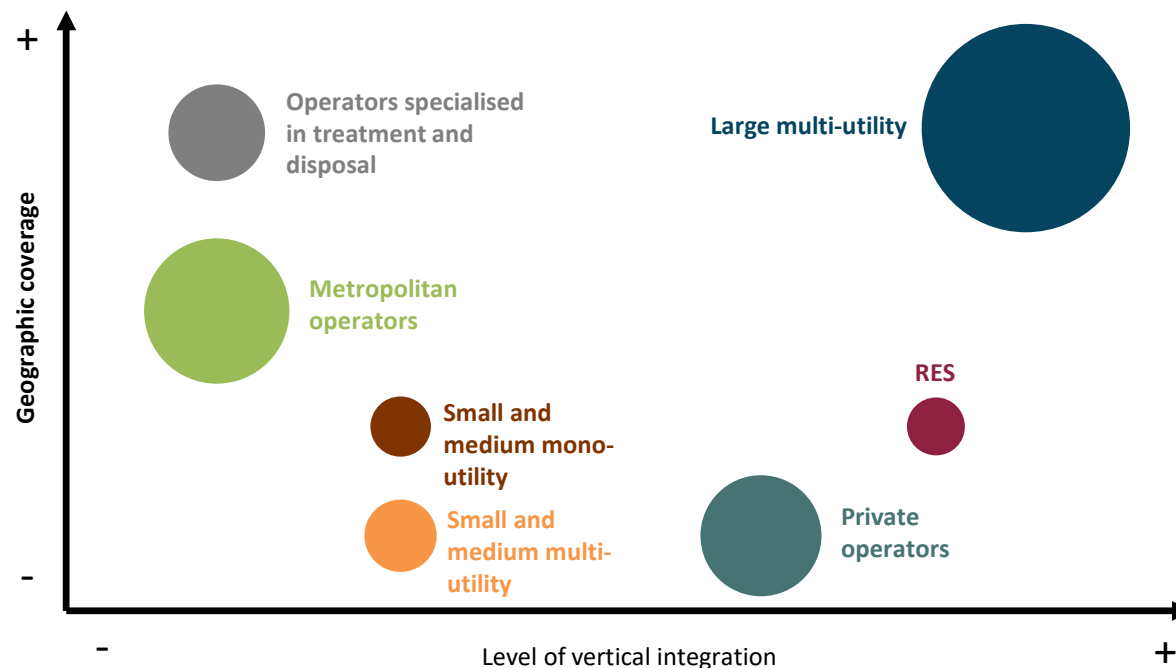
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Competitive Landscape

The waste management sector in Italy is made up of companies with very different characteristics in terms of size, business, presence along the supply chain, ownership structures and territory served, mainly attributable to the following categories:

- Large multi-utilities: public service companies, with a wide commercial offering, active on both urban and special waste.
- Metropolitan operators: mainly offer environmental protection services for the municipalities/bodies by which they are controlled; they generally have a very limited offer relating only to urban waste.
- Small and medium mono-utility / multi-utility: companies with an average offer typically relating only to urban waste.
- Private operators: private and independent companies, which are not part of any multi-utility, public or international group.
- Private companies that deal exclusively with waste treatment/disposal.



Note: the size of the bubbles is related to the average turnover of the companies present in the clusters
Source: management review

RES, which operates at a local level, is among the few Italian private operators to have internalised the entire value chain and is able to oversee every phase of waste lifecycle, from collection (through a related party) to treatment, up to disposal and energy production