DISCLAIMER

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1 - INTRODUCTION

2 - BIODEGRADATION

3 - BIORECYCLING

4 – HIGHLIGHTS & OUTLOOK

5 - FINANCE

6 - TEAM
ENZYMES TO REINVENT THE LIFECYCLE OF PLASTICS

2011
Creation of the Company

2013
IPO (Euronext Growth Paris)

2016
Creation of the JV CARBIOLICE - 1st licence of CARBIOS technologies

2017
Launch of a consortium with L’ORÉAL

19
EMPLOYEES

02
INNOVATIVE BIOPROCESSES

25
PATENT FAMILIES

OUR KEY PARTNERS:

Truffle Capital
bpifrance
Limagrain
L’ORÉAL
TechnipFMC
SPI Fund
INRA
CNRS
Université de Poitiers

www.carbios.fr
MISSION

PLASTICS: NOT WASTE BUT RESOURCE!

PLASTIC WASTE/YEAR: 125 MILLION TONS

Oceans
9 Mtons/year

Landfills

Incineration

Recycling

CARBIOS REINVENT THE LYFECYCLE OF PLASTICS

WASTELESS PLASTICS
New plastics > Zero waste

INFINITE BIORECYCLING
Plastic waste > New plastics

1 : Source PlasticsEurope in 2016 / 2 : Estimated waste flow by extension of available data in Europe, the US and Asia - CARBIOS
A RADICAL INNOVATION

ENZYMES TO TREAT PLASTICS

1. Selection of microorganisms degrading plastics

2. Microorganisms produce the enzymes in charge of plastic degradation

PLASTIC POLYMER

CARBIOS PROPRIETARY ENZYMES & PROCESSES

MONOMERS

GLOBAL MARKET OPPORTUNITIES

WASTELESS BIODEGRADATION

INFINITE BIORECYCLING
25 patent families including 2 worldwide exclusive licences

INTELLECTUAL PROPERTY

Worldwide exclusive exploitation rights
On all R&D results of the THANAPLAST™ project (ended in 2017)

A unique know-how
In the development of bioprocesses combining enzymes & polymers

A strong Intellectual Property
Protecting the applicative use of enzymes, processes and products

Patents delivered:
Europe, Northern America, Mexico, China, Japan, Australia…
2 - BIODEGRADATION
WHAT’S ON THE MARKET TODAY
AND WHY IT DOESN’T WORK?

ORDINARY PLASTICS
- Non biodegradable (200 to 300 years to degrade)
- Source of long term pollution
- Ban in several countries

BIODEGRADABLE PLASTICS
- Costly
- Limited applications
- Disappointing performance

CARBIOS provides a breakthrough alternative:
Wasteless plastics with a controlled lifespan

OXODEGRADABLE PLASTICS
- Biohazard
- Invisible pollution (microplastics)
- Ongoing global ban

COMPOSTABLE PLASTICS
- Requires industrial composting
- Low biodegradation capacity in the environment
ENZYMATED PLASTICS WITH A CONTROLLED LIFESPAN

CHALLENGES:

- Resistance of the enzyme to high extrusion temperatures (PLA ~ 165°C)
- Maintain enzymes activity in the polymer

www.carbios.fr
A successful industrial and commercial joint-venture

Breakthrough technological innovation + Financial might of France’s sovereign wealth fund + 4000-ton industrial plant, and customers
PRODUCTS

BIODEGRADABLE AND BIOSOURCED RAW MATERIAL: MASTERBATCH PELLETS

STRENGTHS

• € 18M cash contribution, including € 11M from Bpifrance
• Ability to address a market of 40,000 + tons per year

VALUE CREATION

• 2016: € 8M Upfront payment
• 2017-2019: € 2.5 M collaboration revenues
• As of 2020: Upcoming royalty payments

AMBITION

• Become the European leader
• Expand beyond Europe through sub-licensing

www.carbios.fr
GLOBAL MARKET OPPORTUNITIES

BAGS, PACKAGING & DISPOSABLE TABLEWARE
~17.5 Mtons/year
($ 28 billion)

MULCHING FILMS
~2 Mtons/year
($ 5 billion)

TECHNICAL FILMS
~500 Ktons/year
($ 4 billion)
1 - INTRODUCTION

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CURRENTLY, NO AVAILABLE SOLUTION provides a good answer

CURRENT LIMITATIONS

• Costly & complex sorting
• Inefficient
• Difficult for complex and opaque plastics

DOWNCYCLING

• Mainly serves secondary applications
• Mechanical recycling is not a continuous process

INCREASING REGULATIONS

• In 2016, plastic recycling reached 31.1% in Europe
• Europe has set a recycling target of 60% by 2025
BENEFITS OF THE ENZYMATIC PROCESS:

- 100% recycling with no loss in quality
- No sophisticated sorting required
- Recycling of complex and opaque plastics (PET/PE, PET/PA, etc.)
- Low energy consumption

PET: Polyethylene terephthalate / MEG: Mono Ethylene Glycol / AT: Terephthalic acid / PA: Polyamide
GLOBAL PET MARKET VALUE (+4% per year)

<table>
<thead>
<tr>
<th>Category</th>
<th>Value (Mtons/year)</th>
<th>Market Value ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bottles</td>
<td>15</td>
<td>22.5 billion</td>
</tr>
<tr>
<td>Fibers</td>
<td>43</td>
<td>64.5 billion</td>
</tr>
<tr>
<td>Packaging</td>
<td>3</td>
<td>4.5 billion</td>
</tr>
<tr>
<td>Films</td>
<td>3</td>
<td>4.5 billion</td>
</tr>
</tbody>
</table>

A huge accessible market for CARBIOS
1 - INTRODUCTION

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2017 HIGHLIGHTS

CORPORATE MILESTONES & DECISIONS

• Contrat with TechnipFMC for the scale-up of CARBIOS biorecycling process (June 2017)

• Signature of an agreement with L’ORÉAL to jointly found a Consortium for biorecycling of plastics on industrial scale (Oct. 2017)

• Successful share placement of €4,2 M (July 2017)

• Free allocation of redeemable stock warrants to the benefit of all shareholders (Nov. 2017)
SCIENTIFIC MILESTONES

• Extension of CARBIOS PET depolimerization process to **opaque PET plastic packaging** (Jan. 2017)

• **Synthesis of PET oligomers** from biorecycled terephthalic acid (June 2017)

• First **production of virgin PET** from post-consumer plastic bottles treated by enzymatic hydrolysis (Oct. 2017)

• **Depolymerization of PET polyester fibers** from textile waste (March 2018)

PEOPLE

• Appointment of **Ian HUDSON** and **Jacques BREUIL** as members of the Board of Directors (June 2017)

• Appointment of **Martin STEPHAN** as Deputy CEO (July 2017)
DEVELOPMENTS & OUTLOOK

SOLID FOUNDATIONS

- 2 major innovations
- 25 patent families
- World leader in the field of Bioplasturgy
- New innovation pipeline et extension of proprietary technologies to new markets (PET polyester fibers)

PLANS DELIVERED AND CARRIED-OUT

- Successful closing of the THANAPLAST™ project
- Signature of an engineering contract with TechnipFMC
- Creation of a Brand-owners consortium with L’ORÉAL
- Ongoing application for funding of a new project by ADEME

2018 – 2020: A ROAD MAP SET IN VIEW OF THE INDUSTRIAL ROLL-OUT

CARBIOLICE

- Getting regulatory approvals pre commercial launch
- 2019: Client testing
- 2020: Royalty payments for CARBIOS

PET BIORECYCLING

- Reinforcement of the Brand-owners consortium
- 2018: Industrial Pilot Plant
- 2019: Launch of the Industrial Demonstration stage
First plastic products in « Circular Economy » PET in 2018

Development Model
PET Biorecycling

LAB/PRE-PILOT STAGE
✓ 20 kg
✓ R&D

INDUSTRIAL PILOT
✓ Tons
✓ Technological development
✓ € 5-10 M
- Limited CAPEX
- Public cofinancing
- Partnerships with key industrials to operate the process

INDUSTRIAL DEMONSTRATION
✓ 10 to 50 ktons
✓ Commercial launch

INDUSTRIAL ROLL-OUT
✓ Full size units
✓ International licensing
2017 INCOME STATEMENT: in line with our Road map

<table>
<thead>
<tr>
<th>(In thousand euros)</th>
<th>December 31, 2016</th>
<th>December 31, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating revenue</td>
<td>8,870</td>
<td>983</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>5,319</td>
<td>5,635</td>
</tr>
<tr>
<td><strong>Operating Income</strong></td>
<td><strong>3,551</strong></td>
<td><strong>(4,652)</strong></td>
</tr>
<tr>
<td>Financial Income</td>
<td>75</td>
<td>24</td>
</tr>
<tr>
<td>Operating Income before Tax</td>
<td>3,626</td>
<td>(4,628)</td>
</tr>
<tr>
<td>Extraordinary profit (loss)</td>
<td>(27)</td>
<td>(11)</td>
</tr>
<tr>
<td>Income Tax (research tax credit)</td>
<td>(1,321)</td>
<td>(702)</td>
</tr>
<tr>
<td><strong>Net Income (loss)</strong></td>
<td><strong>4,920</strong></td>
<td><strong>(3,936)</strong></td>
</tr>
</tbody>
</table>
2017 Annual Results

**OPERATING REVENUES**

- Research service agreement with the subsidiary CARBIOLICE: €724 K
- OSEO-ISI / THANAPLAST™ project: €105 K subsidies generated in 2017
- Other income revenues: €154 K

**OPERATING EXPENSES**

- Rise of 6% compared to 2016
2017 Annual Results

OPERATING EXPENSES (next)

• Rise of the total payroll by 23%
  ▪ Hiring of 3 employees in 2017 including a Deputy CEO
  ▪ €1,155 K salaries and wage benefits eligible to Tax Research Credit (French CIR)

• Decrease of external charges by 22%
  ▪ Decrease of external charges driven by the end of the THANAPLAST™ project and the internalisation of certain analytic research
  ▪ Compensated by a strong intensification of Business Development to set strategic partnerships (e.g. L’ORÉAL)

• Expenditure Breakdown:

TAX RESEARCH CREDIT

• Decrease of the expected Tax Research Credit (€702 K) due to the rise of grants received in 2017 (€1,3 M vs. €0,4 M in 2016)
### SIMPLIFIED BALANCE SHEET

<table>
<thead>
<tr>
<th>Simplified Balance Sheet (in thousand euros)</th>
<th>December 31, 2016</th>
<th>December 31, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Intangible assets</strong></td>
<td>371</td>
<td>565</td>
</tr>
<tr>
<td><strong>Tangible assets</strong></td>
<td>1,211</td>
<td>1,106</td>
</tr>
<tr>
<td><strong>Financial assets</strong></td>
<td>9,688</td>
<td>9,679</td>
</tr>
<tr>
<td><strong>Fixed Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Inventory</strong></td>
<td>15</td>
<td>14</td>
</tr>
<tr>
<td><strong>Receivables</strong></td>
<td>1,945</td>
<td>1,455</td>
</tr>
<tr>
<td><strong>Cash and marketable securities</strong></td>
<td>3,987</td>
<td>7,547</td>
</tr>
<tr>
<td><strong>Pre-paid expenses</strong></td>
<td>215</td>
<td>155</td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td>6,162</td>
<td>9,171</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>17,432</td>
<td>20,521</td>
</tr>
<tr>
<td><strong>Shareholder’s equity</strong></td>
<td>13,113</td>
<td>14,550</td>
</tr>
<tr>
<td><strong>Conditional advances</strong></td>
<td>3,151</td>
<td>3,707</td>
</tr>
<tr>
<td><strong>Loans</strong></td>
<td>178</td>
<td>339</td>
</tr>
<tr>
<td><strong>Trade payables and related accounts</strong></td>
<td>494</td>
<td>1,432</td>
</tr>
<tr>
<td><strong>Other liabilities</strong></td>
<td>496</td>
<td>492</td>
</tr>
<tr>
<td><strong>Payables</strong></td>
<td>1,168</td>
<td>2,264</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>17,432</td>
<td>20,521</td>
</tr>
</tbody>
</table>
### CASH FLOW STATEMENT

strengthening the financial capacity to support future developments

<table>
<thead>
<tr>
<th>Cash flow (in thousand euros)</th>
<th>December 31, 2016</th>
<th>December 31, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at the opening</td>
<td>9,011</td>
<td>3,987</td>
</tr>
<tr>
<td>Net cash generated by operations</td>
<td>4,636</td>
<td>(2,221)</td>
</tr>
<tr>
<td>Net cash from investments</td>
<td>(9,829)</td>
<td>(312)</td>
</tr>
<tr>
<td>Net cash from financing operations</td>
<td>169</td>
<td>6,092</td>
</tr>
<tr>
<td>Change in cash</td>
<td>(5,024)</td>
<td>3,560</td>
</tr>
<tr>
<td><strong>Closing cash</strong></td>
<td><strong>3,987</strong></td>
<td><strong>7,547</strong></td>
</tr>
</tbody>
</table>

- Increase in the cash available during the 2017 exercise: **€3,560 K**

- In light of the projections made on future expenses and investments, this cash position should allow CARBIOS to finance its activities until **mid-2019**
Shares & shareholder structure as of December 31, 2017

<table>
<thead>
<tr>
<th>Market</th>
<th>Euronext Growth Paris</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mnemo/Reuters/Bloomberg</td>
<td>ALCRB / ALCRB.PA / ALCRB.FP</td>
</tr>
<tr>
<td>Shares ISIN code</td>
<td>FR0011648716</td>
</tr>
<tr>
<td>Warrants ISIN code</td>
<td>FR0013297587</td>
</tr>
<tr>
<td>Number of shares</td>
<td>4,571,865</td>
</tr>
<tr>
<td>ICB classification</td>
<td>Chemistry / Speciality chemistry</td>
</tr>
<tr>
<td>Indices</td>
<td>Euronext Growth All-share, Euronext Growth Bpifrance Innovation Index</td>
</tr>
<tr>
<td>French PEA-PME eligibility</td>
<td>Yes</td>
</tr>
<tr>
<td>Analyst coverage</td>
<td>Invest Securities: Laurent Wilk, Damien Choplain, Adrian Phillips</td>
</tr>
</tbody>
</table>
An experienced management team

Jean-Claude LUMARET
Founder & CEO

38 years experience in the agro-industry at an international level and expert in intellectual property

Martin STEPHAN
Deputy CEO

30 years of experience in the chemical industry

Professor Alain MARTY
Chief Scientific Officer

International expert in enzymology and biological processes

- **CARBIOLICE**: President
- **TWB** (Toulouse White Biotech): President
- **METEX**: Vice-President Strategy & Innovation (Member of the Board)
- **ROQUETTE**: Director, Business Intelligence
  Director Fermentation and Industrial Chemistry
  Director, Intellectual Property and Regulatory Affairs
- **CHEMOURS**: Global Director of the Fluotelmers activity, EMEA Director, Logistics & Real Estate
- **DUPONT DE NEMOURS Int. Europe**: Global Product Manager, Business and Market Manager, Sales Director
- **ATOFINA**: Business Manager Fluorotelomers
- **ELF ATOCHEM**: Chief Financial Officer
- **INSA LISBP**: Professor and Head of a research group
- **AERES and ANR** Evaluator (France’s National Education Research Agencies)
An operational Board of Directors

Complementary expertises: scientific, industrial and financial

Jean FALGOUX
President
- Ex Corp. Officer Ajinomoto Inc.
- Ex VP Ajinomoto Europe
- Ex Senior VP Hoechst Roussel

Jacqueline LECOURTIER
Scientific Advisory Board President
- Ex General Director ANR
- Ex Scientific Director IFP

Alain CHEVALLIER
- Partner Life Sciences, Truffle Capital
- Ex CFO Abivax, Ex President Deinobiotics
- Ex CFO Sanofi-Aventis France

Pascal JUERY
- CEO Solvay France
- President of the Union of Industrial Chemistry

Ian HUDSON
- Ex President EMEA DuPont
- Ex President Europabio

Jacques BREUIL
- Member of the Executive Advisory Board of Céréales Vallée
- Ex General Secretary of the Barbier Group

Erik ORSENNIA
- Novelist, Member of « L’Académie Française »
- Economist & Government Advisory

Dominique EVEN
- Ex General Director Sanofi Chemicals
- Ex Industrial Director Aventis