LEADING THE PLASTICS CIRCULAR ECONOMY

2019 annual results presentation
Euronext Growth Paris: ALCRB
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INTRODUCTION
Each year …

86% of packaging waste goes unrecycled globally\(^{(1)}\)

150 million tons\(^{(2)}\) of plastic waste are generated
9 million tons\(^{(3)}\) of plastic enters oceans and natural environment

Up to $120 billion\(^{(4)}\) worth of plastic material is disposed of just after one single-use

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1. Citigroup in 2018  
2. Straits Times in 2015  
3. Ademe in 2012  
AMBITION

Lead the transition towards sustainable plastics economy

TECHNOLOGIES

Revolutionary enzymes for infinite recycling and biodegradation of plastics and fibers
WHERE WE STAND NOW!

2020: commercial launch of the world’s first enzymatic BIODEGRADATION technology
A sustainable solution for all single-use plastics

2020-2023: industrial rollout of Carbios’ infinite PET RECYCLING technology

Engineering and construction:
AN EXPERIENCED MANAGEMENT TEAM

Jean-Claude LUMARET
Founder & CEO
40 years’ experience in the international agro-industry and intellectual property expert

- TWB (Toulouse White Biotech): Chairman
- METABOLIC EXPLORER: VP Strategy & Innovation (Member of the Executive Committee)
- ROQUETTE: Director, Business Intelligence, Director BU Fermentation and Industrial Chemistry, Director, Intellectual Property and Regulatory Affairs
- Chemical Engineer, Lyon University, European Trademark Expert, CEIPI Center for International IP Study, Strasbourg

Martin STEPHAN
Deputy CEO
30 years’ experience in the chemical industry

- CHEMOURS: Global Director of the Fluorotelomers business, EMEA Director, Sourcing, Logistics & Real Estate
- DU PONT DE NEMOURS: Global Product Manager, Business and Market Manager, Sales Director
- ATOFINA: Global Business Manager Fluorotelomers
- ELF ATOCHEM: Various positions in Finance

Prof. Alain MARTY
Chief Scientific Officer
International expert in enzymology and biological processes

- INSA Institut National des Sciences Appliquées, Toulouse : Professor and Head of a research group
- AERES Agence d’Evaluation de la Recherche et de l’Enseignement Supérieur and ANR Agence Nationale de la Recherche: Evaluator (France’s National Education Research Agencies)
- PhD in Biology, Biochemical Engineer, University of Toulouse
MARKET DRIVERS AND POTENTIAL
The world is currently producing ~350 to 400 million tons\(^1\) of plastic each year, including 70 million tons of PET\(^2\) (growing by 4% p.a.\(^3\)), mainly used to make bottles and textile fibers.

500 billion units\(^5\) of plastic bottles are produced each year.

«*When we throw anything away it must go somewhere.*»

Annie Leonard, Executive Director of Greenpeace USA
Stong Drivers for More Sustainable Solutions

Nov. 2018: “by 2025, 50% of plastic used in our packaging will be recycled or bio-sourced” and “by 2025, 100% of our plastic packaging will be refillable, reusable, recyclable or compostable”

Oct. 2016: “design 100% of its packaging to be recyclable, compostable or biodegradable by 2025”

Jul. 2017: “100% of packaging recyclable, reusable or compostable by 2025” and “Recycled plastic content to at least 25% by 2025”

Mar. 2019: H&M Group signatory of the New Plastics Economy Global Commitment. “Our business to become 100% circular and renewable”

Sept. 2019: “Our ambition? Offer 100% sustainable plastic bottles made from recycled or bio-sourced materials for our entire beverage portfolio.”

Europe has set, for beverage bottles, a collection target at 77% and 25% rPET content by 2025.

Europe will also set separate collection for textiles by 2025.
CARBIOS BIOTECHNOLOGIES AT THE LEAD OF THIS TRANSITION
ENZYMES TO FULLY BREAKDOWN PLASTICS!

Polymers
(plastics and fibers)

Carbios enzymes

Monomers
(building blocks)

A REVOLUTIONARY PROCESS FOR INFINITE RECYCLING AND BIODEGRADATION OF PLASTICS AND FIBERS

100% COMPOSTABLE

INFINITE RECYCLING
AN INDUSTRIAL & COMMERCIAL JOINT-VENTURE

Biodegradability is the future

CARBIO LICE

CARBIO LICE PRODUCTION UNIT

CARBIOS (52.7%)
Limagrain Ingredients (18%)
bpi france (29.3%)
ZERO IMPACT PLAstic

MARKET LAUNCH IN 2020

AN INNOVATIVE AND SUSTAINABLE SOLUTION FOR SINGLE-USE PLASTICS
HOW DOES IT WORK?
Step by step

Carbiolice Production

Enzymated additive

Applications

Exclusive supply

Zero waste biodegradation

COMPOSTABLE
In the garden, in city composts and industrial facilities.

Enzymes in standby
WORLD’S FIRST ENZYMATIC TECHNOLOGY TO RECYCLE AND REUSE PET-BASED PLASTICS & FIBERS

CLEARING THE BOTTLENECK
Engineered enzyme promises efficient route to recycle and reuse PET plastics
How does it work?

Carbios' enzymatic recycling process transforms post-consumer PET based plastics into new products that are 100% recycled.
STEPS OF THE PROCESS

- Flakes
- Start & end of depolymerization
- Purification
- PTA
- MEG
- Pelleting
BENEFITS OF THE TECHNOLOGY

- 100% yield recycling
- A process that can handle all forms of PET plastics (clear, colored, opaque, multi-layer...) and polyester fibers
- No inhibition of the enzyme by colorants, pigments, carbon black or other polymers (PE, PA, PVC...)
- Depolymerization at low temperature, atmospheric pressure, water based

CARBIOS' INNOVATION OFFERS THE POTENTIAL TO RECYCLE PET PLASTICS INFINITELY AND CONTRIBUTES TO ACHIEVING 100% RECYCLED PET CONTENT IN NEW PRODUCTS
UPCYCLING WASTE PET

CONVENTIONAL RECYCLING

- Trays
- Textile
- Opaque bottles
- Colored bottles
- Multi-layer
- Clear bottles

100 %

CARBIOS’ TECHNOLOGY:

100 %

A SOLUTION FOR ALL KIND OF PET WASTE FLOWS
Global key players team up to boost recyclability of PET plastic products

A 4-year agreement signed in April 2019

Accelerate the technology’s readiness and bring it to full industrial scale
Increase the availability of high-quality recycled plastics

Demonstrate the technical, economic and environmental efficiency of Carbios’ technology
Support the structuring of an industrial value chain for an efficient supply of consumer-grade PET

PET BRAND OWNERS
CONSORTIUM AGREEMENT

GLOBAL KEY PLAYERS TEAM UP TO BOOST RECYCLABILITY OF PET PLASTIC PRODUCTS
PET RECYCLING: OUR BUSINESS MODEL

Market demand guaranteed for the first licenses through our brand owners Consortium, and beyond...

Two revenue streams for Carbios: **License deals and selling of enzymes**

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1. **ENZYME PRODUCERS**
   - Toll-manufacturing enzymes

2. **CARBIOS**
   - Licensing & selling of enzymes

3. **PRODUCERS OF PET OR PTA**
   - Carbios recycled PET

4. **BRAND OWNERS**

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(1) Carbios’ enzymes degrade PET in its two monomers, PTA and MEG
CARBIOS’ NEXT STEPS

TODAY
1st bottles produced out of 100% post-consumer plastics

H2-2021
OPENING OF A DEMONSTRATION FACILITY IN FRANCE

H2-2022
LICENSENG THE TECHNOLOGY AROUND THE WORLD

2023
INDUSTRIAL UNIT CONSTRUCTION TO OPERATE CARBIOS SOLUTION

SMART TECHNOLOGY FOR A SUSTAINABLE WORLD! 2025
34 patent families (including an exclusive worldwide license) with worldwide patent pending applications

Patents granted in:
Europe, United-States, Canada, Mexico, China, Japan...
DEVELOPMENTS & OUTLOOK
2019-2020 HIGHLIGHTS

SCIENTIFIC MILESTONES:

- World-first with the production of PET-bottles made from 100% recycled plastic waste (February 2019)
- Publication of an article co-signed by Carbios and TBI in the prestigious scientific journal Nature (April 2020)

CORPORATE:

- CARBIOS and TWB receive €7.5 million funding from the General Secretariat for Investments (January 2019)
- JDA with Novozymes for the production PLA-degrading enzymes (January 2019)
- Strategic partnership with L’Oréal, Nestlé Waters, PepsiCo and Suntory Food & Beverage Europe (April 2019)
- Successful €14.5 million capital increase (June 2019)
- JDA with Novozymes for the production of PET-degrading enzymes (January 2020)
- Launch of a cooperative lab with the Toulouse Biotechnology Institute (January 2020)
- Carbios and TechnipFMC to build a demonstration plant for depolymerization of waste PET plastics to monomers (April 2020)
More strategic partnerships

**H2-2020**: Commercial launch of **EVANESTO**® and first product revenues

**H2-2021**: Demonstration plant fully operational

**H1-2022**: Process Design Package (PDP) ready

**2022**: First licensing deal cut for CARBIOS PET recycling technology
<table>
<thead>
<tr>
<th>Cash flow (in thousand euros)</th>
<th>December 31, 2018</th>
<th>December 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at the opening</td>
<td>7,547</td>
<td>5,149</td>
</tr>
<tr>
<td>Net cash generated by operations</td>
<td>(3,078)</td>
<td>(3,036)</td>
</tr>
<tr>
<td>Net cash from investments</td>
<td>(1,441)</td>
<td>(2,406)</td>
</tr>
<tr>
<td>Net cash from financing operations</td>
<td>2,122</td>
<td>16,209</td>
</tr>
<tr>
<td>Change in cash</td>
<td>(2,398)</td>
<td>10,766</td>
</tr>
<tr>
<td>CLOSING CASH</td>
<td>5,149</td>
<td>15,915</td>
</tr>
</tbody>
</table>
## FULL-YEAR 2019 INCOME STATEMENT

(In thousand euros)

<table>
<thead>
<tr>
<th></th>
<th>December 31, 2018</th>
<th>December 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating revenue</td>
<td>1,083</td>
<td>1,450</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>(5,323)</td>
<td>(5,986)</td>
</tr>
<tr>
<td><strong>Operating Income</strong></td>
<td><strong>(4,240)</strong></td>
<td><strong>(4,535)</strong></td>
</tr>
<tr>
<td>Financial Income</td>
<td>(25)</td>
<td>(29)</td>
</tr>
<tr>
<td><strong>Current Income before Tax</strong></td>
<td><strong>(4,265)</strong></td>
<td><strong>(4,564)</strong></td>
</tr>
<tr>
<td>Extraordinary profit (loss)</td>
<td>(37)</td>
<td>15</td>
</tr>
<tr>
<td>Income tax (Tax research credit)</td>
<td>1,191</td>
<td>800</td>
</tr>
<tr>
<td><strong>NET INCOME (LOSS)</strong></td>
<td><strong>(3,110)</strong></td>
<td><strong>(3,749)</strong></td>
</tr>
</tbody>
</table>
FULL-YEAR 2019 INCOME STATEMENT

Main operating revenues:
R&D services and activities invoiced to CARBIOLICE: €0.5 million
ADEME subsidies: €0.4 million generated by the CE-PET project

Operating expenses:
12% increase in operating expenses compared to 2018

33% increase in personal costs:
+7 employees at FY2019 vs FY2018, and end of eligibility to the “JEI” status (allowing alleged and exempted social contributions on R&D salaries)

Research Tax Credit:
€0.4 million less compared to 2018, due to lower external R&D expenses combined to grants impact
### Simplified Balance Sheet

<table>
<thead>
<tr>
<th>Assets (in thousand euros)</th>
<th>December 31, 2018</th>
<th>December 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intangible assets</td>
<td>691</td>
<td>858</td>
</tr>
<tr>
<td>Tangible assets</td>
<td>971</td>
<td>2,267</td>
</tr>
<tr>
<td>Assets in progress</td>
<td>0</td>
<td>148</td>
</tr>
<tr>
<td>Financial assets</td>
<td>10,802</td>
<td>12,027</td>
</tr>
<tr>
<td><strong>Fixed Assets</strong></td>
<td><strong>12,464</strong></td>
<td><strong>15,300</strong></td>
</tr>
<tr>
<td>Inventory</td>
<td>15</td>
<td>21</td>
</tr>
<tr>
<td>Receivables</td>
<td>1,478</td>
<td>1,065</td>
</tr>
<tr>
<td>Cash and marketable securities</td>
<td>5,149</td>
<td>15,915</td>
</tr>
<tr>
<td>Pre-paid expenses</td>
<td>38</td>
<td>75</td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td><strong>6,680</strong></td>
<td><strong>17,076</strong></td>
</tr>
<tr>
<td>Deferred financing costs</td>
<td>6</td>
<td>11</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td><strong>19,149</strong></td>
<td><strong>32,386</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities &amp; Equity (in thousand euros)</th>
<th>December 31, 2018</th>
<th>December 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shareholder’s equity</td>
<td>12,038</td>
<td>22,005</td>
</tr>
<tr>
<td>Conditional advances</td>
<td>3,707</td>
<td>4,250</td>
</tr>
<tr>
<td>Loans</td>
<td>1,866</td>
<td>3,818</td>
</tr>
<tr>
<td>Trade payables and related accounts</td>
<td>1,061</td>
<td>1,387</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>477</td>
<td>750</td>
</tr>
<tr>
<td>Prepaid income</td>
<td>0</td>
<td>176</td>
</tr>
<tr>
<td>Payables</td>
<td><strong>3,404</strong></td>
<td><strong>6,131</strong></td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES &amp; EQUITY</strong></td>
<td><strong>19,149</strong></td>
<td><strong>32,386</strong></td>
</tr>
</tbody>
</table>
SHARE & SHAREHOLDERS
DECEMBER 31st, 2019

MARKET
Euronext Growth Paris

MNEMO/REUTERS/BLOOMBERG
ALCRB / ALCRB.PA / ALCRB:FP

SHARES ISIN CODE
FR0011648716

NUMBER OF SHARES
6,904,609

ICB CLASSIFICATION
Chemistry / Speciality chemistry

Euronext Growth All-share, Euronext Growth Bpifrance Innovation Index, Enter Next PEA PME 150

INDICES

FRENCH PEA-PME ELIGIBILITY
Yes

ANALYST COVERAGE
Guillaume Cuvillier
Xavier Regnard
Graeme Moyse

Free Float
Truffle Capital
Holding Incubatrice Chimie Verte
Management & Treasury shares
Copernicus AM
BOLD (L’Oréal)
Michelin Ventures
AN OPERATIONAL BOARD OF DIRECTORS

IAN HUDSON
Chairman
- Ex President EMEA DuPont
- Ex Board member Europabio

TRUFFLE CAPITAL, REPRESENTED BY DR. PHILIPPE POULETTY
- Co-Founder & Executive Director of Truffle Capital

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

JACQUELINE LECOURTIER
- Ex General Director ANR (National Research Agency)
- Ex Scientific Director IFP (A Public Research Innovation Organization)

PASCAL JUERY
- Member of the Executive Committee of Solvay

JACQUES BREUIL
- Ex General Secretary of the Barbier Group

GODEFROY MOTTE
- Ex member of the Executive Committee of Eastman Chemical
- Former Chairman of Eastman Chemical Global holdings

ALAIN CHEVALLIER
- Partner Life Sciences, Truffle Capital
- Ex CFO Sanofi-Aventis France
OUR KEY PARTNERS

- L’ORÉAL
- Nestlé Waters
- PEPSICO
- SUNTORY
- novozymes
- TechnipFMC
- INRA
- INSA
- KEM ONE
- Truffle Capital
- CNRS
- Holding Incubatrice Chimie Verte
- bpifrance
- ADEME
OUR CONTRIBUTION TO THE UN SDGs

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

14 LIFE BELOW WATER
“Designing the new plastic economy”