LEADING THE PLASTICS CIRCULAR ECONOMY

Investor presentation
Euronext Growth Paris: ALCRB

Sept. 2020
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WHY INVEST IN CARBIOS NOW?

Currently building a demonstration plant in final step to commercializing its PET recycling technology

- Reaching licensing stage end of 2022
- Target multi-billion $ markets
- Significant profitability anticipated

Benefits of the technology

- 100% yield recycling
- A process that can handle all forms of PET plastics and polyester fibers
- No inhibition of the enzyme by colorants, pigments, carbon black or other polymers
- Depolymerization at low temperature, atmospheric pressure, water based

Huge market opportunity

- Potential global partnerships paying up-front cash and revenues from the selling of enzymes
- Strong market demand and highly favorable regulatory pressure
- Carbios’ BOs partners have already expressed ~1.5 million tons demand of recycled PET by 2025

A UNIQUE OPPORTUNITY TO INVEST IN CIRCULAR ECONOMY
INTRODUCTION
86% of packaging waste goes unrecycled globally\(^1\).

350 to 400 million tons\(^2\) of plastic are produced worldwide, including 70 million tons of PET\(^3\) worth approx. $80 billion (a market growing by 4% p.a.\(^4\)).

150 million tons\(^5\) of plastic waste are generated including 9 million tons\(^6\) that ultimately end up in the natural environment, particularly in our seas and oceans.

500 billion units\(^7\) of plastic bottles are produced each year and fewer than half are collected for recycling.

Up to $120 billion\(^8\) worth of plastic material is disposed of just after one single-use.
Lead the transition towards sustainable plastics economy by developing technologies for the end of life of plastics

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

2020: commercial launch of the world’s first enzymatic BIODEGRADATION technology

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

Kader HIDRA
Chief Financial Officer

Financial markets expert

- CITEGESTION (EDF): CEO of a digital start-up specialized in asset management and software development for Smart Cities
- EDF: Investor & Markets Director (Head of IR)
- MORGAN STANDLEY: Utilities & Clean Energy Specialist Equity Sales
- BERENBERG: Utilities & Clean Energy Specialist
- Printing & Packaging Engineer (Ecole Polytechnique Grenoble), MBA from Duke University (Fuqua Business School).

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 polyester industry is facing a major change. Only new recycling technologies will enable PET producers to even partially meet the demand of their customers and States to meet their regulatory targets*.

*50% of EU plastic waste collected used to be sent to China for recycling.
The Situation – A growing regulatory pressure

Regulatory pressure is also growing at both the EU and national levels.

Many European initiatives and associations such as the European Plastics Pact and the Circular Plastic Alliance, bring together several actors from the industry, academics, and public authorities, to accelerate the transition towards Circular Economy. This is made possible by considering the whole plastic value chain, and notably by aiming at boosting the recycled plastic EU market.
STRONG DRIVERS FOR MORE SUSTAINABLE SOLUTIONS

July 2020: “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”

Jan. 2019: “Nestlé Waters will increase the recycled PET content in its bottles to 35% by 2025”

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

Mar. 2019: H&M Group signatory of the New Plastics Economy Global Commitment. “Our business to become 100% circular and renewable”
CARBIOS BIOTECHNOLOGIES AT THE LEAD OF THIS TRANSITION
ENZYMES TO FULLY BREAKDOWN PLASTICS!

**Polymers**
(plastics and fibers)

**Carbios enzymes**

**Monomers**
(building blocks)

100% COMPOSTABLE

INFINITE RECYCLING

A REVOLUTIONARY PROCESS FOR INFINITE RECYCLING AND BIODEGRADATION OF PLASTICS AND FIBERS
WORLD'S FIRST ENZYMATIC TECHNOLOGY TO RECYCLE AND REUSE PET-BASED PLASTICS & FIBERS

CARBIOS
Reinvent Polymers Lifecycle
HOW DOES IT WORK?

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
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

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

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

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

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

4. **BRAND OWNERS**

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**

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

SMART TECHNOLOGY FOR A SUSTAINABLE WORLD!

2025

2023
INDUSTRIAL UNIT CONSTRUCTION TO OPERATE CARBIOS SOLUTION

H2-2022
LICENSING THE TECHNOLOGY AROUND THE WORLD

H2-2021
OPENING OF A DEMONSTRATION FACILITY IN FRANCE

TODAY
1st bottles produced out of 100% post-consumer plastics
H2-2020: commercial launch of EVANESTO®, the world’s first enzymatic biodegradation technology
ZERO IMPACT PLAsitic

Market launch in H2-2020

- PLA manufacturing from natural resources (corn, sugar cane ...)
- Biodegradable and compostable plastic products with Evanesto® inside
- Biowaste bin
- Methanisation
- Home or industrial compost
- Bio-gas
- Plant fertilizer
- Compost

Bioplastic compounds including PLA +
DEVELOPMENTS & OUTLOOK

CARBIOS
Reinvent Polymers Lifecycle
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 of **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** launches the construction of its demonstration plant for depolymerization of waste PET plastics to monomers (June 2020)

**Successful Private Placement for a total amount of €27 million**, concurrently with a €10 million Secondary Offering
WHAT WE PLAN TO DELIVER NEXT!

More strategic partnerships

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

**Q2-2021**: PET recycling demonstration plant – Launch of the first phase of the system operations

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

**H2-2022**: **First licensing** deal cut for Carbios PET recycling technology
34 patent families (including an exclusive worldwide license) with worldwide patent pending applications

Patents granted in: Europe, United-States, Canada, Mexico, China, Japan...
**SHARE & SHAREHOLDERS**

**July 24th, 2020***

*: Shareholder structure after the Offering dated July 2020
(To the best knowledge of the Company)

<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>
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<tr>
<td>SHARES ISIN CODE</td>
<td>FR0011648716</td>
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<tr>
<td>NUMBER OF SHARES</td>
<td>7,982,172</td>
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<tr>
<td>ICB CLASSIFICATION</td>
<td>Chemistry / Speciality chemistry</td>
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<tr>
<td>INDICES</td>
<td>Euronext Growth All-share, Euronext Growth Bpifrance Innovation Index, Enter Next PEA PME 150</td>
</tr>
<tr>
<td>FRENCH PEA-PME ELIGIBILITY</td>
<td>Yes</td>
</tr>
<tr>
<td>ANALYST COVERAGE</td>
<td>Baptiste de Leudeville, Xavier Regnard, Guillaume Cuvillier, Graeme Moyse</td>
</tr>
</tbody>
</table>

- Free Float
- Truffle Capital
- HNWI
- BOLD (L’Oréal)
- Michelin Ventures
- Management & Treasury shares

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**CARBIOS**

[Image: CARBIOS logo]
### CASH FLOW STATEMENT

**Cash flow (in thousand euros)**

<table>
<thead>
<tr>
<th></th>
<th>December 31, 2018</th>
<th>December 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash at the opening</strong></td>
<td>7,547</td>
<td>5,149</td>
</tr>
<tr>
<td><strong>Net cash generated by operations</strong></td>
<td>(3,078)</td>
<td>(3,036)</td>
</tr>
<tr>
<td><strong>Net cash from investments</strong></td>
<td>(1,441)</td>
<td>(2,406)</td>
</tr>
<tr>
<td><strong>Net cash from financing operations</strong></td>
<td>2,122</td>
<td>16,209</td>
</tr>
<tr>
<td><strong>Change in cash</strong></td>
<td>(2,398)</td>
<td>10,766</td>
</tr>
<tr>
<td><strong>CLOSING CASH</strong></td>
<td>5,149</td>
<td>15,915</td>
</tr>
</tbody>
</table>
## FULL-YEAR 2019 INCOME STATEMENT

<table>
<thead>
<tr>
<th>(In thousand euros)</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>(4,265)</td>
<td>(4,564)</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>(3,110)</td>
<td>(3,749)</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><strong>Payables</strong></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>
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
- President & CEO of Agfa-Gevaert
- 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
OUR CONTRIBUTION TO THE UN SDGs

SUSTAINABLE DEVELOPMENT GOALS

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

14 LIFE BELOW WATER
“Designing the new plastic economy”