



LEADING THE PLASTICS CIRCULAR ECONOMY

Investor presentation

Euronext Growth Paris: ALCRB



Sept. 2020

DISCLAIMER

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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



■ HOW DO WE FIX THIS?

Each year ...

- **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.**



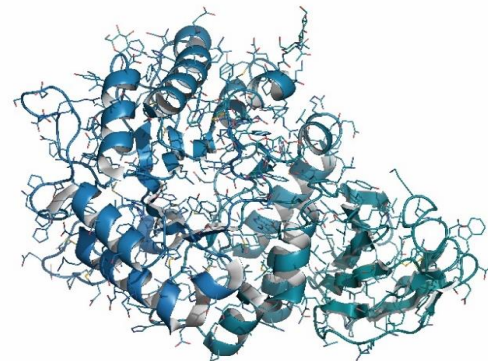
1. Citigroup in 2018
2. PlasticsEurope in 2018
3-4. IHS Markit in 2018
5. Straits Times in 2015
6. Ademe in 2012
7. Citigroup in 2018, Euromonitor in 2017
8. Ellen McArthur Foundation & McKinsey: The New Plastic Economy in 2016

■ AMBITION

- **Lead the transition towards sustainable plastics economy by developing technologies for the end of life of plastics**

■ TECHNOLOGIES

- **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
- MS in Business Management, HEC Paris, BA Economics Paris University.



**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 STANLEY:** Utilities & Clean Energy Specialist Equity Sales
- **BERENBERG:** Utilities & Clean Energy Specialist
- Printing & Packaging Engineer (Ecole Polytechnique Grenoble), MBA from Duke University (Fuqua Business School).



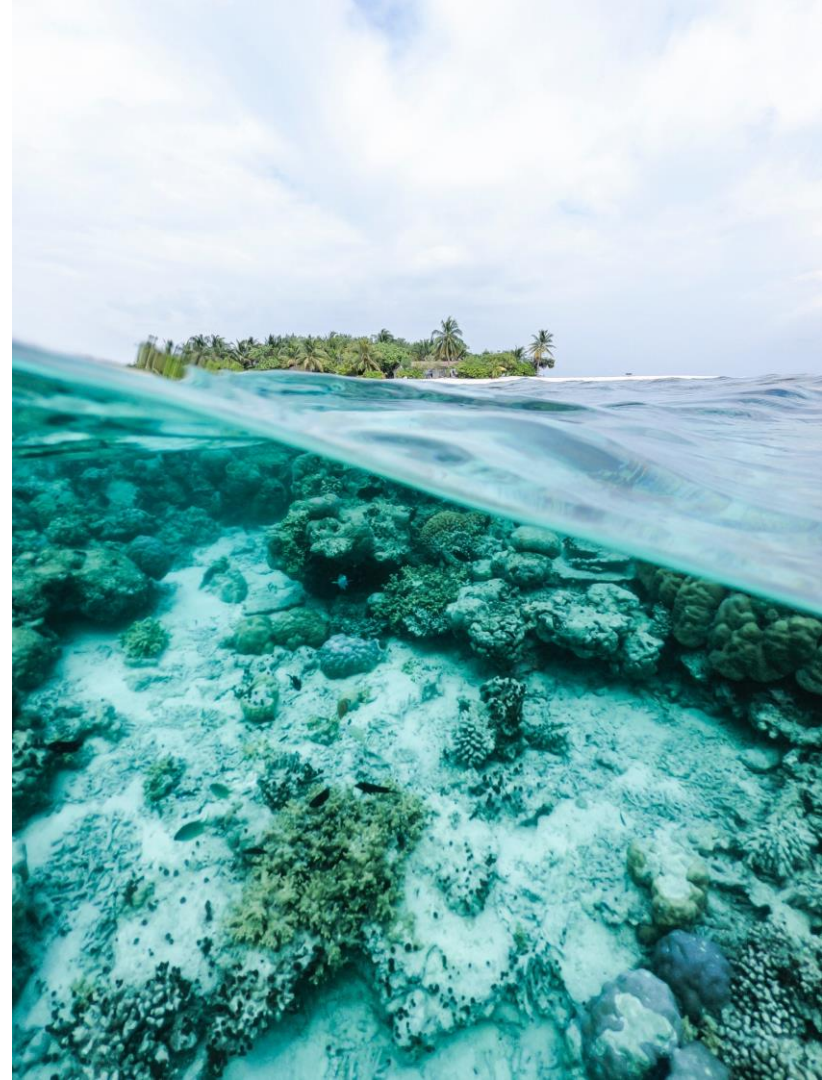
**Prof. Alain
MARTY**

Chief Scientific Officer

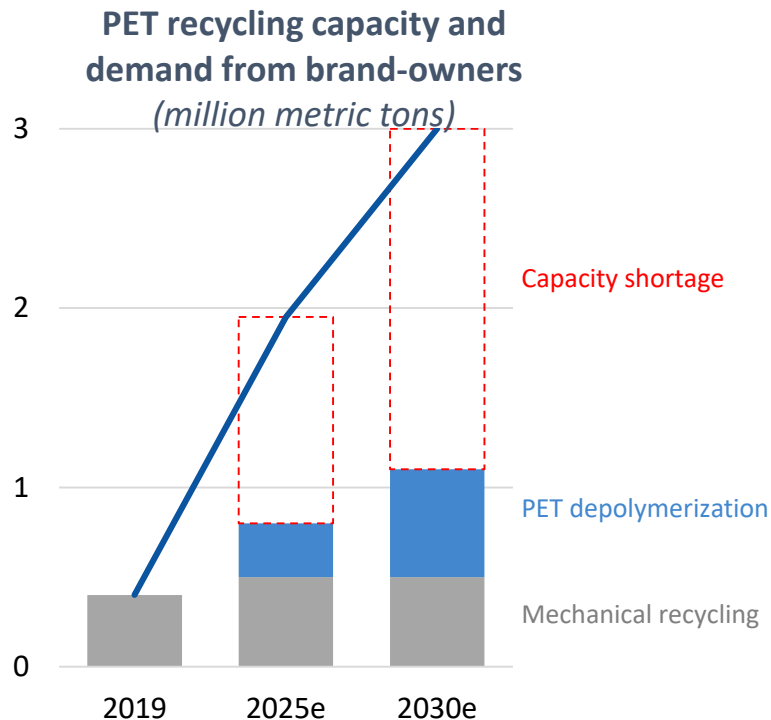
International expert in enzymology and biological processes

- **INSA** Institut National des Sciences Appliquées, Toulouse : Professor and Head of a research group
- **AERES** Agence d'Évaluation 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 SITUATION – missing capacities



Source: BloombergNEF – Q1 2020

The polyester industry is facing a major change.

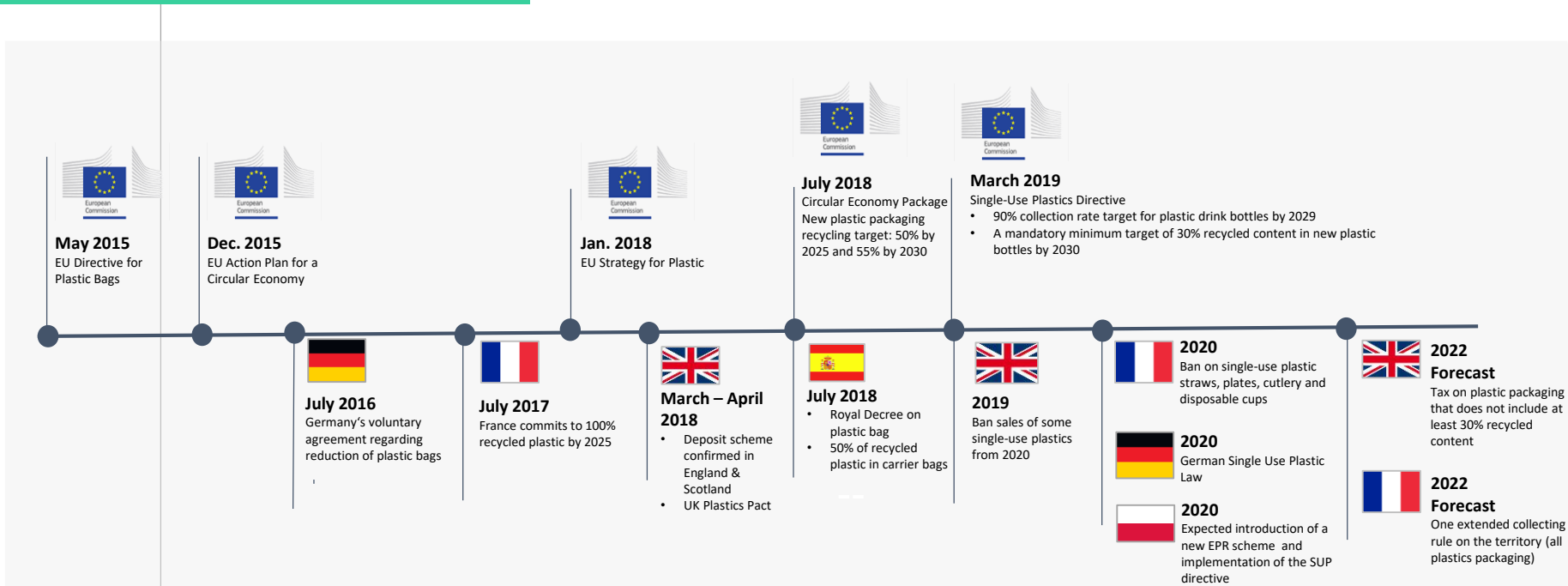
Only new recycling technologies will enable PET producers to even partially meet the demand of their customers and States to meet their regulatory targets*.

*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

100%



L'ORÉAL
PARIS

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"



Unilever

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



Good Food, Good Life

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"

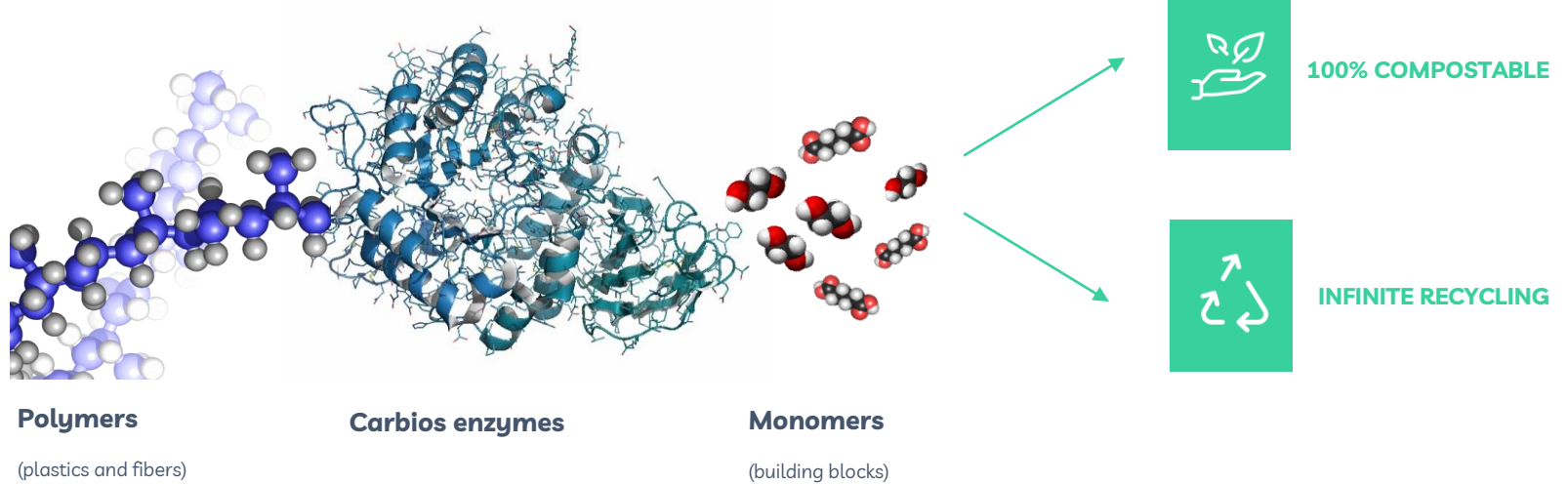
CARBİOS BIOTECHNOLOGIES AT THE LEAD OF THIS TRANSITION



CARBİOS
Reinvent Polymers Lifecycle



■ ENZYMES TO FULLY BREAKDOWN PLASTICS!



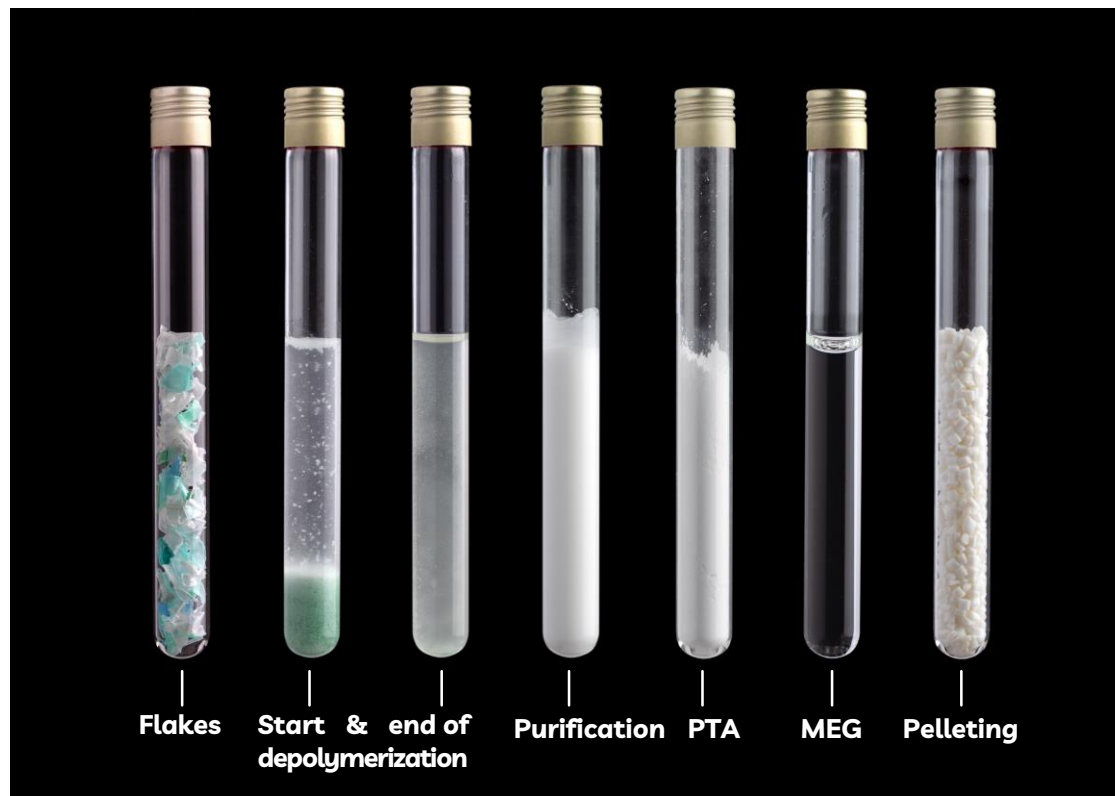
A REVOLUTIONARY PROCESS FOR INFINITE RECYCLING AND BIODEGRADATION OF PLASTICS AND FIBERS



■ **WORLD'S FIRST ENZYMATIC
TECHNOLOGY TO RECYCLE AND
REUSE PET-BASED PLASTICS & FIBERS**



■ HOW DOES IT WORK?



■ 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



■ PET BRAND OWNERS CONSORTIUM AGREEMENT



L'ORÉAL



■ A 4-year agreement signed in April 2019

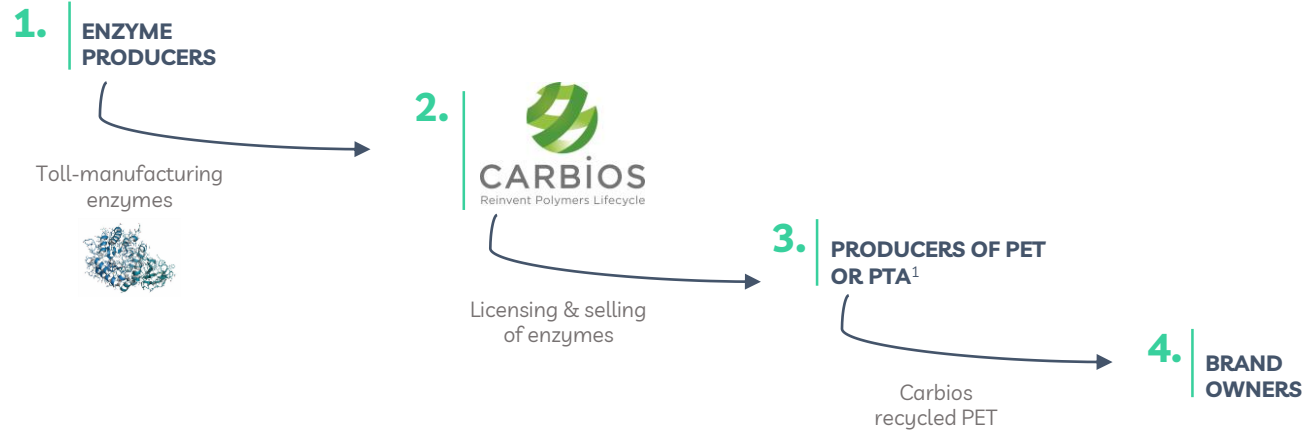
■ Accelerate the technology's readiness and bring it to full industrial scale
Increase the availability of high-quality recycled plastics

■ 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



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

TODAY

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



**H2-2021
OPENING OF A
DEMONSTRATION FACILITY
IN FRANCE**



**H2-2022
LICENSING THE TECHNOLOGY
AROUND THE WORLD**



**2023
INDUSTRIAL UNIT
CONSTRUCTION
TO OPERATE
CARBIOS SOLUTION**



**SMART TECHNOLOGY
FOR A SUSTAINABLE WORLD!
2025**





CARBOLICE

Biodegradability is the future

**H2-2020: commercial launch of
EVANESTO[®], the world's first enzymatic
biodegradation technology**



(52,7%)



(18%)

bpifrance

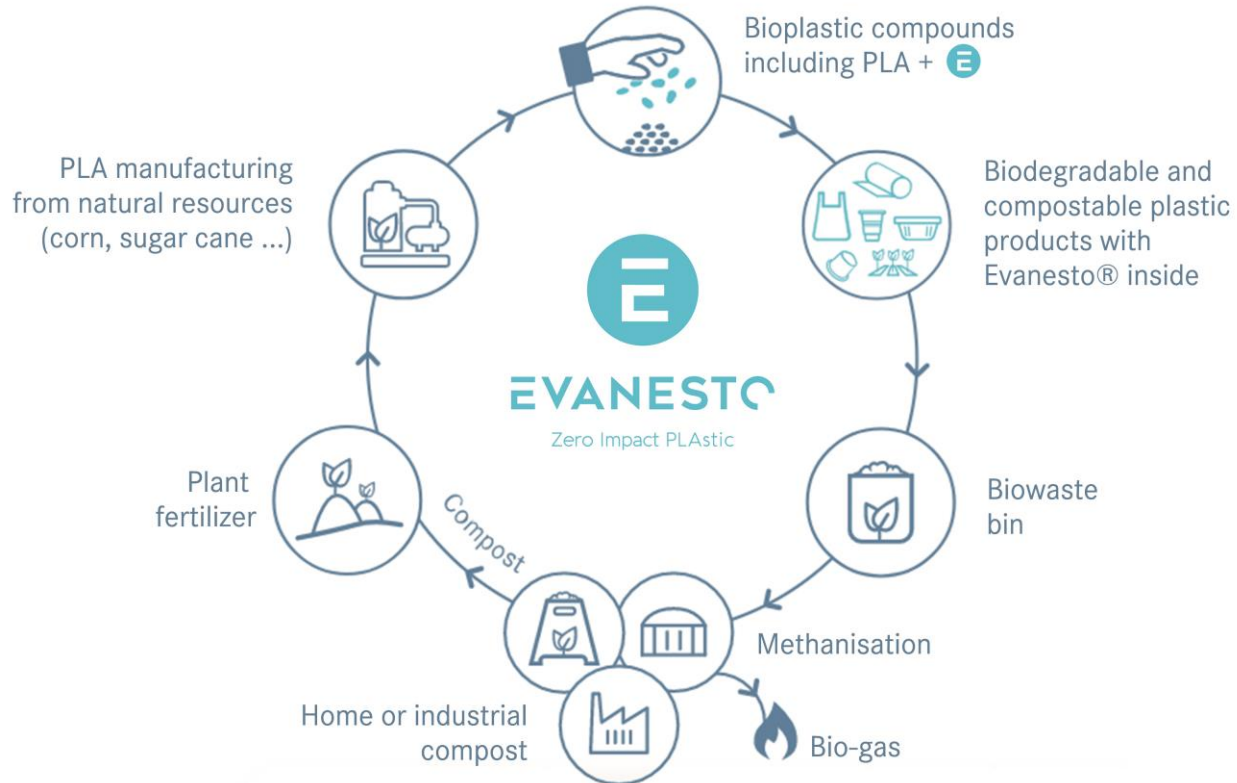
(29,3%)



CARBOLICE PRODUCTION UNIT

■ ZERO IMPACT PLAsTic

Market launch in H2-2020



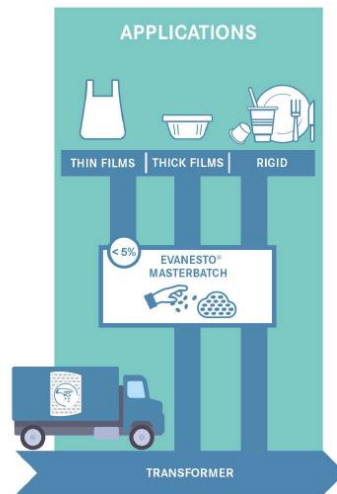
HOW DOES IT WORK?

Step by step

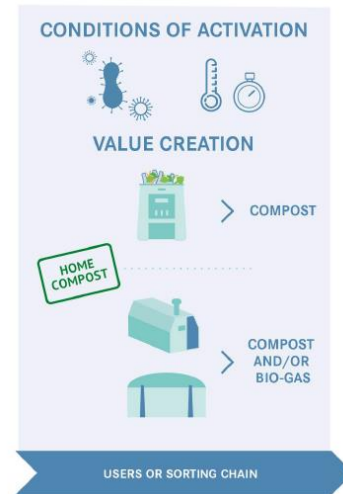
Evanesto® Production



Evanesto® Inside



Evanesto® Activation





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 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



APPENDIX



INTELLECTUAL PROPERTY



WORLDWIDE EXCLUSIVE EXPLOITATION RIGHTS

On all results of R&D
collaborations

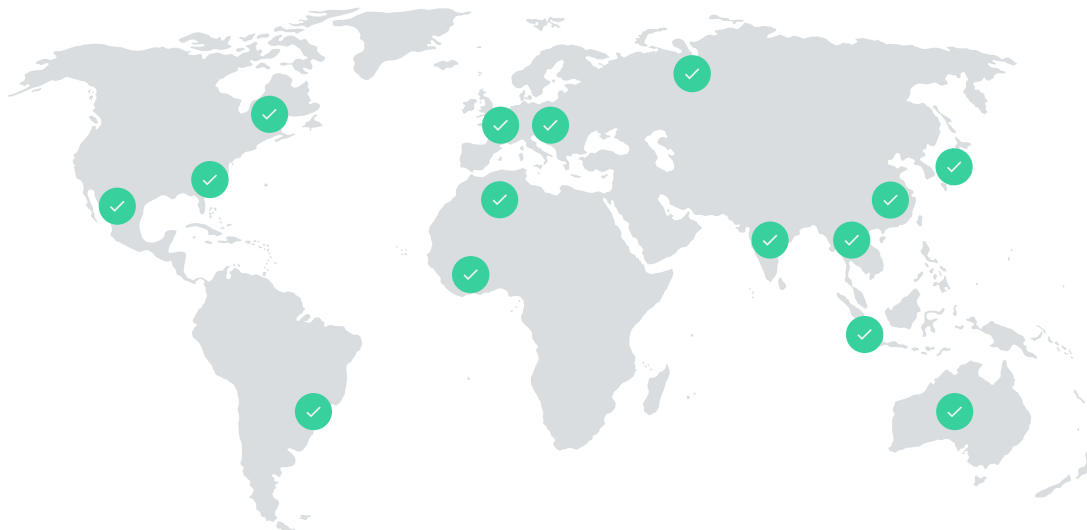
A UNIQUE KNOW-HOW

In the development of bioprocesses
combining enzymes & polymers

A STRONG INTELLECTUAL PROPERTY

Protecting the applicative use of
enzymes, processes and products

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)

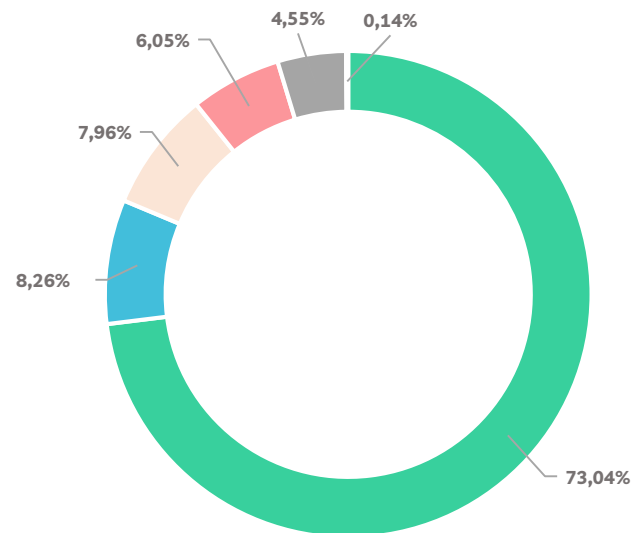
MARKET	Euronext Growth Paris
MNEMO/REUTERS/BLOOMBERG	ALCRB / ALCRB.PA / ALCRB:FP
SHARES ISIN CODE	FR0011648716
NUMBER OF SHARES	7.982.172
ICB CLASSIFICATION	Chemistry / Speciality chemistry
INDICES	Euronext Growth All-share, Euronext Growth Bpifrance Innovation Index, Enter Next PEA PME 150
FRENCH PEA-PME ELIGIBILITY	Yes
ANALYST COVERAGE	<div>  Kepler Cheuvreux </div> <div>  BRYAN, GARNIER & Co </div> <div>  GILBERT DUPONT </div> <div>  EDISON </div>

Baptiste de Leudeville

Xavier Regnard

Guillaume Cuvillier

Graeme Moyse



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



■ CASH FLOW STATEMENT

Cash flow (in thousand euros)	December 31, 2018	December 31, 2019
Cash at the opening	7,547	5,149
Net cash generated by operations	(3,078)	(3,036)
Net cash from investments	(1,441)	(2,406)
Net cash from financing operations	2,122	16,209
<i>Change in cash</i>	<i>(2,398)</i>	<i>10,766</i>
CLOSING CASH	5,149	15,915

■ FULL-YEAR 2019 INCOME STATEMENT

(In thousand euros)	December 31, 2018	December 31, 2019
Operating revenue	1,083	1,450
Operating expenses	(5,323)	(5,986)
Operating Income	(4,240)	(4,535)
Financial Income	(25)	(29)
Current Income before Tax	(4,265)	(4,564)
Extraordinary profit (loss)	(37)	15
Income tax (Tax research credit)	1,191	800
NET INCOME (LOSS)	(3,110)	(3,749)

■ 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

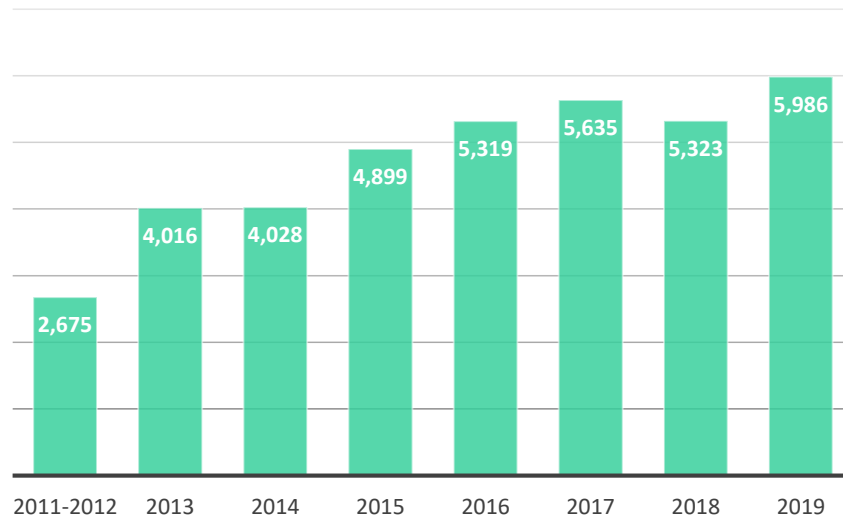
■ Operating expenses:

**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

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

Liabilities & Equity (in thousand euros)	December 31, 2018	December 31, 2019
Shareholder's equity	12,038	22,005
Conditional advances	3,707	4,250
<i>Loans</i>	1,866	3,818
<i>Trade payables and related accounts</i>	1,061	1,387
<i>Other liabilities</i>	477	750
<i>Prepaid income</i>	0	176
Payables	3,404	6,131
TOTAL LIABILITIES & EQUITY	19,149	32,386

■ 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

L'ORÉAL



- OUR CONTRIBUTION
TO THE UN SDGs





*“Designing
the new
plastic
economy”*