2022INTERIM FINANCIAL REPORT



Enzymes powering the Circular Economy



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1. MANAGEMENT AND GOVERNING BODIES







BOARD OF DIRECTORS

Chairman: Philippe POULETTY **Directors:** Jean-Claude LUMARET

Business Opportunities for L'Oréal Development (BOLD),

represented by Laurent SCHMITT

Michelin Ventures, represented by Nicolas SEEBOTH

Emmanuel LADENT Jean FALGOUX

Jacqueline LECOURTIER Alain CHEVALLIER Vincent KAMEL Isabelle PARIZE Juan DE PABLO

EXECUTIVE MANAGEMENT

Chief Executive Officer: Emmanuel LADENT

Deputy Chief Executive Officer: Martin STEPHAN

Director of Strategy and Finance: Pascal BRICOUT

Chief Scientific Officer: Alain MARTY

Director of Intellectual Property: Lise LUCCHESI

Director of Legal Affairs and Human Resources: Vanina VARLAMOFF

Director of Industrial Development: Lionel ARRAS

Sourcing and Public Affairs Director: Mathieu BERTHOUD





2. INTERIM MANAGEMENT REPORT





CARBIOS OVERVIEW

ENZYMES: REVOLUTIONIZING THE WORLD OF THERMOPLASTICS

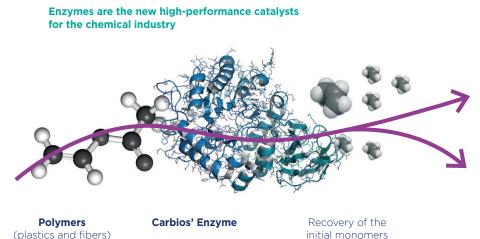
CARBIOS, a green chemistry company created in April 2011, develops innovative and competitive biological processes constituting a major innovation in the life cycle management of plastics and textiles, for the purpose of industrializing them. Through its unique approach combining biotechnology and plastics for the first time, CARBIOS aims to address new consumer expectations and the challenges of the broader environmental transition faced by governments and industrial companies by taking up a major challenge of our time: plastic and textile waste pollution.

Building on the results obtained in its Research and Development work, CARBIOS has developed new industrial solutions, based on the foundations of the circular economy, to revolutionize the life cycle of plastic and textile materials.

Through its biorecycling technology, CARBIOS provides an industrial solution to the recovery of PET¹ (the dominant plastic in polyester bottles, trays and textiles), which is a market of nearly 90 million metric tons per year worldwide².

This technology converts all types of PET waste into its basic components (monomers). These can then be reused to manufacture new products in 100% recycled and 100% recyclable PET, without loss of quality.

The Company has also developed a **biological biodegradation** solution for PLA³ (a biosourced polymer) based single-use plastics, which is a strongly growing market estimated at 261,000 metric tons in 2020. This technology can create a new generation of plastics that are 100% compostable in domestic conditions thanks to the integration of enzymes at the heart of the plastic product. This innovation is operated under license by CARBIOLICE, a wholly-owned subsidiary of CARBIOS since June 2021.



ENZYMATIC DEPOLYMERIZATION OF THE POLYMERS

Repolymerization of monomers into polymers



POTENTIAL RECOVERIES



Bioassimilation of the products of degradation by microorganisms present in nature

¹Poly (ethylene terephthalate)

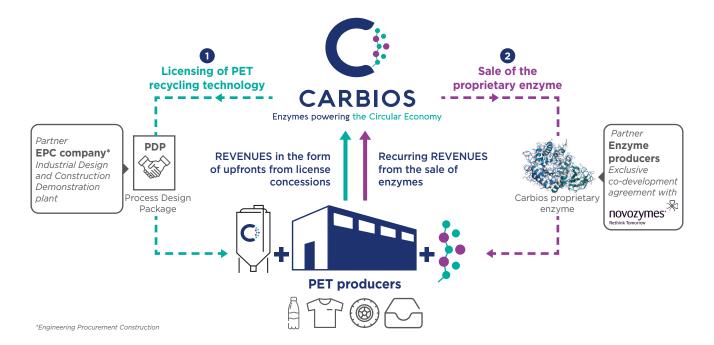
³ Polylactic Acid

BUSINESS DEVELOPMENT MODEL

CARBIOS' business development model is based on two types of revenue:

- The granting of licenses for the use of its know-how and intellectual property: the licenses granted will generate revenues in the form of upfront payments, license fees or dividends; and
- The sale of proprietary enzymes directly to manufacturers using technologies developed by the Company.

Integration of carbios' enzymatic recycling technology into the recycled pet production value chain



With a technological offer unique in the world and the support of several global leaders in their respective fields, CARBIOS engages all industry players (collectors, producers, processors, users and consumers) in the development of a true circular economy for plastics and textiles by reconciling today's environmental needs and concerns.

Thus, the CARBIOS model is based on the development of breakthrough innovations and intense collaboration with all stakeholders. Today, it offers manufacturers sustainable and eco-friendly alternative solutions for mass consumption markets.

By placing the circular economy at the heart of its innovations and strategy, CARBIOS strives to create sustainable financial, environmental, social and economic value.

DEVELOPMENTS AND OUTLOOKS



The Company is now undertaking the industrialization of its enzymatic PET recycling technology with the commissioning of an industrial demonstration plant in Clermont-Ferrand, France in September 2021.

In line with the Company's projected schedule, all stages of the process (from the pre-treatment of PET waste to the production of monomers) are now interconnected.

With regard to the core of the process, depolymerization kinetics and the yields obtained in the enzymatic recycling of PET plastic waste are identical to those obtained at the laboratory and pilot scale. At these stages, work focuses on optimizing productivity, yields and the qualification of raw materials. At the same time, the purification train is made more reliable and adjusted in close collaboration with the team in charge of the design of the reference plant and the technology suppliers.

The results of the demonstration plant contribute to the preparation of the engineering documents for the process (PDP: Process Design Package) to build and operate a reference plant but also to be able to grant, from 2023, the first licenses of this technology, which will be associated with the sale of enzymes to manufacturers who will build and operate their own units.

REFERENCE PLANT PROJECT

At the same time, the Company aims to complete the construction of a PET biological recycling Reference unit in 2025, with a processing capacity of 50,000 metric tons of PET waste per year. This plant, which will be located in Longlaville (France), in partnership with Indorama Ventures, will also secure the marketing of the first volumes of recycled PET by 2025 and consolidate the

Company's business model, which remains the concession of licenses for the use of its technologies and know-how, and the sale of enzymes to its licensees.

The design engineering studies are progressing at a pace in line with the unit's permit filing and start-up objectives. Working meetings are organized with stakeholders (local elected representatives, DREAL, DDT, prefecture, etc) to anticipate the next stages of the project.

Stages of deployment of enzymatic recycling technology for PET plastic waste and fibers:

Industrial demonstration plant

- 2022: Continued operations in the industrial demonstration plant;
- 2nd half-year 2022: Preparation of process engineering documents (PDP: Process Design Package); and
- · 2023: First license concessions.

Reference unit

- 2022: Filing of building permit and Environmental Authorization applications;
- 2023: First orders for long-term equipment, start of construction, upon receipt of permits4; and
- 2025: Commissioning of the Unit. First revenues from the operation of the Unit.

⁴ Estimated date, depending in particular on building and operating permits



MARKET CONTEXT AND OPPORTUNITIES

CARBIOS' biological recycling technology targets a market that is set to grow strongly under the impetus of new regulations, consumer expectations and the commitments of the world's leading brands. The environmental challenge of the end of plastic and textile materials and the need to go beyond the limits of conventional approaches, are all elements that go in the direction of a drastic expansion of the recycled PET market targeted by CARBIOS.

AN ENVIRONMENTAL CHALLENGE: MASTERING THE END-OF-LIFE OF PLASTICS

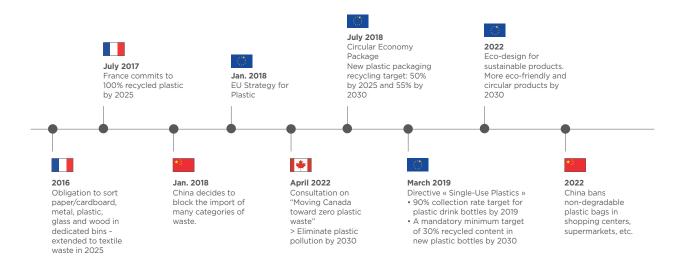
Plastics are very present in our daily lives and have now become unavoidable. Plastics, which today are still mainly of fossil origin, take around 400 to 500 years⁵ to degrade under natural conditions. With the development of our industrial societies, the generation of plastic waste has continued to grow and has led to an accumulation of plastic in the environment, including in the most remote and pristine regions of the world.

The OECD estimates that 9% of plastic waste generated each year worldwide is recycled and 19% is incinerated. The remainder, almost 72%, accumulates in landfills and in the environment where it contributes to polluting our soils, rivers and marine environments⁶.

Better management of the end-of-life of plastic materials is not only a major challenge of our time but also an unprecedented business opportunity to initiate this transition towards a circular economy model, thanks to innovation.

GROWING REGULATORY PRESSURE

The implementation of new regulatory provisions is intensifying, both at European and national levels, promoting better management of the end of life of plastics and the development of the circular economy. These changes require all industrial players in the sector to adapt, thereby opening up a strong opportunity for the deployment of CARBIOS technologies.



STRONG INITIATIVES AND COMMITTED MANUFACTURERS

In addition to national and supranational regulations, pressure from consumers and NGOs is prompting industrial players to commit to a transition to more sustainable solutions with a neutral environmental impact. They represent powerful backing for innovation in the fields of recycling and biodegradation, the core of the bioprocesses developed by CARBIOS.

As such, CARBIOS benefits from numerous supports, notably through its PET Consortium, launched in 2019⁷ with L'Oréal (co-founder of the Consortium), Nestlé Waters, PepsiCo and Suntory Beverage & Food Europe (Orangina-Schweppes in France) and more recently through a Textile Consortium, launched in July 2022⁸, with the brands On, Patagonia, PUMA and Salomon.

⁵ Source: World Wildlife Fund (Australia) in 2018.

⁶ Source: OECD in 2022, Global Plastics Outlook: Economic Drivers, Environmental Impacts and Policy Options, OECD Publishing, Paris, https://doi.org/10.1787/de747aef-en.

⁷ Cf. press release dated April 29, 2019

⁸ Cf. press release dated July 6, 2022



HIGHLIGHTS OF THE PERIOD

Since the start of the Covid-19 pandemic, the Company has managed to conduct its operational activities in accordance with its initial business plan and to limit any delay in the industrial and commercial deployment of its technologies, while ensuring the protection of its employees.

The first half of 2022 was marked by several major scientific and strategic advances and in particular by the announcement on February 23, 2022⁹ of the launch of a project to build the world's first PET biorecycling plant, in partnership with Indorama Ventures, the world leader in the production of recycled PET for the bottle market.

CARBIOS' recent advances, as described below, and the excellent results obtained at the demonstration plant since its commissioning in September 2021, reinforce the value of the Company's assets and will enable the future industrial and commercial deployment of the technologies designed and developed by CARBIOS.

HIGHLIGHTS OF THE FIRST HALF OF 2022 AND EVENTS AFTER THE REPORTING PERIOD

TEXTILE R&D DEVELOPMENTS

In March 2022¹⁰, CARBIOS announced that it had completed the third and last technical step of the CE-PET research project co-funded by ADEME (French Environment and Energy Management Agency)¹¹. The work carried out in this context by CARBIOS and its academic partner TWB (Toulouse White Biotechnology) has enabled the production on a pilot scale of a white fiber made of 100% enzymatically recycled PET from colored textile waste. The Company received €827,000 (€206,800 in grants and €620,400 in repayable advances) for this validation of this stage aiming notably to develop CARBIOS' biorecycling process for the sustainable recovery of textile waste.

SCIENTIFIC PUBLICATION

In July 2022¹², CARBIOS and TBI (Toulouse Biotechnology Institute) announced the publication of an article entitled "An NMR look at an engineered PET depolymerase" in the prestigious scientific journal, Biophysical Journal. The article describes the use of Nuclear Magnetic Resonance (NMR) spectrometry to study the thermal stability of PET depolymerization enzymes and the mechanism of enzyme adsorption on the polymer. This approach is a world first for CARBIOS, which opens up new ways to improve these enzymes. The publication of this article also reinforces the Company's international lead in the development of the most efficient enzymes for the depolymerization and recycling of plastics.

WHITECYCLE PROJECT

In August 2022^{13} , CARBIOS announced that it had joined the WhiteCycle project, launched in July 2022 and coordinated by Michelin. Its main objective is to develop a circular solution to transform complex textile-

based plastic waste¹⁴ into high value added products. Co-financed by *Horizon Europe*, the European Union's research and innovation program, this unprecedented European public/private partnership includes 16 entities and will last 4 years.

WhiteCycle predicts that by 2030, the adoption and deployment of its solution will lead to the annual recycling of more than 2 million metric tons of PET. This project is expected to prevent more than 1.8 million metric tons of this plastic from being landfilled or incinerated each year. It should also reduce ${\rm CO}_2$ emissions by approximately 2 million metric tons.

Textile-containing complex waste (PET) from end-of-life tires, pipes and multi-layered clothing is currently difficult to recycle, but this may soon change thanks to the results of the project. Raw materials from PET waste processing could be reintegrated into the creation of high-performance products, through a circular and sustainable value chain.

Alongside CARBIOS, 15 European public and private entities are combining their scientific and industrial expertise as part of this project:

- 3 industrial partners (Michelin, Mandals, KORDSA);
- 1 inter-sector partner (Inditex);
- 2 waste management companies (Synergies TLC, ESTATO);
- 1 intelligent sorting monitoring system (IRIS);
- 1 product life cycle analysis company (IPOINT);
- 1 university, expert in FAIR data management (HVL);
- 4 universities, research and technology organizations (PPRIME - University of Poitiers/CNRS, DITF, IFTH, ERASME);
- 1 competitiveness cluster (AXELERA);
- 1 project management consulting company (Dynergie).

⁹ Cf. press release dated February 23, 2022

¹⁰ Cf. press release dated March 10, 2022

[&]quot;Project carried out as part of the Programme d'investissement d'Avenir (PIA no. 1882C98) managed by the ADEME.

¹² Cf. press release dated July 20, 2022

¹³ Cf. press release dated August 9, 2022

¹⁴ Complex waste: multi-material waste (rubber products, composites and multi-layer textiles).



During this project, the consortium will work on the development of new processes throughout the industrial value chain, including the implementation of:

- Innovative sorting technologies to increase the PET content of complex waste streams in order to better process them:
- Pretreatment of the recovered PET plastic content, followed by the CARBIOS enzymatic depolymerization process;
- Repolymerization of recycled monomers into a new plastic of equivalent quality to new plastic; and
- The manufacture of new products from recycled plastics.



TEXTILE CONSORTIUM:

In July 2022¹⁵, CARBIOS announced the signing of an agreement with On, Patagonia, PUMA and Salomon, to develop solutions that increase the recyclability of their products. This two-year agreement will notably aim to accelerate the launch of CARBIOS' biorecycling technology in the polyester fibers (PET) segment, which is a major challenge for the textile industry. CARBIOS and its four partners will also conduct research on how products can be recycled, evaluate the development of collection solutions for used polyester items and test sorting and processing technologies. It will also consolidate data on "fiber-to-fiber" recycling as well as on circularity models. The shared ambition of the players in this Consortium is to establish true circularity in this industry by innovating to recycle the fibers of one product for another and thus reduce the problem of textile waste in a collaborative approach to create a more sustainable future.

The process developed by CARBIOS is a real breakthrough in the recycling of polyester fibers (PET) which, alone or combined with other fibers, are widely used in the clothing, footwear and sporting goods sectors. PET polyester is the main fiber in the textile industry with 52 million metric tons produced, even exceeding cotton with 23 million in CARBIOS' biorecycling process uses an enzyme capable of selectively extracting the polyester and regenerating it to recover a virgin fiber. This revolutionary technology makes it possible to deconstruct the PET polyester present in all textile waste that cannot be recycled with current technologies.





patagonia



SALOMON

¹⁵ Cf. press release dated July 6, 2022

¹⁶ Source: Carbios - 2019 market data

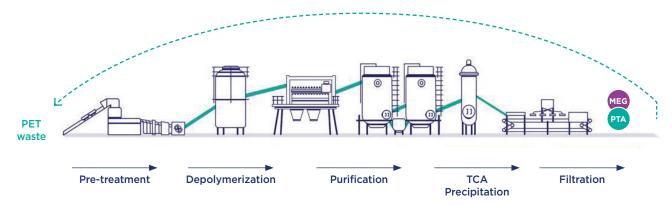


INDUSTRIAL DEMONSTRATION PLANT: PRODUCTION IS CHANGING SCALE

In accordance with its provisional schedule, CARBIOS now has a fully operational industrial demonstration plant at the Cataroux site in Clermont-Ferrand, France.

This facility, operated by a technical team of 12 people, includes storage areas for raw materials and finished products (terephthalic acid and monoethylene glycol), the pre-treatment of PET waste, an hydrolysis reactor with a capacity of 20 m³ and equipment for the purification

of monomers (terephthalic acid and monoethylene glycol) enabling the production of high purity batches. Different types of PET waste (bottles, trays, textiles, etc.) from multiple sources are used, in order to guarantee the adaptability of the process according to the type of PET waste to be treated and its quality, which may vary according to the regions, and therefore depending on the geographical specificities of collection and sorting, where the future industrial units will be located.



Modeling of the main stages of the process of depolymerization of PET plastic and textile waste into monomers, as used at the industrial demonstration plant



Enzymatic hydrolysis reactor for the depolymerization of PET plastic and textile waste into monomers (credit: Carbios)

The results of the demonstration plant are fed into the production of engineering documents for the enzymatic recycling of PET process (PDP: Process Design Package) (from waste to monomers) for the Reference unit project and future licensed plants. The main results expected by the end of 2022 are the validation of the technological choices, the confirmation of the process conditions impacting the sizing of the equipment, the consumption of raw materials and utilities, and the production of effluents.

- As of the date of this report, these results have been obtained for the core of the CARBIOS process, i.e. from the pre-treatment of PET waste to the input of the monomer purification train.
- At the same time, the purification train received at the end of the first half of the year is made more reliable and adjusted in close collaboration with the team in charge of the design of the reference plant and the technology suppliers.



REFERENCE PLANT CONSTRUCTION PROJECT

In February 2022¹⁷, CARBIOS announced a partnership **with Indorama Ventures**, the world leader in the production of recycled PET, for the establishment of its Reference unit on the French site of Indorama (Glanzstoff) in Longlaville, France. This proposed partnership confirms the opportunity to set up the world's first PET enzymatic

recycling unit in France, with an estimated processing capacity of 50,000 metric tons of PET waste per year, representing the equivalent of 2 billion bottles or more than 2.5 billion trays. The project is expected to create around 150 direct and indirect full-time jobs.



3D modeling of the CARBIOS reference plant for the depolymerization of PET plastic and textile waste into monomers (credit: Technip Energies)

FUNDING:

In June 2022, CARBIOS received the loan of €30 million (€29.55 million net of fees) granted by the European Investment Bank (EIB) to the Company as announced on December 20, 2021^{IB}. Supported by the European Commission's InnovFin energy demonstration program, the contract provides for annual repayments at constant capital, from June 29, 2025 to June 29, 2030.

As a reminder, the objective of this type of financing is to support innovative projects with high potential, developed by companies aiming to achieve major changes in line with the EU's climate objectives and contributing to the leadership of European industry in the development of sustainable technologies. This loan of €30 million, disbursed in a single tranche by the EIB, carries a fixed annual interest of 5%, with a maturity of eight years and a first repayment in 2025. This agreement is supplemented by a warrant issuance agreement where Carbios will issue 2.5% of the fully diluted share capital in warrants to the benefit of the EIB, of which 1.25% with an exercise price of €40 per share, and 1.25% with an exercise price of €38.8861 per share, corresponding to the volume-weighted average

of the trading price of an ordinary Share of the Company over the last three (3) Trading Days preceding the fifth (5) day prior to the Signing Date. The creation and issue of these EIB share subscription warrants, and therefore the disbursement of the loan of €30 million, were subject to a vote by CARBIOS' extraordinary shareholders' meeting of February 2, 2022 of a delegation of authority to the Board of Directors, and a decision of the Company's Board of Directors using this delegation of authority.





On the basis of cash flow items to date and its forecast operating expenses, the Company considers that it is in a position to meet its future payments beyond the next twelve months.

¹⁷Cf. press release dated February 23, 2022

¹⁸ Cf. press release dated December 20, 2021



DISTINCTIONS:



In May 2022¹⁹, CARBIOS obtained the renewal of the Efficient Solution label from the Solar Impulse Foundation for its PET enzymatic biorecycling solution. To obtain the renewal of this label, the technology implemented by CARBIOS was subject to a new assessment by

a group of independent experts according to a multicriteria approach covering the three main themes of technical feasibility, social and environmental impact and economic profitability.

In August 2022²⁰, Carbios announced that its Chief Scientific Officer, Professor Alain Marty had received the **Biocat Award**, in the "Industry" category. This award is considered to be one of the most prestigious in the biotechnology sector. Professor Alain Marty was thus recognized for his major achievements in the field of the enzymatic recycling of PET plastics and fibers. This award recognizes in particular his research work on enzymatic optimization and the use of the exceptional specificity of enzymes to serve the circular economy of plastics.

TRANSFER OF REGISTERED OFFICE

On June 29, 2022, the Company recorded the transfer of its registered office from Biopôle Clermont-Limagne, rue Emile Duclaux, 63360 Saint-Beauzire, to the Cataroux site, 8 rue de la Grolière, 63100 Clermont-Ferrand. This transfer follows the signature of a commercial lease between the Company and the Manufacture Française des Pneumatiques Michelin, for a building on the site. These premises have housed the Company's laboratory and pilot unit since May 2022, and the transfer of administrative teams and support functions was completed in July 2022. The transfer of the Company's registered office is subject to ratification by the next shareholders' meeting.

NEW SUBSIDIARY

A new subsidiary, a simplified joint-stock company whose corporate name is Carbios 54, was validly registered on June 8, 2022. Wholly-owned by the Company, it aims to operate the Company's reference plant based in Longlaville.

CHANGES IN THE ORGANIZATION OF THE COMPANY

The Company is organized around an industrial development division (Pilot, Industrial Demonstration Plant and Reference Unit Project), an R&D and innovation division and support functions (Business Development, Finance, Legal, Intellectual Property and Communication). All of these activities are the responsibility of the members of the Company's Executive Committee, which at the date of this document has eight members.

On May 30, 2022²¹, Lionel ARRAS, Director of Industrial Development and Mathieu BERTHOUD, Sourcing and Public Affairs Director, joined the CARBIOS Executive Committee, followed by Pascal BRICOUT as Director of Strategy and Finance. The CARBIOS Executive Committee now has eight members, including Emmanuel LADENT, Chief Executive Officer, Martin STEPHAN, Deputy Chief Executive Officer, Alain MARTY, Chief Scientific Officer, Lise LUCCHESI, Director of Intellectual Property and Vanina VARLAMOFF, Director of Legal Affairs and Human Resources.

As of June 30, 2022, the Company had 64 employees, including 13 new employees who joined the Company during the first half of 2022. The main recent and future hires mainly concern new jobs created in the regions for the operation of the industrial demonstration plant for the recycling of PET, whose operational start-up took place in September 2021, and the project to build a Reference unit.

In addition to these staff, over 15 researchers also remain involved with academic partners and within the *PoPLab* (Plastic Polymers and Biotechnologies) enzymatic engineering research center to support the industrial deployment of CARBIOS technologies.

CARBIOLICE, a wholly-owned subsidiary of CARBIOS, had 19 employees at June 30, 2022.

During the first half of 2022, the composition of the Company's Board of Directors changed as follows:

- On March 31, 2022, TRUFFLE CAPITAL resigned from its duties as director of the Company. The Board of Directors co-opted Philippe POULETTY to replace TRUFFLE CAPITAL, for the remainder of his predecessor's term of office, i.e. until the end of the shareholders' meeting to be held in 2025 and which will be called to approve the financial statements for the fiscal year ending December 31, 2024. This co-option was ratified by the ordinary and extraordinary shareholders' meeting of June 22, 2022.
- On the same day, Ian HUDSON resigned from his duties as Chairman of the Board of Directors and director.
 Philippe POULETTY was appointed by the Board of Directors as the new Chairman of the Board.
- On May 5, 2022, the Board of Directors co-opted Emmanuel LADENT (also Chief Executive Officer of the Company) as director of the Company, to replace lan HUDSON, who resigned on March 31, 2022. This appointment is made for the remainder of his predecessor's term of office, i.e. until the end of the shareholders' meeting to be held in 2025 and which will be called to approve the financial statements for the fiscal year ending December 31, 2024. This co-option was ratified by the ordinary and extraordinary shareholders' meeting of June 22, 2022.

¹⁹ Solar impulse Foundation

²⁰ Cf. press release dated August 31, 2022

²¹Cf. press release dated May 30, 2022



- On June 29, 2022, Mieke JACOBS resigned from her duties as a director of the Company. The Company co-opted Juan DE PABLO to replace Mieke JACOBS, for the remainder of his predecessor's term of office, i.e. until the end of the shareholders' meeting to be held in 2025 and which will be called to approve the financial statements for the fiscal year ending December 31, 2024. This cooption will be proposed for ratification at the next shareholders' meeting.
- On the same day, Jacques BREUIL resigned from his duties as director of the Company. The Company co-opted Isabelle PARIZE to replace Jacques BREUIL, for the remainder of her predecessor's term of office, i.e. until the end of the shareholders' meeting to be held in 2025 and which will be called to approve the financial statements for the fiscal year ending December 31, 2024. This cooption will be proposed for ratification at the next shareholders' meeting.

As a result of these changes in the composition of the Board of Directors, the composition of the Committees and Commissions has also changed.

The Audit Committee is now composed of:

- Michelin Ventures, represented by Nicolas SEEBOTH, Chairman
- Alain CHEVALLIER
- José DA GLORIA

The Compensation and Appointments Committee is now composed of:

- BOLD, Business Opportunities for L'Oréal Development, represented by Laurent SCHMITT, Chairman
- Jean FALGOUX
- Philippe POULETTY

The Intellectual Property Committee is now composed of:

- Philippe POULETTY
- Emmanuel LADENT
- Jean-Claude LUMARET
- Alain MARTY
- Lise LUCCHESI, and
- A member of the intellectual property consulting firm that assists the Company.

CHANGE IN THE PATENT PORTFOLIO IN THE FIRST HALF OF 2022

During the first half of 2022, CARBIOS focused on pursuing its active policy of safeguarding its technologies and know-how with the filing of a new patent application protecting its recycling process.

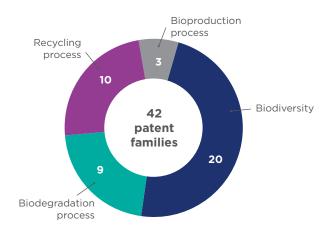
CARBIOS also consolidated its Intellectual Property portfolio with the granting of major patents in the United States, Canada, China, India, South Korea, Mexico and Brazil protecting the various technologies developed by the Company.

As of June 30, 2022, the Company's patent portfolio consisted of 42 patent families (including one under

exclusive worldwide license from the CNRS and the University of Poitiers), representing 274 patent titles filed in the main regions of the world, of which 63 have already been granted. Twenty-four families relate to its PET recycling technology, with applications filed in Europe, the United States, Canada, Mexico, China, India, Thailand, Indonesia, South Korea, Japan and Taiwan.

These families of patents cover the Company's various areas of development (biodiversity, enzymatic recycling process, biodegradable plastic production process and bioproduction).

Distribution of Intellectual Property as of June 30, 2022:



In addition, as of June 30, 2022, Carbiolice's portfolio consisted of nine patent families belonging to this subsidiary, which is now wholly owned by CARBIOS. All of these families are directly linked to Carbiolice's activity, namely the production of biodegradable plastics, and more particularly those incorporating an enzyme.

CARBIOS has thus ensured that it can guarantee a strategic competitive advantage over sizeable markets to its current and future industrial partners.

CHANGES IN SHARE CAPITAL

Concerning the Company's share capital, the first half of 2022 was marked by the following events:

- At its meeting of May 5, 2022, the Board of Directors noted the exercise of 5,000 BCE 2017-1 increasing the Company's share capital from €7,825,630.40 to €7,829,130.40;
- At its meeting of June 29, 2022, the Board of Directors noted the exercise of 1,253 BSA 2011-1, 1,548 BCE 2012-1 and 20,083 BCE 2019-1, increasing the Company's share capital from €7,829,130.40 to €7,845,149.20;
- On the same day, the Board of Directors, acting pursuant to the delegation of authority conferred by the Combined shareholders' meeting of June 22, 2022

(Seventeenth Resolution), decided to issue and award 188,265 BCE 2022 (the "BCE 2022-1 and BCE 2022-2") that grant the right to subscribe for 188,265 ordinary shares with a par value of €0.70 at a unit price equal to the volume-weighted average share price of the last twenty trading days preceding the warrant award date, i.e. a price equal to €301316:

As indicated in Note 12 to the financial statements, the share capital has increased since January 1, 2022, from €7,825,630.40 to €7,845,149.20. As of June 30, 2022, it consisted of 11,207,356 ordinary shares with a par value of €0.70.

DECISIONS OF THE SHAREHOLDERS' MEETING

- The ordinary and extraordinary shareholders' meeting of June 22, 2022 decided to:
 - ratify the appointment as a member of the Board of Directors, made on a provisional basis by the Board of Directors at its meeting of March 31, 2022, of Philippe POULETTY, to replace TRUFFLE CAPITAL, which resigned, until the end of the ordinary shareholders' meeting to be held in 2025 and called to approve the financial statements for the fiscal year ending December 31, 2024;
 - ratify the appointment as a member of the Board of Directors, made on a provisional basis by the Board of Directors at its meeting of May 5, 2022, of Emmanuel LADENT, to replace Ian HUDSON, who resigned, until the end of the ordinary shareholders' meeting to
- be held in 2025 and called to approve the financial statements for the fiscal year ending December 31, 2024;
- appoint COPERNICUS WEALTH MANAGEMENT, represented by Alen VUKIC, as a non-voting director of the Company for a period of one year expiring at the end of the ordinary shareholders' meeting to be held during 2023 and which will be called to approve the financial statements for the fiscal year ending December 31, 2022;
- set, as from the current fiscal year, the amount of the annual fixed sum that the Company may allocate to the directors as compensation for their work at €250.000.

FINANCIAL POSITION AND RESULTS: COMMENTS ON THE FIGURES

The following tables present the key items of the half-year results prepared in accordance with French accounting standards for the first halves of the 2021 and 2022 fiscal years, as well as certain financial items from the statement of financial position as of June 30, 2022, compared to the balance as of December 31, 2021.

Half-yearly individual financial statements - French standards (in thousands of euros)	06/30/2022	06/30/2021
Operating income	3,316	568
Of which revenues derived from contracts with CARBIOLICE	81	18
Of which income from rebilling to CARBIOS 54	1,419	-
Operating expenses	12,255	6,143
OPERATING INCOME/(EXPENSES)	(8,939)	(5,575)
Financial income/(expenses)	(41)	(39)
CURRENT INCOME BEFORE TAXES	(8,980)	(5,614)
Extraordinary gain or loss	(38)	15
Income tax	(1,763)	(1,182)
PROFIT OR LOSS	(7,255)	(4,417)

PRESENTATION OF RESULTS AS OF JUNE 30, 2022

OPERATING REVENUES

Operating revenue totaled €3,316 thousand and consisted in particular of:

- €604 thousand from the capitalization of R&D expenses, i.e. capitalized production;
- €415 thousand from the LIFE grant;
- €1,419 thousand from the rebilling to CARBIOS 54 of expenses related to the design of the reference unit;
- €450 thousand in borrowing costs paid to the EIB to be spread over the term of the loan (expense transfer account);
- €81 thousand from various rebillings to the CARBIOLICE subsidiary.

OPERATING EXPENSES

(in thousands of euros)	06/30/2022	06/30/2021
Other costs and external expenses		
External studies, subcontracting and scientific consultations	1,798	523
Consumables	161	52
Supplies	100	54
Rentals, maintenance and upkeep expenses	839	646
Expenses and fees related to industrial property	34	26
Fees	3,388	926
Business travel	294	43
Miscellaneous expenses	689	162
Total other expenses and external expenses	7,303	2,435
Taxes and similar payments	66	64
Salaries and wages	2,817	2,281
Social security contributions	1,140	942
Depreciation of fixed assets	810	272
Other expenses	118	149
TOTAL OPERATING EXPENSES	12,255	6,143

During the first half of 2022, operating expenses amounted to \le 12,255 thousand compared with \le 6,143 thousand in the first half of 2021.

This strong increase is mainly due to the significant efforts on the PET project such as external R&D expenses, up by 247% over the half-year. It should be noted that the collaborative R&D expenses with TWB were financed until 2021 through the CE-PET collaborative project and that the Company is now responsible for the continuation of post-project work. The Company has also seen its personnel expenses increase sharply given the growth in its headcount, particularly at the industrial demonstration plant site inaugurated in September 2021. Fee expenses are also up sharply, mainly due to the fact that the first expenses related to the creation of the reference unit were paid by CARBIOS before being re-invoiced to CARBIOS 54, for a total of €1,419 thousand.

FINANCIAL INCOME

Financial income/(expenses) (in thousands of euros)	06/30/2022	06/30/2021
Financial income	26	20
Financial expenses	67	59
FINANCIAL INCOME/(EXPENSES)	(41)	(39)

Financial income as of June 30, 2022, consisted of:

- financial income corresponding to CARBIOS cash investment income (€26 thousand);
- financial expenses consisting mainly of interest on the Bpifrance innovation loan (€64 thousand).

NET INCOME

Net income (in thousands of euros)	06/30/2022	06/30/2021
CURRENT INCOME BEFORE TAXES	(8,980)	(5,614)
EXTRAORDINARY GAIN OR LOSS	(38)	15
Income tax (research tax credit)	(1,763)	(1,182)
PROFIT OR LOSS	(7,255)	(4,417)

On June 30, 2022, CARBIOS acquired a tax credit of €1,763 thousand, comprising both the research tax credit and the collaborative research tax credit, calculated on the basis of eligible Research and Development expenses undertaken by the Company in the first half of 2022.

Extraordinary gain or loss includes the abandonment of a patent following the review of the Company's intellectual property portfolio, as well as a loss on treasury shares. Lastly, and although the impact is nil, extraordinary gain or loss also includes the sale-leaseback financing of technical equipment for the demonstration plant.

PRESENTATION OF THE INDIVIDUAL FINANCIAL STATEMENTS AT JUNE 30, 2022

(in thousands of euros)	06/30/2022	12/31/2021		06/30/2022	12/31/202
FIXED ASSETS			EQUITY		
Intangible assets	2,631	1,785	Share capital	7,845	7,826
Concessions, patents, licenses, software	1,569	1,372	Issue, merger and contribution premiums	146,471	146,337
Pending patents	49	5	Retained earnings	(11,136)	С
Development costs	1,013	409	Investment subsidies	7	8
Property, plant and equipment	19,508	15,168	Profit and loss for the period	(7,255)	(11,136)
Office and IT hardware	228	172	TOTAL EQUITY	135,933	143,035
Laboratory material and equipment	1,108	1,027			
Fixtures and fittings	12,396	7,940			
Property, plant and equipment under construction	5,716	6,030			
Advances on assets under construction	60	0			
Financial assets	38,884	<i>38,87</i> 8			
Equity interests	38,381	38,371			
Deposits and guarantees	294	283	OTHER EQUITY CAPITAL		
Liquidity contract	125	87	Conditional advances	3,707	3,707
Treasury shares	84	136			
TOTAL FIXED ASSETS	61,023	55,831			
CURRENT ASSETS					
Laboratory raw material inventories	74	94			
Receivables	1,988	96			
State receivables	3,087	3,898	DEBT		
Subsidies receivable	-	-	Loans	36,304	6,490
Other receivables	551	535	Trade and other payables	7,346	5,585
Subscribed capital - called up, not paid up	14	121	Tax and social liabilities	1,619	1,728
Cash, cash equivalents and marketable securities	118,659	100,884	Other liabilities	121	12
Prepaid expenses	306	440	Deferred income	1,133	1,246
TOTAL CURRENT ASSETS	124,679	106,068	TOTAL LIABILITIES	46,523	15,170
Expense to be spread over the loan	461	13			
OVERALL TOTAL	186,163	161,912	OVERALL TOTAL	186,163	161,912



MAIN RISK FACTORS

To the best of our knowledge, the main risk factors to which CARBIOS is exposed are of the same nature as those presented in Section 3 of the 2021 Universal Registration Document filed on April 20, 2022 under number D.2022-0317 with the *Autorité des marchés financiers* (AMF), and available on the CARBIOS website, which do not present any significant change over the first half of 2022, including with respect to the Covid-19 pandemic and the military conflict between Russia and Ukraine, for which the risks are regularly reassessed and updated below.

Furthermore, the Audit Committee performs a detailed annual review of the risk factors, which will, where applicable, be updated in each edition or update of the Company's Universal Registration Document.

RISKS ASSOCIATED WITH THE IMPACT OF THE COVID-19 PANDEMIC

Identification of the risk

The Covid-19 coronavirus epidemic, which has been raging since the end of 2019 in many countries including France, could, if its circulation were to intensify with the emergence of new variants, significantly disrupt the Company's business by causing operational difficulties, particularly due to:

- the closure of the Company's partner companies or service providers;
- slowdowns in the activities of certain suppliers (materials, components, etc.) and therefore supply difficulties;
- the closure of research laboratories;
- the lockdown measures in place;
- travel restrictions; and
- the impossibility for certain employees to work from home

Since the start of the Covid pandemic, the Company has encountered certain difficulties in the continuation of its activities, in particular, given the restrictions and lockdown measures suffered by some of its suppliers, service providers and partners. To date, however, the Company has managed to limit any delays directly related to the health crisis in the industrial and commercial development of its technologies.

However, if the restrictions and confinement measures continued to be applied both in France and abroad, the Company could have more and more difficulty in containing the harmful effects of these measures and in particular, the extension of the delays in the supply of certain materials, equipment and products required for the construction and deployment of its industrial demonstration plant and Reference unit.

This extension of lead times could delay the next stages of the industrial demonstration plant and, as a result, the collection of the data necessary for the construction of the first industrial and commercial unit using the PET recycling technology developed by the Company. In addition, the negative impact of this epidemic on the financial markets and potentially on the Company's share price could intensify if the health crisis were to continue for several more months.

As of the date of this report, this health crisis is still raging in France and in several other countries. Its impacts are, therefore, still likely to negatively affect the Company's ability to conduct its business and could cause delays in the industrial and commercial deployment of its technologies.

Risk management

Since the outbreak of the Covid-19 pandemic, CARBIOS has taken the necessary measures to preserve the health and safety of its employees and ensure the continuity of its activities, in strict compliance with government directives and through the use of teleworking when that is possible and necessary.

The Company has relaunched all its R&D, industrial pilot and demonstration activities for its technologies. It ensures that its staff respects barrier gestures and that health and safety measures are implemented in its establishments. The Company has set up a crisis management system to ensure the continuity of its employees' operations at its various sites and protect their health and safety in the course of their daily work and business travel.

The Company meets these objectives through strict compliance with government guidelines and through the use of teleworking, where possible and necessary. The Company's Executive Management also keeps a permanent watch on the risks associated with the development of this health crisis and implements all appropriate actions to reduce its potential negative impacts.

At the date of this document, however, the Company is not in a position to assess the impact of this crisis on the end of the 2022 fiscal year.

RISKS RELATED TO THE MILITARY CONFLICT BETWEEN RUSSIA AND UKRAINE

The conflict in Ukraine has spread since February 2022 and if it were to continue, it could have a significant negative impact on the Company's activity by causing operational difficulties, in particular related to:

- the economic and financial difficulties of partner companies or service providers of the Company;
- the slowdown in the activities of certain suppliers (materials, components, etc.) and therefore supply difficulties (impacting in particular the construction of the Company's Reference unit);
- the inflation of raw materials with the consequence of an increase in the prices of materials/components/ equipment that the Company would need for its activity.

Since the beginning of the crisis in Ukraine, the Company has not, as of the date of publication of this document, encountered any difficulties in pursuing its activities or its planned investments. To date, the Company has no direct or indirect relations with Ukraine or Russia, and the Company has managed to limit any delays directly related to this crisis in the industrial and commercial deployment of its technologies.

However, if this crisis were to continue and/or generate lasting economic consequences, the Company could have difficulties in containing the adverse effects of these measures and in particular, the increase in the cost as well as the extension to the lead times of supplies of certain materials, equipment and products necessary for the construction of its Reference unit. This extension of lead times and the increase in prices could delay the next stages of optimization of the industrial demonstration plant and, as a result, the collection of the data necessary for the construction of the first industrial and commercial unit implementing the PET recycling technology developed by the Company. In addition, the negative impact of this epidemic on the financial markets and potentially on the Company's share price could intensify if the crisis were to continue for several more months.

As of the date of this report, this crisis is still ongoing and the outcome is uncertain, its impacts may still, therefore, negatively affect the Company's ability to conduct its activities and could lead to delays in the industrial deployment and commercial use of its technologies.

In view of the current situation between Russia and Ukraine, the Company specifies that its economic and balance sheet exposure to these two countries is not significant. During the first half of 2022, CARBIOS did not record any expenses with suppliers based in Russia or Ukraine

AGREEMENTS WITH RELATED PARTIES

Transactions between related parties are of the same nature as those presented in Section 4.3 "Operations with affiliates" of the 2021 Universal Registration Document, filed on April 22, 2022 under number D.22 -0317 with the *Autorité des marchés financiers* (AMF) and available on the Company's website.

During the first half of 2022, no new agreements that fall within the scope of application of Article L.225-38 of the French Commercial Code were entered into.





3. INTERIM FINANCIAL STATEMENTS





CARBIOS INDIVIDUAL FINANCIAL STATEMENTS AT JUNE 30, 2022

ASSETS

ASSETS (in thousands of euros)	Note		06/30/2022		12/31/2021
FIXED ASSETS		Gross	Amortization	Net	Net
Intangible assets	5	3,698	1,067	2,631	1,785
Concessions, patents, licenses, software		2,636	1,067	1,569	1,372
Other intangible assets		1,062	-	1,062	413
Property, plant and equipment	5	21,768	2,261	19,507	15,168
Other property, plant and equipment		15,993	2,261	13,732	9,139
Property, plant and equipment under construction		5,716	-	5,716	6,030
Advances on assets under construction		60	-	60	-
Financial assets	5	38,886	2	38,884	38,878
Equity interests		38,381		38,381	38,37
Other non-current financial assets		505	2	498	507
TOTAL FIXED ASSETS		64,353	3,330	61,023	55,831
CURRENT ASSETS					
Laboratory raw material inventories	7	74		74	94
Receivables	7	1,988		1,988	96
State receivables	7	3,087		3,087	3,898
Subsidies receivable	7 & 13	0		0	С
Other receivables	7	551		551	535
Subscribed capital - called up, not paid up	7	14		14	12
Cash, cash equivalents and marketable securities	10 & 11	118,659		118,659	100,884
Prepaid expenses	7	306		306	440
TOTAL CURRENT ASSETS		124,679	0	124,679	106,068
Expense to be spread over the loan	4	461		461	13
OVERALL TOTAL		189,493	3,330	186,163	161,912

LIABILITIES

LIABILITIES (in thousands of euros)	Note	06/30/2022	12/31/2021
EQUITY	8		
Share capital		7,845	7,826
Issue, merger and contribution premiums		146,471	146,337
Retained earnings		(11,136)	0
Investment subsidies		7	8
Profit and loss for the period		(7,255)	(11,136)
TOTAL EQUITY		135,933	143,035
OTHER EQUITY CAPITAL			
CONDITIONAL ADVANCES	9	3,707	3,707
DEBT	11		
Loans	9	36,304	6,490
Trade and other payables	11	7,346	5,585
Tax and social liabilities	11	1,619	1,728
Other liabilities		121	121
Deferred income		1,133	1,246
TOTAL LIABILITIES		46,523	15,170
OVERALL TOTAL		186,163	161,912



INCOME STATEMENT

		France		06/30/22	06/30/21
Sales of goods				-	-
Production sold, goods				-	-
Production sold, services		230	149	379	335
Net revenue	14	230	149	379	335
Stored production				-	-
Capitalized production				604	-
Operating subsidies				415	207
Reversals of depreciation, amortization and provisions, expense transfers				1,918	26
Other income				-	-
otal operating income	14			3,316	568
Purchases of goods				-	-
nventory change (goods)				-	-
Purchases of raw materials and other supplies				141	67
nventory change raw materials and supplies)				20	(15)
Other purchases and external expenses				7,142	2,382
axes and similar payments				66	64
Salaries and wages				2,817	2,281
Social security contributions				1,140	942
Depreciation of fixed assets	5			810	272
Provisions for fixed assets	5			-	-
Provisions on current assets	5			-	-
Provisions for contingencies and charges	5			-	-
Other expenses				118	149
otal operating expenses	15			12,255	6,143

INCOME STATEMENT (suite)

(in thousands of euros)	Note	France Exports	06/30/22	06/30/21
Profit allocated or loss transferred			-	-
Loss incurred or profit transferred			-	-
Financial income from investments			-	-
Income from other securities and fixed asset receivables			-	-
Other interest and similar income			26	20
Reversals of provisions and expense transfers			-	-
Positive exchange rate differences			-	-
Net income on sales of marketable securities			-	-
Total financial income			26	20
Depreciation, amortization and provisions	5		1	-
Interest and similar expenses			64	58
Negative exchange rate differences			2	1
Net expenses on sales of marketable securities			-	-
Total financial expenses			67	59
FINANCIAL INCOME/(EXPENSES)	18		(41)	(39)
CURRENT INCOME BEFORE TAXES			(8,980)	(5,614)
Extraordinary income on management transactions			-	2
Extraordinary income on equity transactions			1,545	264
Reversals of provisions and expense transfers			-	-
Total extraordinary income			1,545	266
Extraordinary expenses on management transactions			6	15
Extraordinary expenses on capital transactions			1,576	235
Extraordinary depreciation and provisions	5		-	-
Total extraordinary expenses			1,582	250
EXTRAORDINARY GAIN OR LOSS	19		(38)	15
Employee profit-sharing			-	-
Income tax	20		(1,763)	(1,182)
TOTAL INCOME			4,887	854
TOTAL EXPENSES			12,141	5,270
TOTAL EXPENSES			12,141	5



STATEMENT OF NET CASH FLOWS

ndividual financial statements - French standards (in thousands of euros)	06/30/22	12/31/21
CASH FLOW FROM OPERATING ACTIVITIES		
Profit and loss for the period	(7,255)	(11,136)
Depreciation, amortization and impairment (including investment subsidies)	810	763
Gains or losses on asset disposals	19	47
Changes in working capital requirements	949	237
Net cash absorbed by operations	(5,478)	(10,089)
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisitions of fixed assets	(7,557)	(12,069)
Acquisition of non-current financial assets	(59)	(17,973)
Disposals of fixed assets	1,596	188
Changes in fixed asset liabilities	(242)	2,313
Net cash absorbed by investments	(6,262)	(27,541)
CASH FLOW FROM FINANCING ACTIVITIES		
Net proceeds from the issuance of shares and BSAs	151	109,039
Inflows from loans	30,000	0
Reimbursement of loans	(190)	(245)
Expense to be spread over the loan	(448)	4
Inflows from repayable advances and investment subsidies	0	620
Net cash from financing activities	29,512	109,418
Change in cash and cash equivalents	17,775	71,788
Cash and cash equivalents at the beginning of the period	100,884	29,097
	118,659	100,884

NOTES TO THE FINANCIAL **STATEMENTS**



Note 1 - The Company

CARBIOS ("the Company") is an innovative green chemistry company, developing cutting-edge technologies for the recovery of plastic and textile waste.

The Company was created in April 2011 as a société par actions simplifiée (simplified joint stock company) and became a société anonyme (public limited company) on February 20, 2013.

The Company's shares have been listed on the Euronext Growth Paris market since December 19, 2013. Euronext Growth is an organized multilateral trading system that does not require the application of IFRS. For the individual financial statements, the accounting principles applied are therefore generally accepted accounting principles in France.



Note 2 - Highlights of the fiscal year

The highlights of the first half of 2022 are as follows:

- On June 29, 2022, the Company obtained an amount of €30 million (€29.55 million net of fees) from the European Investment Bank;
- During the first half of 2022, the Company continued to invest in its demonstration plant on the Cataroux industrial site in Clermont-Ferrand, and thus made nearly €4.7 million in gross investments (€3.2 million net of lease-back refinancing).

Consequences of the Covid-19 event:

In accordance with Article L. 833-2 of the French General Accounting Plan, the half-year financial statements of the entity at June 30, 2022 were closed without any adjustment related to the Coronavirus epidemic.

The entity's financial statements were prepared on a going concern basis. The Company's resilience, organization and prudence meant that the Covid-19 event had no significant impact on the Company's assets, financial position and results. As it is still on-going at the date of preparation of the annual financial statements, the Company is not in a position to assess the precise consequences for future years if the situation were to continue.

Going concern:

The going concern assumption is used to the extent that the financial resources of the Company enable it to continue its Research and Development work. Nevertheless, the management of the ongoing developments until the final marketing stage or even the application of CARBIOS processes to other market may require new financing to be sought from institutional entities or industrial partners.



Note 3 - Events after the reporting period

CARBIOS joined the WhiteCycle project, coordinated by Michelin and launched in July 2022 for a period of four years, in partnership with 16 entities. Its main objective is to develop a circular solution to transform complex textile-based plastic waste into high value added products. WhiteCycle has a total budget of nearly €9.6 million, of which €0.8 million from CARBIOS and benefits from European funding of nearly €7.1 million, of which approximately €0.6 million for Carbios.

No other significant event has been recorded since June 30, 2022.



Note 4 - Accounting principles and methods

General principles and conventions

The financial statements for the fiscal year ended were prepared and presented in accordance with the accounting rules in compliance with the principles set out in Articles 121-1 to 121-5 et seq. of the French General Accounting Plan.

The general accounting conventions have been applied in compliance with the principle of prudence, in accordance with the basic assumptions: going concern, consistency of accounting methods from one fiscal year to the next, independence of fiscal years, and in accordance with the general rules for preparing and presenting annual financial statements.

The basic method used to measure the items recorded in the accounts is the historical cost method.

The accounting conventions have been applied in accordance with the provisions of the French Commercial Code, the accounting decree of 11/29/83 as well as the ANC regulation 2014-03 and the ANC regulation 2018-07 relating to the rewriting of the French General Accounting Plan applicable to the closing of fiscal years.

Consistency of methods

No changes were made to the valuation methods or presentation methods.

The accounting for the half-year ended on June 30, 2022, relates to a six-month period (from January 1, 2022 to June 30, 2022). The financial data are therefore compared to those from the half-year accounting period ended on June 30, 2021, as well as those from the annual accounting period ended December 31, 2021.



Note 5 - Property, plant and equipment, intangible and financial assetses

The movements with an impact on fixed assets were the following:

Fiscal year 2022 Fixed assets (in euros)	At the opening 01/01/2022	Increase	Decrease	At closing 06/30/2022
INTANGIBLE ASSETS	2,698,214	1,043,463	46,485	3,698,193
Software, website	25,641			25,641
Patents	2,049,452	384,941	41,945	2,392,448
Patents licensed	209,932	8,126		218,058
Pending patents	4,540	49,107	4,540	49,107
Development costs	408,650	604,289		1,012,939
PROPERTY, PLANT AND EQUIPMENT	16,809,818	7,976,492	3,017,914	21,768,396
Fixtures and fittings	8,160,948	4,807,392		12,968,340
Laboratory fittings and equipment	2,168,646	322,066	18,558	2,472,155
Office and IT hardware	324,858	56,519		381,377
Furniture	125,477	45,248		170,725
Property, plant and equipment under construction	6,029,889	2,685,271	2,999,356	5,715,804
Advance payments made	O	59,995		59,995
FINANCIAL ASSETS	38,879,617	58,787	52,008	38,886,395
Equity interests	38,371,461	10,000		38,381,461
Guarantees and security deposits	283,273	10,350		293,623
Liquidity contract	86,894	38,437		125,330
Treasury shares	137,990	-	52,008	85,981
TOTAL	58,387,649	9,081,742	3,116,407	64,352,984



The methods and terms of depreciation and amortization of assets are the following:

Fiscal year 2022 Depreciation, amortization and provisions (in euros)	Depr./amort. period	At the opening 01/01/2022	Increase	Decrease	At closing 06/30/2022
INTANGIBLE ASSETS					
Software, website	1 year	25,641			25,641
Patents	10 years	800,400	163,789	26,967	937,223
Patents licensed	10 years	87,351	16,509		103,860
PROPERTY, PLANT AND EQUIPMENT					
Fixtures and fittings	7 to 20 years	240,844	461,586		702,430
Laboratory fittings and equipment	3 to 10 years	1,122,323	120,429	8,761	1,233,990
Office and IT hardware	3 to 5 years	223,935	33,709		257,644
Furniture	3 to 7 years	54,217	12,615		66,832
FINANCIAL ASSETS					
Treasury shares		1,627	634		2,261
TOTAL		2,556,338	809,271	35,728	3,329,881

Movements during the fiscal year affecting expenses spread over several fiscal years	At the opening 12/31/2021	Increase	Decrease	At closing 06/30/2022
Expenses to be spread over several years	13,297	450,000	1,802	461,495

Development costs

These are development expenses for the "PET recycling" project capitalized following the commissioning of the Cataroux site (Clermont-Ferrand, France) and the inauguration of the industrial demonstration plant on September 30, 2021.

The expenses incurred have been recorded as fixed assets, as the project meets the criteria for capitalization.

The expenses capitalized during the half-year amounted to €604 thousand and consisted of:

- employee expenses: €313 thousand;
- amortization of patents: €84 thousand;
- raw materials and supplies: €117 thousand;
- R&D subcontracting and consultants: €90 thousand.

This asset is scheduled to be commissioned when the expected economic benefits are consumed, i.e. at the start of the marketing phase.



Intangible assets

Intangible assets are valued at their acquisition cost and are amortized on a straight-line basis over the duration of their utilization by the Company. The amortization period for the patents held by the Company is estimated at 10 years, corresponding to the period stipulated for consumption and the economic benefits expected from the industrial property portfolio of the Company.

The licensed patents are capitalized over a 10-year period. The acquisition costs of these patents correspond to the fixed and variable license fees in the signed exclusive licensing agreement.

The expenses for filing patents or industrial property rights acquired during the fiscal year have been capitalized and are amortized from the beginning of their utilization. Additional expenses and later extensions on capitalized patents are amortized (as well as licensed patents) over the remaining period for the application to which they are connected.

The type of expenses for research undertaken by the Company during the fiscal year results in their being recorded entirely as operating expenses.

Impairment is recognized when the current value of an asset is lower than the net carrying amount. In addition, the Company conducts an annual review of its patent portfolio and discards any patents that are not retained.

Property, plant and equipment

Property, plant and equipment are valued at their acquisition cost or their production cost by the Company, taking into account the expenses required for the preparation of these goods for use and after deduction of commercial discounts, rebates and reductions of payments received.

Assets are depreciated on a straight-line basis depending on the actual period of utilization of the asset.

Depreciation periods are between 3 and 20 years depending on the type and lifespan of the assets in question.

Impairment is recognized when the current value of an asset is lower than the net carrying amount.

· Assets under construction

The fixed assets under construction item consists mainly of the costs relating to the installation of the Company's industrial demonstration plant.

These assets are not amortized and will be subject to:

- In part, a lease-back at the time of their commissioning;
- In part, from a reclassification to "Property, plant and equipment" when the items are brought into service.

• Equity interests

CARBIOS acquired the share capital of CARBIOLICE (société par actions simplifiée) when it was created on June 10, 2016 and later subscribed to several capital increases of its subsidiary during following fiscal years. As of June 30, 2022, CARBIOS owns 29,502,000 SAS CARBIOLICE shares, representing a holding of 100%. Equity interests are assessed at their acquisition value, i.e. €38,371,461. If this value exceeds the value in use, impairment is recognized for the difference.

The value in use is determined by reference to the impairment test, carried out by an external expert, and is based on the discounted cash flow method. To this end, the work is based on the CARBIOLICE Business Plan approved by its Board of Directors for which annual updates are also approved by the Board of Directors.

Assumptions used during the annual closing tests of December 31, 2021:

- the business plan is projected over a period of ten years, to which must be added an additional so-called "normative" year (identical to the test carried out in 2021):
- a terminal value calculated on a normative cash flow using an EBITDA margin rate of 24.6% (corresponding to the 3rd quartile observed with comparable companies) and an average cost of capital rate adjusted for the rate of long-term growth;
- discount rate ("WACC") used of 18.5% (compared to 20% last year), consisting of: (i) a WACC excluding the additional forecast risk premium, and (ii) an additional forecast risk premium, given the uncertainty of certain assumptions in the plan. This rate of 18.5% is corroborated by academic studies on high-growth companies in the marketing launch phase;
- tax rate: draft 2021 Finance Law.

The impairment tests performed at the end of fiscal year 2021 did not show any unrealized loss on the CARBIOLICE equity stake. Thus, no indication of impairment has been recorded to date, resulting in no risk of impairment on these assets.

At the time of incorporation, the Company subscribed to the capital of CARBIOS 54. The stake amounts to €10,000 and corresponds to 10,000 shares, i.e. 100% of the share capital

· Liquidity contract and treasury shares

The transactions connected to the liquidity contract that the Company signed with a financial intermediary are recognized in compliance with Opinion CU CNC No. 98-D and with CNCC Bulletin No. 137 - March 2005, namely: Treasury shares held are recognized under "Other Non-Current Financial Assets". An impairment is recorded by reference to the average listed share price of the last month of the fiscal year if it is lower than the purchase price. To determine the income from disposal, the "First in First out" method is used.

On June 30, 2022, the Company held 2,800 CARBIOS shares, or a carrying amount of €86 thousand. The closing net asset value was €84 thousand. As the net asset value was lower than the carrying amount, a provision for impairment in the amount of €2 thousand was recognized. The cash paid to the intermediary and not yet used is recognized under "Liquidity contract" and represents €125 thousand.



Note 6 - Provisions for contingencies and charges

Any current obligation resulting from a past event of the Company towards a third party that may be estimated with sufficient reliability, and covering identified risks, is recognized as a provision.

No provision was recognized at June 30, 2022.



Note 7 - Receivables and prepaid expenses

Statement of receivables

Receivables are valued at their nominal value. Where applicable, the receivables have been written down by means of a provision to take into account the recovery difficulties to which they were likely to give rise.

Statement of receivables as at 06/30/2022 (In euros)	Gross amount	At one year	At more than one year
Current assets & prepayments			
Customers	1,987,634	1,987,634	
Income tax (1)	1,762,578	1,762,578	
Value added tax (2)	1,324,473	1,324,473	
Other receivables (3)	560,920	560,920	
Prepaid expenses (4)	305,961	305,961	
TOTAL	5,941,566	5,941,566	

⁽¹⁾ The income tax receivable corresponds to the tax research credit (CIR) recognized for the first half of 2022 for \in 1,459 thousand and the collaborative tax research credit (CICO) for an amount of €304 thousand. In the absence of taxable income and due to the classification as a Community SME, this receivable is repayable the year following its recognition. As at December 31, 2021, €2,265 thousand had been

Inventories

Inventories are valued at their acquisition cost using the weighted average cost method. When the present value at closing (market value for goods and value in use for raw materials) is lower than the carrying amount, an impairment loss is recognized for the amount of the difference. The valuation of the inventories at the end of the period did not reveal any impairment.

As at June 30, 2022, inventory totaled €74 thousand compared to €54 thousand as at June 30, 2021.

recorded for the 2021 research tax credit. This was repaid on June 20, 2022.

(2) This item includes in particular the VAT refund request for the month of June 2022 for an amount of €220 thousand as well as deductible VAT on investments for an amount of €458 thousand.

⁽³⁾ This item notably includes down payments on supplier orders for an amount of €536 thousand.

⁽⁴⁾ Prepaid expenses are ordinary operating expenses related to prior fiscal years.



Note 8 - Maturity of liabilities and deferred income at the end of the period

Statement of debt as at 06/30/2022 (In euros)	Total amount	From O to 1 year	From 1 to 5 years	More than 5 years
Regional and national funds	5,296,600	1,335,400	3,961,200	
State-guaranteed loan	1,000,000	125,000	875,000	
European Investment Bank	30,000,000		15,000,000	15,000,000
Suppliers	7,346,010	7,346,010		
Tax and social liabilities	1,618,574	1,618,574		
Other liabilities	121,094	121,094		
Deferred income	1,333,041	1,333,041		
TOTAL	46,515,318	11,679,118	19,836,200	15,000,000

Debts are recorded at their nominal redemption value and are not discounted.

- The "Regional and national funds" debt, understood to be of a public nature, includes the ADI BPI (€115 thousand) and ADEME (€2,482 thousand) repayable advances obtained as part of the various research projects carried out by the Company up to now, as well as the two loans taken out with Bpifrance for €1.5 million each;
- The "loan" item includes debts contracted with private organizations. In this case, it consists of the loan of €1 million taken out with a banking institution during the Covid crisis and the loan taken out with the European Investment Bank for €30 million;
- Trade payables include outstanding invoices at closing for a total of €5,289 thousand, as well as accrued invoices related to both the operating cycle (€1,380 thousand) and the investment cycle (€673 thousand);
- Tax and social security debts consist of €1,400 thousand in social security debts, in particular the balances due to the funds at closing and provisions for awards and bonuses, paid holidays and related social security contributions, and finally a total of $\ensuremath{\mathfrak{e}}\xspace219$ thousand in tax debts, mainly pending VAT.

Note 9 - Accruals (Prepayments and deferred income)

Accruals and deferred income are shown in the statement of financial position of the half-year closing of June 30, 2022 for the following amounts:

ASSETS	LIABILITIES
681	2,053,273
1,790,453	
5,858	1,078,006
1,999,063	94,175
305,961	
	1,133,041
17,432	
461,495	
4,580,943	4,358,496
	681 1,790,453 5,858 1,999,063 305,961 17,432 461,495

⁽¹⁾ This item includes the tax research credit (CIR) and collaborative tax research credit (CICO) receivable for a total amount of €1,763 thousand.



Note 10 - Cash instruments

With the aim of optimizing returns on its available cash, the Company opened time deposit accounts for an overall amount of €65 million, allowing it to benefit from attractive returns as well as guaranteed capital that is available at any time. Thus, the Company has:

- €5 million in term accounts, renewable on a monthly basis by tacit agreement;
- €5 million, maturing in September 2024;
- €5 million maturing in April 2023; and
- €50 million maturing in September 2026.

They benefit from a progressive rate by tiers, and the funds remain available without conditions within 30 days. The interest resulting from these financial instruments generated income of €26 thousand, of which €17.4 thousand in accrued interest on term deposit accounts.



Note 11 - Cash, cash equivalents and marketable securities

This item includes cash deposited in demand accounts, as well as the accrued interest to be paid and cash balances. As at June 30, 2022, the Company had €53,626 thousand in demand accounts.

In addition, in respect of marketable securities, the Company has warrants of PK-MED for an amount of €20 thousand, for which no impairment is to be recognized at this stage.



Note 12 - Equity

Statement of changes in equity

Individual financial statements French standards (in euros)	Share capital	Issue premium	Subscrip- tion capital	Investment subsidies (net)	Profit or loss for the period	Retained earnings	Total due to shareholder
12/31/2021	7,825,630	146,335,125	1,958	8,250	(11,136,160)		143,034,804
Allocation of earnings N-1					11,136,160	(11,136,160)	0
Increase/ decrease in share capital and issue premium	19,519	131,082	(125)				150,476
Subscription of BSA/BCE			2,969				2,969
Quasi-equity							0
2022 results				(1,125)	(7,254 615)		(7,255,740)
06/30/2022	7,845,149	146,466,207	4,802	7,125	(7,254 615)	(11,136,160)	135,932,509



Composition of share capital

- > Share capital
- Capital transactions performed during the period

At its meeting of May 5, 2022, the Board of Directors noted the creation of 5,000 new shares resulting from the exercise of 5,000 BCE 2017-1 subscribed at a price of €7.86, i.e. €0.70 in par value and €7.16 in issue premium.

At its meeting on June 29, 2022, the Board of Directors noted:

• the creation of 1,253 new shares from the exercise of 1,253 BSA 2011-1, subscribed for €1 (€0.70 in par value and €0.30 in issue premiums);

- the creation of 1,548 new shares from the exercise of 1,548 BCE 2012-1, subscribed for €2.25 (€0.70 in par value and €1.55 in issue premiums);
- the creation of 20,083 new shares from the exercise of 20,083 BCE 2019-1, subscribed for €5.29 (€0.70 in par value and €4.59 in issue premiums);

Thus, as of June 30, 2022, the share capital amounting to €7,845,149.20 consisted of 11,207,356 ordinary shares, with a par value of €0.70 each, entirely subscribed and fully paid up.

Movements of securities	Number	Nominal value	Share capita
Securities at the beginning of the fiscal year	11,179,472	€0.70	€7,825,630.40
Capital reduction	-	-	-
Securities issued	27,884	€0.70	€19,518.80
Securities redeemed or canceled	-	-	
Shares at year-end	11,207,356	€0.70	€7,845,149.20

> Issue premiums

In accordance with the decision made by the sole partner followed by the collective decision of the shareholders and finally, by the Board of Directors based on the delegation of the shareholders' meeting, the issue premiums paid as part of the capital increases were recorded under liabilities on the statement of financial position in a special "Issue premium" account to which the former and new shareholders' rights shall be applicable.

In accordance with the reference method (ANC 2018-01), capital issue costs are recognized in the statement of financial position, as a deduction from the issue premium.

As at June 30, 2022, the issue premiums paid after deducting capital increase costs amounted to €146,466,207.02.

Transaction	Operation date	Issue premiums	Direct costs charged	Exercise of BSA/ BCE against payment (1)	Total issue premium	BSA
At 12/31/2021		€156,224,321.39	€(9,927,390.25)	€38,193.68	€146,335,124.82	€1,958.44
Exercise of BSA 2017-1	04/05/2022	€35,800.00			€35,800.00	
Exercise of BCE 2012-1	05/05/2022	€2,399.40			€2,399.40	
Exercise of BCE 2019-1	05/23/2022	€92,381.60			€92,381.60	
Exercise of BSA 2011-1	06/07/2022	€375.90		€125.30	€501.20	€(125.30)
BSA-EIB-1 subscription	06/01/2022					€1,484.64
BSA-EIB-2 subscription	06/01/2022					€1,484.64
At 06/30/2022	€156,355,278.29	€(9,927,390.25)	€38,318.98	€146,466,207.02	€4,802.42	4 802,42 €

(1) At December 31, 2021 the amounts of this item came from the exercise of:

- 20,494 BSAs acquired for €0.22 each, i.e. €4,508.68;
- 2,506 BSAs acquired for €0.10 per share, i.e. €250.60;
- 19,200 BSA acquired for €0.85 per share, i.e. €16,320;
- 9,600 BSA acquired for €0.59 per share, i.e. €5,664;
- Acquisition of the BSA plan by Kepler Cheuvreux: €500.

These amounts, together with the additional \leq 2,790.40 paid at the subscription of 12,800 BSA warrants acquired for \leq 0.22 (which have now expired) and the additional \leq 8,160.00 paid upon subscription of 9,600 vested BSA warrants for \leq 0.85 (which have now expired), initially recorded under "warrants", were included in the issue premium during the capital increase.

As a reminder, the direct costs associated with the listing of the Company on the Euronext Growth Paris market that took place in 2013 amounted to €1,196,108. The expenses relating to the fundraising carried out in 2019 amounted to €770,395 and those relating to the transactions carried out in 2020 to €1,957,332. Lastly, those related to the capital increase in 2021 amounted to €6,003,554.

The "Issue Premiums" item recorded under liabilities on the statement of financial position also includes the sums received at the time of the subscription of the Share subscription warrants (see Note 12.3 below), or €4,802.42 as at June 30, 2022.



> Earnings per share

As of June 30, 2022, net earnings per share, obtained by dividing the profit or loss for the period (-£7,254,615.17) by the number of shares (11,207,356), amounted to -£0.65.

Distribution of share capital

As of June 30, 2022, the 11,207,356 shares comprising the share capital were distributed as follows:

Shareholders	Number of	Percentage	Number of	Percentage of
BOLD Business Opportunities for L'Oréal Development	shares 660,248	holding 5.89%	voting rights 660,248	voting rights 5.88%
Copernicus Wealth Management SA (1)	658,392	5.87%	658,392	5.87%
Michelin Ventures	486,400	4.34%	486,400	4.33%
L'Occitane Group	263,157	2.35%	263,157	2.34%
Funds managed by Truffle Capital	46,511	0.42%	46,511	0.41%
Management and directors (2)	9,005	0.08%	9,006	0.08%
Treasury shares	2,800	0.02%	N/A	N/A
Free float	9,080,843	81.03%	9,098,249	81.08%
TOTAL	11,207,356	100%	11,221,963	100%

⁽¹⁾ Shares held by funds and/or individuals with Copernicus Wealth Management as their management company.

(2) Excludes shares of Truffle Capital, BOLD and Michelin Ventures which have a separate line in the table.

By collective decision of shareholders on February 20, 2013, it was decided to allocate a double voting right to all fully paid-up shares documented to have been held in registered form in the name of the same shareholder for at least two years

As of June 30, 2022, one of Jean-Claude Lumaret's shares, as well as 17,406 registered shares included in the free float met these criteria.

Dilutive financial instruments

> Share subscription warrants (BSAs)

The table below shows the status of the BSAs issued since the creation of the Company that were still outstanding as of June 30, 2022, as well as additional information regarding their status as of that date.

When subscribing to the BSA plan, the beneficiary may have to pay a subscription price to the Company. This amount will be recognized in the "Share subscription warrants" account (accounting stem 1045). As soon as the warrants are exercised, the Company will recognize the capital increase (account 101 "Capital") and an issue premium (account 1041 "Issue premium" for the difference between the exercise price and the par value of the share) and will clear the "Share subscription warrants" account to the "Issue premium" account.

In the event that warrants have lapsed, the amount initially recognized in the "Share subscription warrants" account will be transferred to the "Issue premium" account.



	BSA 2011-1	BSA 2012-1	BSA 2012-2	BSA 2013-1	BSA EIB
Date of shareholders' meeting	Decision of the Chairman in accordance with the delegation of authority granted by the sole partner on 06/08/2012	Collective decision of the shareholders on 09/28/2012	Collective decision of the shareholders on 09/28/2012	Decision of the shareholders' meeting on 07/26/2013	Decision of the shareholders' meeting on 02/02/2022
Total number of shares that may be subscribed or purchased, of which the number that may be subscribed or purchased by:	1,253	170,000	20,241	14,400	296,928
Jacqueline LECOURTIER	1,253	-	6,747	1,600	-
Warrant exercise start date	06/08/2013	According to the achievement of the exercise criteria (see methods below)	09/28/2013	07/26/2014	05/27/2022
Expiration date	06/08/2022	09/28/2022	09/28/2022	07/26/2023	05/26/2030
Price of subscription or purchase of warrant(1)	0.10	Free	0.22	0.22	0.01
Warrant exercise method	Possibility of exercising a number x of warrants between April 15 and July 15 of each year and for the first time on 06/08/2013, for up to 626 warrants calculated according to the following rule beginning from 06/08/2012: x = (total number of BSA 2011-1 allocated to the beneficiary * nb. of months since 06/08/2012)/48.	Possibility of exercising the warrants after transfer by the beneficiary to CARBIOS of at least one strain of interest from the collection of cultures of the beneficiary whose degradation properties have been validated by the Board of Directors within the context of the research cooperation agreement signed between the beneficiary and CARBIOS.	Possibility of exercising a number x of warrants per complete monthly period beginning on 09/28/2012, and for the first time from 02/28/2013, calculated according to the following rule: x = (total nb of BSA 2012-2 allocated to beneficiary * nb of months since 09/28/2012)/48.	These warrants are exercisable in the event of the occurrence of an IPO prior to June 30, 2014. Possibility of exercising a number x of warrants per complete monthly period beginning on 07/26/2013, and for the first time from 07/26/2014, calculated according to the following rule: x = (total nb of BSA 2013-1 allocated to beneficiary * nb of months since 07/26/2013)/48.	The subscription must be recognized by a subscription form which must be given to the Company.
Exercise price	1.00	2.25	2.25	80% of IPO price	€40 for 50% of the BSA EIB €38.8861 for 50% of the BSA EIB
Number of shares subscribed as at June 30, 2022	1,253	0	13,494	0	0
Cumulative number of subscription or purchase warrants canceled or null and void	0	0	0	12,800	0
Share subscription warrants that may be exercised as at June 30, 2022	0	170,000	6,747	1,600	296,928

⁽¹⁾ With the exception of the BSA for the benefit of the European Investment Bank, the subscription price is determined on the basis of a report prepared and delivered by an independent expert.

During the first half of 2022, CARBIOS issued 296,928 BSA warrants to the European Investment Bank. During the first half of 2022, 1,253 BSA 2011-1 warrants were exercised and all BSA 2011-1 BSAs were exercised. As of June 30, 2022, 475,275 BSA giving rights to 475,275 shares are still exercisable.



> Founder share subscription warrants (BSPCEs)

The table below shows the status of the founder share subscription warrants (BSPCEs) issued since the creation of the Company that were still outstanding as of June 30, 2022, as well as additional information regarding their status as of that date.

When subscribing to the BSPCE plan, the beneficiary will not have to pay a subscription price to the Company. As soon as the BSPCEs are exercised, the Company will recognize the capital increase (account 101 "Capital") and an issue premium (account 1041 "Issue premium", for the difference between the exercise price and the par value of the share). If BSPCE has lapsed, no accounting entry will be required.

	BCE 2012-1	BCE 2015-2	BCE 2017-1	BCE 2019-1	BCE 2020-1 to BCE 2020-3	BCE 2020-4 to BCE 2020-6
Date of shareholders' meeting	Collective decision of the partners of 09/28/2012	shareholders' meeting of 06/24/2015	shareholders' meeting of 06/15/2017	shareholders' meeting of 06/14/2018	shareholders' meeting of 06/19/2019	shareholders' meeting of 06/18/2020
Date of Board of Directors' meeting	-	Decision of the Board of Directors of 06/24/2015	Decision of the Board of Directors of 06/27/2017	Decision of the Board of Directors of 12/06/2018	Decision of the Board of Directors of 03/12/2020	Decision of the Board of Directors of 07/09/2020
Total number of shares that may be subscribed or purchased, of which the number that may be subscribed or purchased by:	77,386	31,000	35,000	28,000	185,000	115,000
Alain CHEVALLIER	1,548	-	-	-	-	-
Jean-Claude LUMARET	-	-	-	-	92,500	57,500
Martin STEPHAN	-	-	35,000	-	46,250	28,750
Warrant exercise start date		06/24/2016	06/27/2018	01/01/2020	03/12/2020	07/09/2020
Expiration date	09/28/2022	06/24/2025	06/27/2027	01/01/2029	03/12/2030	07/09/2030
Price of subscription or purchase of warrant	Free	Free	Free	Free	Free	Free
Warrant exercise method	Possibility of exercising a number x of warrants per complete monthly period beginning on 02/01/2013, calculated according to the following rule: x = (total nb of BCE 2012-1 allocated to the beneficiary * nb of months since 02/01/2012)/48.	Possibility of exercising a number x of warrants per complete monthly period beginning on 06/24/2015, and for the first time from 06/24/2016, calculated according to the following rule: x = (total nb of BCE 2015-2 allocated to the beneficiary * nb of months since 06/24/2015)/48.	Possibility of exercising a number x of warrants per full monthly period beginning on 06/27/2017, and for the first time from 06/27/2018, calculated according to the following rule: x = (35,000 * nb. of months since 06/27/2017)/48.	For the first 14,000 warrants: possibility of exercising x warrants per full monthly period beginning on 01/01/2019, and for the first time from 01/01/2020, calculated according to the following rule: x = 14,000 * (nb of months since 01/01/2019)/48. For the other 14,000 warrants: possibility of exercising y warrants where y = (number of warrants not yet exercisable) * % determined by the performance of the CARBIOS share price	To be exercised, these warrants must satisfy four performance conditions. Each condition met gives the right to exercise one fourth of the BSPCEs allocated. If all of the Company's shares are acquired by an industry player, accelerated vesting is provided depending on the share vesting price.	To be exercised, these warrants must satisfy four performance conditions. Each condition met gives the right to exercise one fourth of the BSPCEs allocated. If all of the Company's shares are acquired by an industry player, accelerated vesting is provided depending on the share vesting price.
Exercise price	2.25	12.4581	7.86	5.29999	7.75934	20.6050
Number of shares subscribed as at June 30, 2022	77,386	16,000	10,000	20,083	23,125	14,375
Cumulative number of subscription or purchase warrants canceled or null and void	0	0	0	0	0	43,125
Share subscription warrants that may be exercised as at June 30, 2022	0	15,000	25,000	7,917	161,875	57,500



	BCE 2020-7	BCE 2021-1 to BCE 2021-15	BCE 2021-16	BCE 2021-17	BCE 2022-1 to BCE 2022-2
Date of shareholders' meeting	shareholders' meeting of 06/18/2020	shareholders' meeting of 06/18/2020	shareholders' meeting of 06/18/2020	shareholders' meeting of 06/18/2020	shareholders' meeting of 06/22/2022
Date of Board of Directors' meeting	Decision of the Board of Directors of 09/15/2020	Decision of the Board of Directors of 03/12/2020	Decision of the Board of Directors of 11/05/2021	Decision of the Board of Directors of 11/05/2021	Decision of the Board of Directors of 06/29/2022
Total number of shares that may be subscribed or purchased, of which the number that may be subscribed or purchased by:	100,000	85,000	36,735	6,390	188,265
Emmanuel LADENT	-	-	36,735	-	138,265
Warrant exercise start date	09/15/2020 and 09/15/2021	01/15/2022	12/01/2022	11/05/2022	06/29/2022
Expiration date	09/15/2030	01/15/2032	12/01/2032	11/05/2032	06/29/2032
Price of subscription or purchase of warrant	Free	Free	Free	Free	Free
Warrant exercise method	To be exercised, 65.000 warrants must satisfy four performance conditions. Each condition met gives the right to exercise one fourth of the 65,000 BSPCEs allocated. If all of the Company's shares are acquired by an industry player, accelerated vesting is provided depending on the share vesting price. For 35,000 warrants, possibility of exercising a number x of warrants per full monthly period beginning on 09/15/2020, and for the first time from 09/15/2021, calculated according to the following rule: x = (35,000 * nb of months since 09/15/2020)/48.	Possibility of exercising a number x of warrants per full monthly period, and for the first time from 01/15/2022, calculated according to the following rule: x = total number of BCE 2021 granted to the beneficiaries * (number of months since 01/15/2021)/48.	For the first 18,367 warrants: possibility of exercising x warrants per full monthly period beginning on 12/01/2021, and for the first time from 12/01/2022, calculated according to the following rule: x = 18,367 * (number of months since 12/01/2021)/48. The remaining 18,368 warrants are subject to four performance conditions to be exercised. Each condition met gives the right to exercise 5,510 warrants, 6,429 warrants, 2,755 warrants and 3,677 warrants, respectively. In the event of acquisition of the entire Company by a manufacturer, an accelerated vesting is provided for according to the acquisition price per share.	Possibility of exercising a number x of warrants per complete monthly period, and for the first time from November 5, 2022, calculated according to the following rule: X = total number of BCE 2021 granted to the beneficiary * (number of months since November 5, 2021)/48.	To be exercised, these warrants must satisfy four performance conditions. Each condition met gives the right to exercise one fourth of the 65,000 BSPCEs allocated. If all of the Company's shares are acquired by an industry player, accelerated vesting is provided depending on the share vesting price.
Exercise price	30.2899	44.5047	37.7340	39.7863	30.1316
Number of shares subscribed as at June 30, 2022	4,000	0	0	0	0
Cumulative number of subscription or purchase warrants canceled or null and void	68,437	0	0	0	0
Share subscription warrants that may be exercised as at June 30, 2022	27,563	85,000	36,735	6,390	188,265

During the first half of 2022, one BSPCE issue and award was carried out: at its meeting on June 29, 2022, the Board of Directors, acting pursuant to a delegation of authority conferred by the Combined shareholders' meeting of June 22, 2022 (Seventeenth Resolution), decided to issue and award 188,265 BSPCEs ("BCE 2022-1", "BCE 2022-2") that grant the right to subscribe for 188,265 ordinary shares with a par value of €0.70, at a unit price equal to the volume-weighted average of the last twenty trading days preceding the warrant award date, i.e. a price equal to €30.1316.

During the first half of 2022, 5,000 BCE 2017-1, 1,548 BCE 2012-1 and 20,083 BCE 2019-1 were exercised, and 68,437 BCE 2020-7 lapsed.

As of June 30, 2022, there remained 611,245 BSPCEs outstanding.

Note 13 - Loans, Conditional Advances and Subsidies

> Loans:

Date	Rate	Duration	12/31/2021	New	Danasmant	
44 /07 /0040				Hew	Repayment	06/30/2022
11/23/2018	3.21%	7.5 years	€1,350,000	€0	€150,000	€1,200,000
11/20/2019	4.45%	7.5 years	€1,500,000	€0	€0	€1,500,000
08/31/2020	0.25%	6 years	€1,000,000	€O	€0	€1,000,000
06/29/2022	5.00%	8 years	€0	€30,000,000	€O	€30,000,000
			€3,765	€7,742	€3,765	€7,742
			€3,853,765	€30,007,742	€153,765	€33,707,742
_	08/31/2020	08/31/2020 0.25%	08/31/2020 0.25% 6 years	08/31/2020	08/31/2020 0.25% 6 years €1,000,000 €0 06/29/2022 5.00% 8 years €0 €30,000,000 €3,765 €7,742	08/31/2020

The two Bpifrance loans were subject to guarantee deposit payments of €75 thousand each and are covered by life insurance policies - PTIA underwritten for Alain Marty (50%) and Martin Stephan (50%). The duration of the loans provides for a deferred payment of two and a half years (including six months of postponement following Covid), and a straight-line annual repayment over the following five years.

On August 31, 2020, collection of a state-guaranteed loan for €1 million from a banking institution, for a period of 12 months. In June 2021, the Company negotiated with its bank an additional deferral of one year, i.e. until August 24, 2022 and, thereafter, repayment of the loan over 4 years.

On June 29, 2022, the Company received a loan from the European Investment Bank for an amount of €30 million. The contract provides for an annual repayment at constant capital, from June 29, 2025 until June 29, 2030.

The loan issue expenses are recognized in "Expenses to be spread over several fiscal years" and are spread on a straightline basis over the total contract term. The Company recognized €471,748.70 in this respect (including €450,000 for the European Investment Bank Ioan), and €461,495.04 remained to be distributed at June 30, 2022.

> Repayable advances granted by public entities

The portion of advances received from public entities for the financing of the Company's Research and Development activities, and whose repayment is conditional is presented in liabilities under the heading of other equity capital "Conditional advances."

Denomination	Date	12/31/2021	New I	Repayment	Other movements	06/30/2022
Repayable advance BPI Innovation Development Aid	06/13/2017	€155,000		€40,000		€115,000
Repayable advance ADEME	04/08/2019	€2,481,600				€2,481,600
Conditional advance OSEO THANAPLAST™	12/19/2012	€3,707,214				€3,707,214
Conditional advance ADEME	04/08/2019	€0				€(
TOTAL		€6,343,814	€0	€40,000	€0	€6,303,814



> Subsidies received

Subsidies received are recorded as soon as the corresponding receivable becomes certain, taking into account the conditions assigned to the awarding of the grant.

Operational subsidies are recorded under "Current income," taking into account, where applicable, the pace of the corresponding expenses in such a way as to comply with the principle of the matching of expenses with the income of the fiscal year.

Investment subsidies intended for the acquisition of fixed assets are initially recorded as equity, then are recognized as current income according to the pace of the depreciation applied to the corresponding fixed assets.

Detail of repayable advances and subsidies by project:

> Bpifrance grant (formerly known as OSEO-ISI): THANAPLAST™

Subsidy:

The THANAPLAST™ project has been closed since June 30, 2017.

Repayable advance:

In the event of a successful research program, the Company is committed to reimbursing the repayable advance to Bpifrance for an amount of €4,525 thousand, according to the payment schedule below, upon achieving a cumulative income amount generated by the utilization of the products resulting from the THANAPLAST™ project of €10 million.

Year 1* on June 30 at the latest	€300,000
Year 2 on June 30 at the latest	€500,000
Year 3 on June 30 at the latest	€800,000
Year 4 on June 30 at the latest	€975,000
Year 5 on June 30 at the latest	€1,950,000

*Following the crossing of the €10,000 thousand income.

In addition, as soon as the reimbursement of the repayable advance has been completed in accordance with the above payment schedule, the agreement stipulates that the Company shall pay a bonus equal to 4% of income generated by the utilization of the products, if this exceeds a cumulative amount of €100,000 thousand. This additional payment is however subject to a time limit (applicable only for a period of five consecutive years from the date of the end of the reimbursement of the advance), and an amount cap (ceiling of €7,100 thousand).

> ADEME grant: CE-PET project

On April 8, 2019, the Company obtained a grant from ADEME for the CE-PET project, composed of repayable advances totaling €3,102 thousand and subsidies of €1,034 thousand spread over a 48-month period from 2018 to 2022. The grants were released according to the project's progress and the submission of reports regarding the completion of each key stage stipulated in the framework agreement signed with ADEME. The agreement provides for a total grant rate of 60% that is applied to total eligible expenditures and used for each key stage, 25% of which is a subsidy and 75% a repayable advance (with conditions).

The contract agreement stipulates that the completion of each key stage (KS) and the associated conditions provide entitlement to the following payments capped based on a maximum % of cumulative grants:

(In euros)	KS1 (35%)	KS2 (60%)	KS3 (80%)	KS4 (100%)	TOTAL
Payment year	2019	2020	2021	2022	
Subsidy	361,900	258,500	206,800	206,800	1,034,000
Repayable advance	1,085,700	775,500	620,400	620,400	3,102,000
TOTAL	1,447,600	1,034,000	827,200	827,200	4,136,000

As of June 30, 2022, the Company has completed the work of the third key stage, and the end of key stage 4 has been postponed to September 30, 2022. Since its creation, the Company has received:

(In euros)	1st payment	2 nd payment	3 rd payment	4 th payment	TOTAL
Date of payment	06/07/2019	10/21/2019	06/30/2020	12/06/2021	
Subsidy	€155,100	€206,800	€258,500	€206,800	€827,200
Repayable advance	€465,300	€620,400	€775,500	€620,400	€2,481,600
TOTAL	€620,400	€827,200	€1,034,000	€827,200	€3,308,800



Subsidy:

The subsidy rate therefore amounts to 15% of the Industrial Research and Experimental Development expenses incurred by the Company in the context of the CE-PET project.

Eligible expenses incurred between January 31, 2018, when eligibility began, and June 30, 2022 are higher than the expenses provided for in the agreement signed with ADEME.

Since the beginning of the program, the Company has received €827 thousand in ADEME subsidies (see table above). However, in the absence of certainty as to the validation of key stage 4 by end-2022, the difference, i.e. €207 thousand (€1,034 thousand - €827 thousand), was not recognized as a current receivable (subsidy receivable).

Repayable advance:

The amount that CARBIOS owes ADEME for repayment of the amount of the Repayable Advance Paid (hereinafter the "Total Amount Payable") shall be equal to the following amount:

- an "Amount Ma" that depends on the progress of the Operation.

This amount is subject to specific terms and conditions of repayment as described below.

a) Determination of the Amount Ma

Rate R1 is set at 0.84%.

The Beneficiary shall repay ADEME an amount whose Discounted Value using Rate R1 is equal to 100% of the Discounted Value using Rate R1 of the amount of the Repayable Advance Paid (hereinafter "Amount Ma") under the terms and conditions described below.

Amount Ma may, however, be reduced under the following conditions and by the following proportions:

- Ma is reduced by 75% if Key Stage 1 has not been verified;
- Ma is reduced by 50% if Key Stage 1 has been verified, but Key Stage 2 has not been verified;
- Ma is reduced by 25% if Key Stage 2 has been verified, but Key Stage 3 has not been verified.

b) Terms of repayment of Amount Ma

The operative event for the repayment of Amount Ma (hereinafter the "Ma Operative Event") shall be the End of the Investment Phase.

Repayment of Amount Ma shall be made in four (4) annual installments of the same amount.

The first installment shall be paid six (6) months after the end of the Beneficiary's Fiscal Year in which the Ma Operative Event is recorded.

Since the beginning of the program, the Company has received €2,482 thousand in ADEME conditional advances (see table above).

> LIFE aid: Life cycle of PET

On October 25, 2021, the Company obtained aid consisting exclusively of subsidies for a total amount of €3,300 thousand for the LIFE CYCLE OF PET project. The program includes the participation of DELOITTE and TECHNIP ZIMMER, whose total share represents €296 thousand. CARBIOS is the project coordinator.

The amount of eligible expenses amounts to €8,489 thousand and the subsidy rate is therefore 38.88%. The program started on October 1, 2021 and ends on June 30, 2025

The payments are planned as follows:

- 1st pre-financing of 40% within 30 days following the signature of the contract, i.e. €1,320 thousand received on December 5, 2021, of which €119 thousand goes to the partners and €1,201 thousand to Carbios;
- 2nd pre-financing of 40% provided that 100% of the pre-financing deposit previously paid has been used to cover project costs; and
- the balance of 20% at the end of the project.

Expenses incurred at June 30, 2022 were estimated at approximately $\[\in \]$ 1,406 thousand. The corresponding theoretical grant amounts to $\[\in \]$ 546 thousand ($\[\in \]$ 1,406 thousand x 38.88%). Deferred income, equivalent to a current liability, was therefore recognized for an amount of: $\[\in \]$ 1,201 thousand - $\[\in \]$ 546 thousand = $\[\in \]$ 655 thousand.

> Other public and private grants obtained

The Company also obtained:

a subsidy from the Auvergne Region (FIAD) of €397 thousand, of which €181 thousand was paid in 2013 and the balance of €216 thousand was paid in November 2015. The remaining portion of the investment subsidy associated with the acquisition of the Setup Performance patent is recorded in income at the rate that the patent is amortized;

A recoverable advance of €265 thousand from Bpifrance for an innovation project, of which €215 thousand was paid out in 2017 and the balance of €50 thousand in December 2018. Repayments began in 2019. The acknowledgment of program success will make it eligible for the repayment of the full amount. If the program fails, the Company may file a statement of failure and thus reduce the total amount repayable, set at a minimum of €106 thousand. As of June 30, 2022, the remaining amount to be repaid was €115 thousand;

Two Innovation Loans from Bpifrance for a total of €3,000 thousand at floating rates to finance the intangible expenses related to its desire to launch the industrialization process. After a period of eight quarters of deferred amortization, repayments at constant capital of €75 thousand began on September 30, 2021 for the first loan and will begin with a one-year delay for the second, i.e. a total amount remaining due of €2,700 thousand at June 30, 2022.



Note 14 - Income and other operating income

Total operating incomes amounted to €3,316 thousand at June 30, 2022 and mainly consisted of income and other operating income.

Income is recognized when goods or services are delivered by the Company. However, in the case of invoicing carried out in advance and for a given period (subscription that would be spread over two separate fiscal years, for example) the amount will be corrected at the closing date by deferred income (in proportion to the portion relating to the given fiscal year) in order to respect the principle of income recognition and that of independence of fiscal years.

Income: €379 thousand

Licensing and sub-licensing of patent and know-how licenses

The Company entered into a patent license and know-how agreement with SAS CARBIOLICE on August 30, 2016 for a period running until the expiry of the last of the patents granted, and an amendment signed on June 28, 2018. Payment for this agreement is scheduled to take the form of an €8 million lump-sum royalty payment and variable royalties based on the income generated from CARBIOLICE's use of the licensed technology. No royalty income was recognized as of June 30, 2022, as the income of the subsidiary CARBIOLICE in connection with this license is recognized on an annual

Other contracts

In addition, the Company obtained €379 thousand from other contracts, part of which came from contracts signed with CARBIOLICE (see Note 17).

Other operating income: €2,937 thousand

R&D capitalization

The income recognized as part of the capitalization of R&D amounted to €604 thousand at June 30, 2022. It included all the development costs of the industrial demonstration plant considered to be capitalized from September 30, 2021. From that date, all of the activation conditions were met. The previous stages of research and development (laboratory level) and management (pilot level) are considered as general research and not development.

Operating subsidy

For the CE-PET project, the Company did not recognize any operating subsidies. It was decided not to recognize any income receivable relating to key stage 4, the date of which, expected at the end of 2022, is too uncertain.

The LIFE project generated operating income of €415 thousand over the first half of 2022, after recognition of deferred income relating to expenses not yet incurred at this stage (see Note 13).

Other operating income

The Company recorded operating income of €1,918 thousand in respect of reversals of depreciation, amortization and provisions, transfer of expenses, mainly consisting of:

- borrowing costs disbursed with the European Investment Bank (€450 thousand) since they are spread over the term of the said loan.
- and also the disbursement note that will be sent to CARBIOS 54 relating to the expenses incurred on behalf of its newly created subsidiary as part of the project to create the reference unit (€1,419 thousand).



Note 15 - Operating expenses

(in thousands of euros)	06/30/2022	06/30/2021
Other costs and external expenses		
External studies, subcontracting and scientific consultations	1,798	523
Consumables	161	52
Supplies	100	54
Rentals, maintenance and upkeep expenses	839	646
Expenses and fees related to industrial property	34	26
Fees	3,388	926
Business travel	294	43
Miscellaneous expenses	689	162
Total other expenses and external expenses	7,303	2,435
Taxes and similar payments	66	64
Salaries and wages	2,817	2,281
Social security contributions	1,140	942
Depreciation of fixed assets	810	272
Other expenses	118	149
TOTAL OPERATING EXPENSES	12,255	6,143

During the first half of 2022, CARBIOS spent €12,255 thousand on operational activities compared to €6,143 thousand during the first half of 2021.

This effort mainly focused on the development of the PET plastic and fiber enzymatic recycling process, such as external R&D expenses, which were up 247%. The Company also saw its personnel expenses increase given the growth in its headcount, particularly at the industrial demonstration plant site. Fee expenses are also up sharply, mainly due to the fact that the first expenses related to the creation of the reference unit were paid by CARBIOS before being re-invoiced to CARBIOS 54, for a total of €1,419 thousand. The Company's decision last year to publish its financial statements under IFRS also led to a significant increase in accounting and financial fees.

In general, R&D expenses include the expenses related to the following:

- external studies conducted in collaboration with the Company's academic partners and the outsourcing of a certain amount of technological work to its partners for the development of processes dedicated to the end-of-life of plastic materials;
- research personnel costs, including salaries, emoluments and social contributions, as well as environment expenses such as workstations and travel;
- $\bullet \ scientific \ consultancy \ contracts \ with \ scientific \ experts \ and \ advisers \ who \ assist \ the \ Company \ in \ defining \ and \ supervising$ its R&D programs;
- expenses and fees related to industrial property; and
- the structural costs of the Company's R&D department.

Note 16 - Average headcount

	Average headcount 06/30/2022	Average headcount 12/31/2021
Managers	39	31
Supervisory staff and technicians	20	15
Employees	0	0
TOTAL	59	46

Note 17 - Related parties

On June 30, 2022, in respect of their participation in the meetings of the Board of Directors and the various Committees and Commissions, CARBIOS paid compensation to the members of the Board of Directors in the amount of €86 thousand (excluding social security contributions). In the first half of the year, the average attendance rate of directors at Board of Directors meetings was 97%.

Related parties	Nature of the relationship with the related party	Amounts of transactions with related parties (amounts due)
Martin STEPHAN Deputy Chief Executive Officer	Employment contract	Fixed compensation: €128,690 Annual variable bonus: €45,041 Exceptional bonus: €0 Benefits in kind: €5,367
Emmanuel LADENT Chief Executive Officer	Employment contract	Fixed compensation: €165,000 Annual variable bonus: €82,500 Exceptional bonus: €0 Benefits in kind: €4,891

No advances or loans were granted to them, and no other commitments were made on their behalf.

The Company has not received or granted any financial commitment to its subsidiary or its managers.



Note 18 - Financial income

The Company's financial income consists of interest on money-market investments and term account deposits. All available cash is placed in risk-free money market products. The Company obtained two loans from Bpifrance for a total of €3,000 thousand at a rate of 3.03% for the first on November 23, 2018 and 4.34% for the second on November 20, 2019. Finally, a loan guaranteed by the State was released on August 31, 2020 at the rate of 0.25%. The conditional advances granted by Bpifrance and ADEME do not carry interest. Finally, the Company took out a loan with the European Investment Bank on June 29, 2022 at the rate of 5% (1st maturity on December 29, 2022).

Financial income/ (expenses) (in thousands of euros)	06/30/2022	06/30/2021
Financial income	26	20
Financial expenses	67	59
FINANCIAL INCOME/ (EXPENSES)	(41)	(39)

Financial income mainly comes from investments of available cash amounting to €26 thousand.

Financial expenses in 2022 consist mainly of interest on the Bpifrance and State-guaranteed PGE loans for €64 thousand.

Note 19 - Extraordinary gain or loss

As of June 30, 2022, the extraordinary gain or loss was negative at €38 thousand. Extraordinary gain or loss is mainly composed of a capital loss on fixed asset disposals for an amount of €19 thousand. The balance of extraordinary gain or loss consists of a loss on treasury shares of €14 thousand, expenses from previous years of €6 thousand and the share of investment subsidies of €1 thousand

Note 20 - Income tax

Since January 1, 2019, the Company is no longer eligible for the Young Innovative Company exemption.

Since the Company does not currently generate any profit, it does not have any income tax expenses. The amount recognized for corporate income tax breaks down into two parts:

- income relating to the tax research credit (CIR): €1,459 thousand
- income relating to the collaborative research tax credit (CICo): €304 thousand

Note 21 - Commitments given

Retirement indemnity

The Company has not signed any specific agreement on pension commitments, which are therefore limited to the contractual retirement benefit.

No provisions for charges were recognized in respect of this fiscal year.

The retirement benefit is determined by applying a method that takes into account projected end-of-career salaries, employee turnover, life expectancy and the assumption of discounting expected payments.

The rights of employees to retirement indemnities were assessed at €159,364 as of June 30, 2022.

This figure was calculated according to the following assumptions:

- Voluntary retirement
- Retirement age: 67 years
- Turnover: slow
- Discount rate: 3.22%
- Increase in wages: 2%

Risk hedging set up for the benefit of funders

The two Bpifrance loans are covered by life insurance policies - PTIA underwritten for Alain MARTY (50%) and Martin STEPHAN (50%). The term of loans provides for a 2.5 year deferred repayment and annual straight-line repayment over the following 5 years.

Leasing

The Company's commitments include the sale-leaseback financing of industrial equipment for a total of \leq 2,142 thousand over a period of five years (see details in the table below), of which \leq 1,537 thousand realized during the first half of 2022.

	Land	Buildings Equipment Tools	Others Tota
Initial values:		2,142,116	2,142,110
Depreciation:			
Previous aggregations		195,831	195,83
Provisions for the fiscal year		103,778	103,778
TOTAL		299,609	299,609
Fees paid:			
Previous aggregations		216,370	216,370
Fiscal year		120,274	120,274
TOTAL		336,644	336,644
Fees to be paid:			
At maximum 1 year		462,307	462,30
From over 1 year to less than 5 years		1,512,584	1,512,584
Over 5 years			
TOTAL		1,974,892	1,974,892
Residual value:			
At maximum 1 year			
From over 1 year to less than 5 years		21,421	21,42
Over 5 years			
TOTAL		21,421	21,42



Note 22 - Table of subsidiaries and equity interest

As of the fiscal year 2021, Carbios is the consolidating company of the group that it comprises with its subsidiary Carbiolice.

From January 1, 2022, CARBIOS 54 (wholly owned) by CARBIOS enters the scope of consolidation.

(In euros)	SAS CARBIOLICE	SAS CARBIOS 54
Share capital	28,618,748	10,000
Reserves and carryforwards prior to the allocation of income	(19,371,722)	-
Portion of share capital owned (%)	100%	100%
Book value of securities held	38,371,461	10,000
Loans and advances granted by the Company and not yet repaid	-	-
Amount of guarantees given by the Company	-	-
Revenue excluding tax for the most recent fiscal year	9,344	0
Results (profit or loss for the most recent period ended)	(1,940,270)	(1,418,685)
Dividends received by the Company during the fiscal year	-	-
Comments		

At the end of the period, the value in use of equity interests exceeded their carrying amount. Accordingly, there are no provisions to be recorded as at June 30, 2022.



CARBIOLICE INDIVIDUAL FINANCIAL STATEMENTS AT JUNE 30, 2022

ASSETS (in thousands of euros)	06/30/2022	12/31/2021	LIABILITIES (in thousands of euros)	06/30/2022	12/31/2021
FIXED ASSETS			EQUITY		
Intangible assets	6,610	7,006	Share capital	28,619	28,619
Establishment costs	0	0	Issue, merger and contribution premiums	0	0
Patents, licenses, trademarks	4,567	4,962	Retained earnings	(19,372)	(14,165)
Commercial fund	2,043	2,043	Profit and loss for the period	(1,940)	(5,207)
Advances and advance payments	0	1	Investment subsidies	122	148
Property, plant and equipment	1,412	1,446	TOTAL EQUITY	7,428	9,395
Other property, plant and equipment	1,408	1,403			
Property, plant and equipment under construction	3	42			
Advances and advance payments	0	0			
Financial assets	17	17			
Deposits and guarantees	17	17	Conditional advances	0	0
TOTAL FIXED ASSETS	8,039	8,469	OTHER EQUITY CAPITAL	0	0
CURRENT ASSETS			CURRENT LIABILITIES		
Raw materials inventories	70	146	Loans from credit institutions	3,399	3,575
Finished Goods Inventories	16	29	Bank overdrafts	1	1
Trade receivables and related accounts	0	0	Advances and advance payments on orders in progress	0	2
Other receivables	591	892	Trade payables and related accounts	334	296
Advance payments made on orders	8	11	Tax and social liabilities	342	359
Availabilities	2,723	4,093	Other liabilities	0	0
Prepaid expenses	76	65	Deferred income	19	76
TOTAL CURRENT ASSETS	3,484	5,235	TOTAL CURRENT LIABILITIES AND EQUITY	4,094	4,309
OVERALL TOTAL	11,523	13,704	OVERALL TOTAL	11,523	13,704

INCOME STATEMENT (in thousands of euros)	06/30/2022	06/30/2021
Net revenue	9	29
Other operating income	135	238
Total operating income	144	267
Purchases of goods	0	9
Purchases consumed	73	286
Other purchases and external expenses	938	868
Taxes and similar payments	13	19
Wages and salaries, social security charges	883	1,339
Depreciation of fixed assets	534	564
Impairment of current assets	0	300
Other expenses	0	0
Total operating expenses	2,440	3,386
OPERATING INCOME/(EXPENSES)	(2,296)	(3,119)
Financial income	0	0
Financial expenses	18	13
FINANCIAL INCOME/(EXPENSES)	(18)	(13)
CURRENT INCOME/(EXPENSES) BEFORE TAXES	(2,314)	(3,132)
Extraordinary income	26	5
Extraordinary expenses	0	0
EXTRAORDINARY GAIN OR LOSS	26	5
Income tax (research tax credit)	(348)	(413)
PROFIT OR LOSS	(1,940)	(2,714)



CARBIOS 54 INDIVIDUAL FINANCIAL STATEMENTS AT JUNE 30, 2022

ASSETS (in thousands of euros)	06/30/2022
FIXED ASSETS	
Intangible assets	0
Establishment costs	0
Patents, licenses, trademarks	0
Commercial fund	0
Advances and advance payments	0
Property, plant and equipment	0
Office and IT hardware	0
Material and equipment	0
Fixtures and fittings	0
Advances and advance payments	0
Financial assets	0
Deposits and guarantees	0
TOTAL FIXED ASSETS	0
CURRENT ASSETS	
Raw materials inventories	0
Finished Goods Inventories	0
Trade receivables and related accounts	0
Other receivables	0
Advance payments made on orders	0
Availabilities	10
Prepaid expenses	0
TOTAL CURRENT ASSETS	10
OVERALL TOTAL	10

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LIABILITIES (in thousands of euros)	06/30/2022
EQUITY	
Share capital	10
Issue, merger and contribution premiums	0
Retained earnings	0
Profit and loss for the period	(1,419)
Investment subsidies	0
TOTAL EQUITY	(1,409)
Conditional advances	0
OTHER EQUITY CAPITAL	0
CURRENT LIABILITIES	
Loans from credit institutions	0
Bank overdrafts	0
Advances and advance payments on orders in progress	0
Trade payables and related accounts	1,419
	1,419
accounts	
Tax and social liabilities	0
accounts Tax and social liabilities Other liabilities	0

INCOME STATEMENT (in thousands of euros)	06/30/2022
Net revenue	0
Other operating income	0
Total operating income	0
Purchases of goods	0
Purchases consumed	0
Other purchases and external expenses	1,419
Taxes and similar payments	0
Wages and salaries, social security charges	0
Depreciation of fixed assets	0
Impairment of current assets	0
Other expenses	0
Total operating expenses	1,419
OPERATING INCOME/(EXPENSES)	(1,419)
Financial income	0
Financial expenses	0
FINANCIAL INCOME/(EXPENSES)	0
CURRENT INCOME BEFORE TAXES	(1,419)
Extraordinary income	0
Extraordinary expenses	0
EXTRAORDINARY GAIN OR LOSS	0
Income tax (research tax credit)	0
PROFIT OR LOSS	(1,419)



CONSOLIDATED FINANCIAL STATEMENTS UNDER IFRS AT JUNE 30, 2022

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (in thousands of euros)	Notes	06/30/2022 Net	12/31/2021 Net	06/30/202 Ne
ASSETS				
Goodwill	4.1	20,583	20,583	20,583
Intangible assets	4.1	23,219	23,188	23,688
Property, plant and equipment	4.2	22,057	16,466	9,47
Right-of-use assets	4.3	5,930	6,989	4,85
Financial assets	5	442	388	31
Total non-current assets		72,231	67,614	58,920
Trade receivables and related accounts	7	-	16	3:
Other current assets	7	5,087	6,148	4,694
Cash and cash equivalents	10	121,372	104,956	118,982
Total current assets		126,459	111,120	123,70
TOTAL ASSETS		198,689	178,734	182,62
EQUITY AND LIABILITIES				
Share capital		7,845	7,826	7,81
Share and contribution premium		146,471	146,337	146,130
Consolidated reserves		(6,494)	(10,604)	(11,554
Retained earnings		3,833	(600)	(543
Net income - share attributable to equity holders of the parent company		(11,811)	3,780	14,24
Equity	11	139,844	146,739	156,094
Non-current provisions	6 & 20	175	202	14
Current and non-current borrowings and financial liabilities	13	37,817	11,941	11,92
Non-current lease liabilities	4.3	4,396	5,358	3,370
Other non-current liabilities	8	-	-	
Deferred tax liabilities	18	1,694	1,694	1,694
Total non-current liabilities		44,081	19,194	17,130
Current provisions	6 & 20	-	76	38
Current borrowings and financial liabilities	13	2,134	1,376	1,04
Current lease liabilities	4.3	1,181	1,256	1,32
Current lease liabilities	0	6,951	5,137	3,128
Trade payables and related accounts	8			
	8	4,498	4,956	3,864

CONSOLIDATED INCOME STATEMENT (in thousands of euros)	Notes	06/30/2022 6 months	06/30/2021 6 months
Revenue	14	9	28
Cost of finished goods		-	
Production costs			
Research and development expenses	15.1	(5,540)	(2,335)
Research and development expenses	15.1	(8,970)	(4,324)
Subsidies and other income from activities	15.1	2,825	1,989
Capitalization of development costs	15.1	604	-
Sales and marketing expenses	15.2	(1,354)	(845)
General and administrative expenses	15.3	(4,637)	(2,491)
Other operating income and expenses	15.4	26	21,204
Operating income/(expenses)		(11,496)	15,560
Financial income		26	20
Financial expenses		(342)	(207)
Financial income/(expenses)	17	(316)	(187)
Share of net income of equity-accounted companies	3.3	-	(1,128)
Income/(expenses) before taxes		(11,811)	14,245
Income tax	18	-	-
Net income/(loss) for the period		(11,811)	14,245
Basic earnings per share (in euros)	19	(1.06)	1.28
Diluted earnings per share (in euros)	19	(1.06)	1.20

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (in thousands of euros)	06/30/2022 6 months	06/30/2021 6 months
Net income/(loss) for the period	(11,811)	14,245
Actuarial gains or losses	61	20
Other comprehensive income that cannot be reclassified in profit or loss	61	20
Translation differences		
Other comprehensive income that can be reclassified in profit or loss	-	-
COMPREHENSIVE INCOME/(LOSS)	(11,750)	14,265



CHANGE IN CONSOLIDATED EQUITY (in thousands of euros)	Carbios share capital Nb. outs- tanding	Share capital - ordinary shares	Share and contri- bution premium	Conso- lidated reserves	Retained earnings	Profit or loss for the period	Total equity
As at December 31,	shares			(In thousan	ds of euros)		
2021	11,179,472	7,826	146,337	(10,604)	(600)	3,780	146,739
Appropriation of income/(loss) for the past fiscal year					3,780	(3,780)	-
Net income/(loss) for the period						(11,811)	(11,811)
Other items of comprehensive income					61		61
Comprehensive income/(loss)		-	-	-	61	(11,811)	(11,750)
Capital increase net of transaction costs		1					1
Change in treasury shares				-			-
Share-based payments		18	134	-			152
Issue of BSA EIB Ioan				4,179			4,179
Restatement of leases				(17)			(17)
Discounting of repayable advances and interest-free loans (IFRS 9)				(11)			(11)
Retirement provision				-			-
Entry into scope							-
Restatement of amortization of licenses				-			-
Change in proportional integration rate							-
Change in interest rates							-
Other movements				(42)	592		550
Exit from scope							-
At June 30, 2022	11,207,356	7,845	146,471	(6,495)	3,833	(11,811)	139,844

CONSOLIDATED STATEMENT OF CASH FLOWS (in thousands of euros)	Notes	06/30/2022 6 months	12/31/2021 12 months	06/30/2021 6 months
Cash flow from operating activities				
Net income/(loss) for the period		(11,811)	3,780	14,245
(-) Elimination of amortization and depreciation of fixed assets and right-of-use assets	4	2,674	2,763	691
(-) Gains or losses on asset disposals	4	19	215	47
(-) Employee provisions and benefits	20	(329)	(181)	(10)
(-) Cost of share-based payments	12	559	1,759	804
(-) Financial income	17	226	454	142
(-) Other items with no impact on cash and cash equivalents		710		-
(-) Share of net income of equity-accounted companies	3.3	-	1,128	1,128
(-) Income and expenses related to the change in consolidation method	15.4	-	(21,202)	(21,202)
Cash flow from operations before cost of net financial debt and taxes		(7,950)	(11,283)	(4,154)
(-) Changes in working capital requirement		2,694	2,239	645
Tax paid				
Cash flow from operating activities		(5,256)	(9,044)	(3,509)
Cash flow from investing activities				
Acquisition of property, plant and equipment and intangible assets	4	(7,900)	(11,796)	(4,138)
Capitalized development costs	4	(604)	(409)	-
Disposal of fixed assets	4	1,544	188	188
Acquisition of shares	3.3	-	(17,871)	(17,871)
Acquisition of financial assets	5	-		(26)
Decrease in financial assets	5	3	(6)	-
Change in scope	3.3	-	7,057	7,057
Cash flow from investing activities		(6,958)	(22,837)	(14,790)



CONSOLIDATED STATEMENT OF CASH FLOWS (in thousands of euros)	Notes	06/30/2022 6 months	12/31/2021 12 months	06/30/2021 6 months
Cash flow from financing activities				
Capital increase	11	3	109,038	108,824
Treasury shares	11	151	(102)	-
Issuance of loans and financial liabilities	13	29,550	620	-
Repayments of loans and financial liabilities	13	(369)	(443)	(104)
Payment of lease liabilities	4	(76)	(1,352)	(517)
Net financial interest paid		(41)		
Cash flow from financing activities		28,619	107,761	108,203
Change in cash position		16,416	75,880	89,904
Cash and cash equivalents at beginning of period	10	104,956	29,077	29,077
Cash and cash equivalents at end of period	10	121,372	104,956	118,982
Change in cash position		16,416	75,880	89,905



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Unless otherwise indicated, the amounts mentioned in this note are in thousands of euros, except for data relating to shares. Certain amounts may be rounded in the calculation of the financial information contained in the consolidated financial statements. As a result, the totals in some tables may not add up exactly to the sum of the previous figures).



Note 1 - Business and highlights

Carbios' half-year consolidated financial statements were approved by the Board of Directors on September 29, 2022 and authorized for publication.

> The Company and its business

Carbios ("the Company") is an innovative green chemistry company, developing cutting-edge technologies for the recovery of plastic waste and the production of biopolymers.

The Company was created in April 2011 as a société par actions simplifiée (simplified joint stock company) and became a société anonyme (public limited company) on February 20, 2013. The Company's shares have been listed on the Euronext Growth Paris market since December 19,

Registered office address: Cataroux site 8 rue de la Grolière 63100 Clermont-Ferrand, France

Trade and Companies Register number: 531 530 228 R.C.S. Clermont-Ferrand

> Highlights of the period between December 31, 2021 and June 30, 2022

The highlights of the first half of 2022 are as follows:

- On June 29, 2022, the Company obtained an amount of €30 million (€29.55 million net of fees) from the European Investment Bank;
- During the first half of 2022, the Company continued to invest in its demonstration plant at the Cataroux industrial site in Clermont-Ferrand, and thus made nearly €4.7 million in gross investments (€3.2 million net of lease-back refinancing).

Consequences of the Covid-19 event

In accordance with Article L. 833-2 of the French General Accounting Plan, the half-year financial statements of the entity at June 30, 2022 were closed without any adjustment related to the Coronavirus epidemic.

The entity's financial statements were prepared on a going concern basis. The Company's resilience, organization and prudence meant that the Covid-19 event had no significant impact on the Company's assets, financial position and results. As it is still on-going at the date of preparation of the annual financial statements, the Company is not in a position to assess the precise consequences for future years if the situation were to continue.

Going concern:

The going concern assumption is used to the extent that the financial resources of the Company enable it to continue its Research and Development work. Nevertheless, the management of the ongoing developments until the final marketing stage or even the application of Carbios processes to other market may require new financing to be sought from institutional entities or industrial partners.

> Events after the reporting period

Carbios joined the WhiteCycle project, coordinated by Michelin, launched in July 2022 for a period of 4 years and in partnership with 16 entities. Its main objective is to develop a circular solution to transform complex textile-based plastic waste into high value added products. WhiteCycle has a total budget of nearly €9.6 million, of which €0.8 million from Carbios and benefits from European funding of nearly €7.1 million, of which approximately €0.6 million for Carbios.

No other significant event has been recorded since June 30, 2022.



Note 2 - Segment information

> Accounting principles

According to IFRS 8, an operating segment is a component of a company:

- that engages in activities likely to generate income and incur expenses;
- for which the operating results are regularly monitored by the main operational decision-maker;
- for which separate financial information is available.

Management considers that the Group's only operating segment is research and development, on enzymatic recycling processes and on biodegradation processes, with the ultimate aim of bringing them to an industrial scale and marketing them. The Group benefits from significant R&D synergies, which should continue to increase across all activities following the full integration of Carbiolice. All of the Group's activities and assets are located in France.



Note 3 - Accounting principles and methods

> Principles applied in the preparation of the financial statements

General principles

The condensed interim consolidated financial statements for the six months ended June 30, 2022 were prepared under the supervision of management and approved by the Chairman of the Company and reviewed by the Company's Board of Directors on September 29, 2022. Unless otherwise indicated, all amounts in the condensed interim consolidated financial statements are presented in thousands of euros. As figures have been rounded, the totals in some tables may not add up exactly to the sum of the previous figures.

Their preparation in accordance with the principles of International Financial Reporting Standards (or "IFRS") requires estimates and assumptions to be made that affect the amounts and information presented therein (see Note 3.2. Estimates and judgments). No significant modifications had taken place at June 30, 2022.

The Company's condensed consolidated financial statements have been prepared in accordance with IAS 34 - "Interim Financial Reporting". As these are condensed interim financial statements, they do not contain all of the information required for annual consolidated financial statements and should therefore be read in conjunction with the Company's consolidated financial statements for the fiscal year ended December 31, 2021, as described below

The going concern assumption is used insofar as the financial resources available to the Group enable it to continue its activity over a period of more than 12 months. Nevertheless, the management of the ongoing developments until the final marketing stage or even the application of Carbios' processes to other markets may require new financing to be sought from institutional entities or industrial partners.

Declaration of compliance

The consolidated financial statements, prepared for the six-month period ended June 30, 2022, were prepared in accordance with the provisions of IAS 34 - Interim Financial Reporting. The accounting principles used to prepare the half-year consolidated financial statements comply with "IFRS" (International Financial Reporting Standards) as adopted by the European Union, which is available on the European Commission website (http:// ec.europa.eu/finance/company-reporting/ifrs-financialstatements/index_en.htm).

The new standards, amendments and interpretations adopted by the European Commission, and mandatory from January 1, 2022 are as follows:

- Amendments to IAS 16 Property, plant and equipment: proceeds before intended use.
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts -Cost of fulfilling a contract.
- · Fees in the '10 per cent' Test for derecognition of financial liabilities - Amendments to IFRS 9.

At this stage, the Group has not identified any significant impact from these amendments.

The Group has not opted for the early application of standards, amendments and interpretations whose application is not mandatory as of January 1, 2022.

The standards, amendments and interpretations adopted by the IASB, which will come into force after the fiscal years beginning on or after January 1, 2022, and whose adoption process by the EU is underway, are presented below:

- IFRS 17 Insurance Contracts (including amendments (1)).
- Amendments to IAS 1 Presentation of financial statements: classification of liabilities as current or non-current (1)
- Amendments to IAS 1 Presentation of financial statements and practical application of materiality: disclosures of accounting methods.
- Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates.
- Amendments to IAS 12 Income tax: deferred tax related to assets and liabilities arising from a single transaction.

Carbios does not expect these amendments to have a material impact on its financial statements.

Seasonality of the Company's activities

Under IAS 34 - "Interim Financial Reporting", an entity whose operations are extremely seasonal should present financial information for the twelve months preceding the end of the interim period as well as additional comparative information for the preceding twelve months in the condensed interim financial statements to enable better understanding and comparison of its interim financial statements. The Group's activities are not considered to be seasonal. Consequently, the following condensed interim financial statements and the corresponding notes do not include comparative information other than that mentioned in IAS 34-20.

> Use of estimates and judgments

The rules applied in terms of estimation and judgment are described in Section 3.3 of the notes to the annual consolidated financial statements as of December 31, 2021. No significant modifications had taken place at June 30, 2022.

> Consolidation scope and methods

From January 1, 2022, Carbios 54 (wholly owned) by Carbios enters the scope of consolidation. The Carbios Group has also held 100% of Carbiolice since June 3, 2021.

Consequently, the scope of consolidation is as follows:

	06/3	0/2022	12/3	1/2021	06/3	0/2021	12/31	/2020
	Percentage holding	Consolidation method	Percentage holding	Consolidation method	Percentage holding	Consolidation method	Percentage holding	Consolidation method
Carbios			Parent	company (from	n a legal point	of view)		
Carbiolice	100.00%	Full consolidation (1)	100.00%	Full consolidation (1)	100.00%	Full consolidation (1)	62.71%	Equity method
Carbios 54	100.00%	Full consolidation (2)						

- (1) From the takeover date of 06/04/2021 previously accounted as an equity affiliate
- (2) SASU created in the RCS Val de Briey and integrated into the scope from 06/08/2022

The impacts of the change in the scope of consolidation and consolidation methods are described in Section 3.4 of the notes to the annual consolidated financial statements as of December 31, 2021.

> Presentation currency

The Group's financial statements are prepared in euros (EUR).





Note 4 - Property, plant and equipment and intangible assets

> Intangible assets

Summarized accounting principles

• Research and development expenses

Research costs are expensed as incurred. Costs incurred on development projects are recognized as intangible assets when the following criteria are met:

- it is technically possible to complete the intangible asset so that it is available for use or sale;
- management plans to complete, use or sell the intangible
- there is a possibility of using or selling the intangible asset:
- it can be demonstrated that the intangible asset will generate probable future economic benefits;
- adequate technical, financial and other resources necessary to complete the development, use or sale of the intangible asset are available; and
- the expenses attributable to the intangible asset during its development can be measured reliably.

Otherwise, the costs are expensed as incurred. After initial recognition, development expenses are recognized at cost less accumulated depreciation and impairment losses.

The criteria are assessed on the basis of existing information at June 30, 2022.

Patents & software

In accordance with IAS 38 criteria, costs related to the acquisition of software patents and licenses are recognized as assets on the basis of the costs incurred to acquire and use the software in question.

The expenses for filing patents or industrial property rights acquired during the fiscal year have been capitalized and are amortized from the beginning of their utilization and over the duration of use of the patents. Additional costs and subsequent extensions on capitalized patents are amortized over the remaining term for the application to which they relate.

Goodwill

In the event of an acquisition, the assets and liabilities assumed from the subsidiary are recognized at their fair value and the Goodwill or residual difference represents the difference between the acquisition cost of the securities and the Group's share in the measurement of the fair value of the assets and liabilities identified. The standard provides for a period of twelve months after the acquisition date to identify the assets and liabilities assumed from the acquiree that are not recognized at the time of the initial recognition of the business combination and to retroactively modify the values initially allocated. The measurement of the purchase price ("consideration" transferred" in IFRS 3R), including, where applicable, the estimated fair value of the earn-out payments and conditional compensation ("contingent consideration" in IFRS 3R), must be finalized within 12 months of the acquisition. In accordance with IFRS 3R, any adjustments to the purchase price beyond the 12-month period are recognized in the income statement. Direct costs related to the acquisition are recognized as expenses for the

The Goodwill recognized is the result of the takeover of Carbiolice by the Company in June 2021.

Masterbatch technology

Since the creation of Carbiolice in 2016, the close collaboration between the Company and the SPI fund has enabled the industrial development of a unique solution: the creation of a new generation of PLA-based plastics that are 100% compostable under universal conditions (industrial, domestic composting or methanization). This innovation solves one of the main problems posed by the end-of-life of plastics: the pollution of our environment. This process developed by Carbiolice consists of introducing enzymes into plastic materials to make them 100% biodegradable.

In accordance with the recommendations of IFRS 3, this asset is an integral part of the net assets acquired from Carbiolice by the Company when it took control in June 2021, and must be valued using the royalty and reconstitution costs method.

• <u>Technology license</u>

According to IFRS 3, as part of a business combination, an acquiring company may record a right that it previously granted to the acquired company. The exclusive license agreement on French territory between Carbios and Carbiolice constitutes a pre-existing relationship giving the right to the recognition of an asset with reacquired

In accordance with the recommendations of IFRS 3, this asset held by Carbiolice, and an integral part of the net assets acquired from Carbiolice by the Company when it took control in June 2021, must be valued based on the expected cash flows for the holder of the assets of this contract over the remaining term of the contract, without taking into account the possibility of renewal of the contract.



• <u>Subsequent impairment tests</u>

The goodwill are not amortized but are subject to an impairment test as soon as there is an indication of impairment and at least once a year in accordance with the procedures described in Note 5.4 to the annual financial statements at December 31, 2021.

Intangible assets break down as follows:

INTANGIBLE ASSETS (in thousands of euros)	12/31/2021	In- crease	Decrease	Reclas- sifica- tion	06/30/2022
Goodwill	20,583	-	-	-	20,583
PET technology - assets under construction	409	604	-	-	1,013
Masterbatch technology	9,813	-	-	-	9,813
Concessions, patents and similar rights	2,330	414	(42)	-	2,702
Technology license (rights reacquired)	12,503	-	-	-	12,503
Software	66	-	-	-	66
Other intangible assets in progress	5	45	-	-	49
Advances and advance payments on intangible assets	1	-	(1)	-	-
TOTAL GROSS VALUES	45,710	1,063	(43)	-	46,729
Goodwill	-	-	-	-	-
PET technology - assets under construction	-	-	-	-	-
Masterbatch technology	(426)	(582)	-	-	(1,009)
Concessions, patents and similar rights	(913)	(180)	27	-	(1,067)
Technology license (rights reacquired)	(543)	-	(248)	-	(792)
Software	(56)	(4)	-	-	(60)
Other intangible assets in progress	-	-	-	-	-
Advances and advance payments on intangible assets	-	-	-	-	-
TOTAL DEPRECIATION AND AMORTIZATION	(1,939)	(767)	(222)	-	(2,927)
Goodwill	20,583	-	-	-	20,583
PET technology - assets under construction	409	604	-	-	1,013
Masterbatch technology	9,387	(582)	-	-	8,804
Concessions, patents and similar rights	1,416	234	(15)	-	1,635
Technology license (rights reacquired)	11,960	-	(248)	-	11,711
Software	10	(4)	-	_	6
Other intangible assets in progress	5	45	-	-	49
Advances and advance payments on intangible assets	1	-	(1)	-	-
TOTAL NET VALUES	43,771	296	(265)	-	43,802

As at December 31, 2021, impairment and sensitivity tests were performed (see Note 5.4 to the consolidated financial statements at December 31, 2021). No indication of impairment was identified in respect of the first half-year 2022. Thus, the valuation of assets used at December 31, 2021 is not called into question.



> Property, plant and equipment

PROPERTY, PLANT AND EQUIPMENT (in thousands of euros)	12/31/2021	In- crease	Decrease	Reclas- sifica- tion	06/30/2022
Buildings	82	-	-	-	82
Technical installations, equipment and tooling	4,094	77	-	82	4,253
Transport equipment	7	-	-	-	7
Office equipment	621	102	-	-	723
Other property, plant and equipment	10,467	3,487	(19)	3,100	17,035
Property, plant and equipment under construction	6,032	2,911	(0)	(3,143)	5,80
Advances and advance payments on property, plant and equipment	40	60	(11)	(39)	49
TOTAL GROSS VALUES	21,344	6,637	(30)	-	27,950
Buildings	(76)	(3)	-	-	(80)
Technical installations, equipment and tooling	(2,938)	(99)	-	-	(3,036)
Transport equipment	(13)	(2)	-	10	(5)
Office equipment	(429)	(49)	-	3	(474)
Other property, plant and equipment	(1,422)	(871)	9	(14)	(2,298)
Property, plant and equipment under construction	-	-	-	-	
Advances and advance payments on property, plant and equipment	-	-	-	-	
TOTAL DEPRECIATION AND AMORTIZATION	(4,878)	(1,024)	9	(0)	(5,893)
Buildings	6	(3)	-	-	2
Technical installations, equipment and tooling	1,156	(22)	-	82	1,217
Transport equipment	(6)	(2)	-	10	3
Office equipment	192	53	-	3	249
Other property, plant and equipment	9,046	2,615	(10)	3,086	14,737
Property, plant and equipment under construction	6,032	2,911	(0)	(3,143)	5,80
Advances and advance payments on property, plant and equipment	40	60	(11)	(39)	49
TOTAL NET VALUES	16,466	5,613	(22)	(0)	22,057

During the first half of 2022, the Company made investments in fixed assets worth €5.6 million, largely attributable to its demonstration plant on the Cataroux industrial site in Clermont-Ferrand (€4.7 million in gross investments, of which €1.5 million in lease-back refinancing).

> Rights of use

Rights of use break down as follows:

CHANGES IN RIGHT-OF-USE ASSETS (in thousands of euros)	Premises	Technical installations, equipment & tooling	Vehicles	Total
As at December 31, 2021	5,800	944	245	6,989
(+) Revaluation of the asset	(548)	4	16	(528)
(-) Depreciation expense for the fiscal year	(445)	(123)	(65)	(634)
(+) Reversal of depreciation for the fiscal year	-	-	-	-
(+) Additions to "right-of-use assets"	41	-	81	123
(-) Disposals of "right-of-use assets"	-	-	(20)	(20)
As at June 30, 2022	4,848	825	257	5,930

The corresponding liability breaks down as follows:

CHANGE IN LEASE LIABILITIES (in thousands of euros)	Current portion of lease liabilities	Non-current portion of lease liabilities	Total lease liabilities
As at December 31, 2021	1,256	5,358	6,613
Non-monetary changes - New contracts	81	41	123
Non-monetary changes - Reclassifications and other impacts	486	(1,004)	(518)
Repayments lease liabilities	(641)	-	(641)
As at June 30, 2022	1,182	4,395	5,577

Note 5 - Non-current financial assets

Financial assets break down as follows:

FINANCIAL ASSETS (in thousands of euros)	12/31/2021	In- crease	Decrease	Reclas- sifica- tion	06/30/2022
Financial assets	388	49			436
Total gross values	388	49	-	-	436
Financial assets	-				-
Total depreciation and amortization	-	-	-	-	-
Financial assets	388	49	-	-	436
Total net values	388	49	-	-	436



Note 6 - Provisions

> Accounting principles

A provision is recognized when the Company has a legal or constructive obligation at the closing date that results from a past event that will probably result in an outflow of resources and the amount of which can be reliably estimated.

The amount recognized as a provision corresponds to the best estimate of the expenditure required to settle the present obligation at the closing date.

Apart from provisions for pension commitments (see Note 20), no provision has been recognized.



Note 7 - Trade receivables and other current assets

Trade receivables and other current assets break down as follows:

TRADE RECEIVABLES & OTHER CURRENT ASSETS (in thousands of euros)	06/30/2022	12/31/2021
Inventories and work-in-progress	86	-
Trade receivables	-	16
Other current assets	5,001	6,148
Tax & social security receivables	3,575	4,778
Advance payments made on orders	544	553
Prepaid expenses	396	758
Other receivables	485	60
Other current assets	5,087	6,164

(1) Trade and other receivables are initially recognized at fair value and then at amortized cost, which generally corresponds to their nominal value due to their short-term maturity.

In accordance with IFRS 9, the Company applies the simplified method to measure trade receivables and recognizes expected impairment losses over their lifetime.

(2) Other current assets mainly include the tax research credit (CIR) receivable (€1,459 thousand), the collaborative tax research credit ("CICO") for an amount of €304 thousand and the VAT receivable (€220 thousand).



Note 8 - Trade payables and other current liabilities

TRADE PAYABLES AND OTHER CURRENT LIABILITIES (in thousands of euros)	06/30/2022	12/31/2021
Trade payables	6,951	5,137
Other current liabilities	2,564	4,956
Social security liabilities	1,727	1,785
Tax liabilities	162	274
Debts on fixed assets and related accounts	673	690
Other liabilities	3	(1)
Deferred income	1,934	2,209
Trade payables and other current liabilities	11,449	10,093

Trade payables:

As at June 30, 2022, trade payables include unpaid invoices at the closing date for a total amount of €5,289 thousand but also unpaid invoices related to the operating cycle (€1,379 thousand).

Other current liabilities

Other current liabilities concern:

- social security liabilities, including balances due to the various funds at the closing date (€1,400 thousand), as well as provisions for awards and bonuses, paid leave and related social security contributions;
- tax liabilities mainly include VAT liabilities;
- deferred income consists of the following items:
- deferred income related to subsidies for €655 thousand;
- other deferred income related to re-invoicing for €478 thousand;
- $\circ \ \text{deferred income related to restatements of repayable advances and interest-free loans in accordance with IFRS 9 for \\$ €775 thousand.



Note 9 - Classification and fair value of financial instruments

> Summarized accounting principles

There are three categories of financial instruments according to the consequences that their characteristics have on their valuation method. This classification is used to set out some of the disclosures required by IFRS 7:

- level 1 category: only quoted prices on an active market for an identical instrument and without any adjustment;
- level 2 category: fair value determined from observable data, either directly (such as a price) or indirectly (i.e. calculated on the basis of another price), but other than a price quoted on an active market falling within level 1;
- level 3 category: fair value determined on the basis of unobservable market data.

The Group's assets and liabilities are valued as follows at June 30, 2022:

		06/30/2022					
SUMMARY OF FINANCIAL ASSETS AND LIABILITIES (in thousands of euros)	Total net carrying amount	Assets carried at amortized cost	Assets recognized at fair value through profit or loss	Liabilities carried at amortized cost	Liabilities recognized at fair value	Fair value	
Financial assets	442	442				442	
Trade receivables and related accounts	-	-				-	
Other current assets	5,087	5,087				5,087	
Cash and cash equivalents	121,372	121,372				121,372	
TOTAL ASSETS	126,900	126,900	-	-		126,900	
Current and non-current borrowings and financial liabilities	37,817			37,817		37,817	
Non-current lease liabilities	4,396			4,396		4,396	
Current borrowings and financial liabilities	2,134			2,134		2,134	
Current lease liabilities	1,181			1,181		1,181	
Trade payables and related accounts	6,951			6,951		6,951	
Other current liabilities	4,498			4,498		4,498	
TOTAL LIABILITIES	56,977	_		56,977		56,977	



Note 10 - Cash and cash equivalents

CASH AND CASH EQUIVALENTS (in thousands of euros)	06/30/2022	12/31/2021
Bank accounts	56,360	39,946
Term deposits	65,013	65,010
Total cash and cash equivalents	121,372	104,956

Cash and cash equivalents consist of cash at bank, cash on hand and term deposits with an initial maturity of less than three months. They are held to meet short-term cash commitments, are readily convertible into a known amount of cash and are exposed to an insignificant risk of change in value.

For the purposes of the cash flow statement, net cash includes cash and cash equivalents as defined above.



Note 11 - Equity

Share capital

SHARE CAPITAL	06/30/2022	12/31/2021
Share capital (in thousands of euros)	7,845	7,826
Number of ordinary shares outstanding	11,207,356	11,179,472
Nominal value (in euros)	€0.70	€0.70

Capital transactions carried out during the period ended June 30, 2022:

At its meeting of May 5, 2022, the Board of Directors noted the creation of 5,000 new shares resulting from the exercise of 5,000 BCE 2017-1 subscribed at a price of €7.86, i.e. €0.70 in par value and €7.16 in issue premium.

At its meeting on June 29, 2022, the Board of Directors noted:

- the creation of 1,253 new shares from the exercise of 1,253 BSA 2011-1, subscribed for €1 (€0.70 in par value and €0.30 in issue premiums).
- the creation of 1,548 new shares from the exercise of 1,548 BCE 2012-1, subscribed for €2.25 (€0.70 in par value and €1.55 in issue premiums);
- the creation of 20,083 new shares from the exercise of 20,083 BCE 2019-1, subscribed for €5.29 (€0.70 in par value and €4.59 in issue premiums).

Thus, as of June 30, 2022, the share capital amounting to €7,845,149.20 was divided into 11,207,356 ordinary shares with a par value of €0.70 each.



Issue premiums

In accordance with the decision made by the sole partner followed by the collective decision of the shareholders and finally, by the Board of Directors based on the delegation of the shareholders' meeting, the issue premiums paid as part of the capital increases were recorded under liabilities on the statement of financial position in a special "Issue premium" account to which the former and new shareholders' rights shall be applicable.

Capital issue costs are recognized in the statement of financial position, as a deduction from the issue premium.

As at June 30, 2022, the issue premiums paid after deducting capital increase costs amounted to €146.466.207.02.

Capital management

The Group's policy is to maintain a sufficient financial base to preserve the confidence of investors and creditors and to support the Company's future growth.

Following the IPO of the Company on EURONEXT GROWTH, the Company entered into a liquidity contract in order to limit the intra day volatility of the Company's shares

Under this agreement, 2,800 treasury shares representing €86 thousand were recognized as a deduction from equity at June 30, 2022.

Cash paid to the intermediary and not yet used is recognized as non-current financial assets and represented €125 thousand at June 30, 2022.



Note 12 - Share-based payments

> Summarized accounting principles

The Company has set up several equity-settled compensation plans in the form of share subscription warrants ("BSAs") and founders' warrants ("BSPCEs" or "BCEs") allocated to employees and directors.

In accordance with IFRS 2, the grant-date fair value of equity-settled share-based payments is recognized as an expense with a corresponding increase in equity over the vesting period of the awards.

For plans whose vesting is not linked to the achievement of a market performance condition, the valuation model used is that of Black & Scholes.

For plans whose vesting is linked to the achievement of a market performance condition, Monte Carlo simulations were carried out in order to project the Carbios share price and thus estimate the fair value of the options.

The valuation methods used to estimate the fair value of the options are described below:

- The maturity of plans with only a presence condition was estimated by tranche by considering an exercise half-life (corresponding to the mid-period between the vesting date of the tranche and the plan's end-oflife date). That of plans with performance conditions was estimated based on the most likely date of the achievement of each performance condition for the vesting date, plus the remaining half-life of the exercise.
- For plans granted prior to 2019, the expected volatility was determined on the basis of a panel of comparable listed companies in the sector, over a period equivalent to the expected duration of the option. For plans granted after 2019, the expected volatility was determined on the basis of the Carbios price history restated for values deemed not representative of future volatility.



> Share subscription warrants (BSAs)

The table below shows the status of the BSAs issued since the creation of the Company that were still outstanding as of June 30, 2022, as well as additional information regarding their status as of that date.

	BSA 2011-1	BSA 2012-1	BSA 2012-2	BSA 2013-1	BSA EIB
Date of shareholders' meeting	Decision of the Chairman in accordance with the delegation of authority granted by the sole partner on 06/08/2012	Collective decision of the shareholders on 09/28/2012	Collective decision of the shareholders on 09/28/2012	Decision of the	Decision of the shareholders' meeting on 02/02/2022
Total number of shares that may be subscribed or purchased, of which the number that may be subscribed or purchased by:	1,253	170,000	20,241	14,400	296,928
Jacqueline LECOURTIER	1,253	-	6,747	1,600	-
Warrant exercise start date	06/08/2013	According to the achievement of the exercise criteria (see methods below)	09/28/2013	07/26/2014	05/27/2022
Expiration date	06/08/2022	09/28/2022	09/28/2022	07/26/2023	05/26/2030
Price of subscription or purchase of warrant(1)	0.10	Free	0.22	0.22	0.01
Warrant exercise method	Possibility of exercising a number x of warrants between April 15 and July 15 of each year and for the first time on 06/08/2013, for up to 626 warrants calculated according to the following rule beginning from 06/08/2012: x = (total number of BSA 2011-1 allocated to the beneficiary * nb. of months since 06/08/2012)/48.	Possibility of exercising the warrants after transfer by the beneficiary to CARBIOS of at least one strain of interest from the collection of cultures of the beneficiary whose degradation properties have been validated by the Board of Directors within the context of the research cooperation agreement signed between the beneficiary and CARBIOS.	Possibility of exercising a number x of warrants per complete monthly period beginning on 09/28/2012, and for the first time from 02/28/2013, calculated according to the following rule: x = (total nb of BSA 2012-2 allocated to beneficiary * nb of months since 09/28/2012)/48.	These warrants are exercisable in the event of the occurrence of an IPO prior to June 30, 2014. Possibility of exercising a number x of warrants per complete monthly period beginning on 07/26/2013, and for the first time from 07/26/2014, calculated according to the following rule: x = (total nb of BSA 2013-1 allocated to beneficiary * nb of months since 07/26/2013/48.	The subscription must be recognized by a subscription form which must be given to the Company.
Exercise price	1.00	2.25	2.25	80% of IPO price	€40 for 50% of the BSA EIB €38.8861 for 50% of the BSA EIB
Number of shares subscribed as at June 30, 2022	1,253	0	13,494	0	0
Cumulative number of subscription or purchase warrants canceled or null and void	0	0	0	12,800	0
Share subscription warrants that may be exercised as at June 30, 2022	0	170,000	6,747	1,600	296,928

⁽¹⁾ Subscription price determined on the basis of a report prepared and delivered by an independent expert.

During the first half of 2022, CARBIOS issued 296,928 BSA warrants to the European Investment Bank. During the first half of 2022, 1,253 BSA 2011-1 were exercised.

As of June 30, 2022, 475,275 BSAs giving rights to 475,275 shares are still exercisable.

> Founder share subscription warrants (BSPCEs)

The table below shows the status of the founder share subscription warrants (BSPCEs) issued since the creation of the Company that were still outstanding as of June 30, 2022, as well as additional information regarding their status as of that date.

	BCE 2012-1	BCE 2015-2	BCE 2017-1	BCE 2019-1	BCE 2020-1 to BCE 2020-3	BCE 2020-4 to BCE 2020-6
Date of shareholders' meeting	Collective decision of the partners of 09/28/2012	shareholders' meeting of 06/24/2015	shareholders' meeting of 06/15/2017	shareholders' meeting of 06/14/2018	shareholders' meeting of 06/19/2019	shareholders' meeting of 06/18/2020
Date of Board of Directors' meeting	-	Decision of the Board of Directors of 06/24/2015	Decision of the Board of Directors of 06/27/2017	Decision of the Board of Directors of 12/06/2018	Decision of the Board of Directors of 03/12/2020	Decision of the Board of Directors of 07/09/2020
Total number of shares that may be subscribed or purchased, of which the number that may be subscribed or purchased by:	77,386	31,000	35,000	28,000	185,000	115,000
Alain CHEVALLIER	1,548	-	-	-	-	-
Jean-Claude LUMARET	-	-	-	-	92,500	57,500
Martin STEPHAN	=	=	35,000	=	46,250	28,750
Warrant exercise start date		06/24/2016	06/27/2018	01/01/2020	03/12/2020	07/09/2020
Expiration date	09/28/2022	06/24/2025	06/27/2027	01/01/2029	03/12/2030	07/09/2030
Price of subscription or purchase of warrant	Free	Free	Free	Free	Free	Free
Warrant exercise method	Possibility of exercising a number x of warrants per complete monthly period beginning on 02/01/2013, calculated according to the following rule: x = (total nb of BCE 2012-1 allocated to the beneficiary * nb of months since 02/01/2012)/48.	Possibility of exercising a number x of warrants per complete monthly period beginning on 06/24/2015, and for the first time from 06/24/2016, calculated according to the following rule: x = (total nb of BCE 2015-2 allocated to the beneficiary * nb of months since 06/24/2015)/48.	Possibility of exercising a number x of warrants per full monthly period beginning on 06/27/2017, and for the first time from 06/27/2018, calculated according to the following rule: x = (35,000 * nb. of months since 06/27/2017)/48.	For the first 14,000 warrants: possibility of exercising x warrants per full monthly period beginning on 01/01/2019, and for the first time from 01/01/2020, calculated according to the following rule: x = 14,000 * (nb of months since 01/01/2019)/48. For the other 14,000 warrants: possibility of exercising y warrants where y = (number of warrants not yet exercisable) * % determined by the performance of the CARBIOS share price	all of the Company's shares are acquired	To be exercised, these warrants must satisfy four performance conditions. Each condition met gives the right to exercise one fourth of the BSPCEs allocated. If all of the Company's shares are acquired by an industry player, accelerated vesting is provided depending on the share vesting price.
Exercise price	2.25	12.4581	7.86	5.29999	7.75934	20.6050
Number of shares subscribed as at June 30, 2022	77,386	16,000	10,000	20,083	23,125	14,375
Cumulative number of subscription or purchase warrants canceled or null and void	0	0	0	0	0	43,125
Share subscription warrants that may be exercised as at June 30, 2022	0	15,000	25,000	7,917	161,875	57,500

	BCE 2020-7	BCE 2021-1 to BCE 2021-15	BCE 2021-16	BCE 2021-17	BCE 2022-1 to BCE 2022-2
Date of shareholders' meeting	shareholders' meeting of 06/18/2020	shareholders' meeting of 06/18/2020	shareholders' meeting of 06/18/2020	shareholders' meeting of 06/18/2020	shareholders' meeting of 06/22/2022
Date of Board of Directors' meeting	Decision of the Board of Directors of 09/15/2020	Decision of the Board of Directors of 03/12/2020	Decision of the Board of Directors of 11/05/2021	Decision of the Board of Directors of 11/05/2021	Decision of the Board of Directors of 06/29/2022
Total number of shares that may be subscribed or purchased, of which the number that may be subscribed or purchased by:	100,000	85,000	36,735	6,390	188,265
Emmanuel LADENT	-	-	36,735	-	138,265
Warrant exercise start date	09/15/2020 and 09/15/2021	01/15/2022	12/01/2022	11/05/2022	06/29/2022
Expiration date	09/15/2030	01/15/2032	12/01/2032	11/05/2032	06/29/2032
Price of subscription or purchase of warrant	Free	Free	Free	Free	Free
Warrant exercise method	To be exercised, 65.000 warrants must satisfy four performance conditions. Each condition met gives the right to exercise one fourth of the 65,000 BSPCEs allocated. If all of the Company's shares are acquired by an industry player, accelerated vesting is provided depending on the share vesting price. For 35,000 warrants, possibility of exercising a number x of warrants per full monthly period beginning on 09/15/2020, and for the first time from 09/15/2021, calculated according to the following rule: x = (35,000 * nb of months since 09/15/2020)/48.	Possibility of exercising a number x of warrants per full monthly period, and for the first time from 01/15/2022, calculated according to the following rule: x = total number of BCE 2021 granted to the beneficiaries * (number of months since 01/15/2021)/48.	For the first 18,367 warrants: possibility of exercising x warrants per full monthly period beginning on 12/01/2021, and for the first time from 12/01/2022, calculated according to the following rule: x = 18,367 * (number of months since 12/01/2021)/48. The remaining 18,368 warrants are subject to four performance conditions to be exercised. Each condition met gives the right to exercise 5,510 warrants, 6,429 warrants, 2,755 warrants and 3,677 warrants, respectively. In the event of acquisition of the entire Company by a manufacturer, an accelerated vesting is provided for according to the acquisition price per share.	Possibility of exercising a number x of warrants per complete monthly period, and for the first time from November 5, 2022, calculated according to the following rule: X = total number of BCE 2021 granted to the beneficiary * (number of months since November 5, 2021)/48.	To be exercised, these warrants must satisfy four performance conditions. Each condition met gives the right to exercise one fourth of the 65,000 BSPCEs allocated. If all of the Company's shares are acquired by an industry player, accelerated vesting is provided depending on the share vesting price.
Exercise price	30.2899	44.5047	37.7340	39.7863	30.1316
Number of shares subscribed as at June 30, 2022	4,000	0	0	0	0
Cumulative number of subscription or purchase warrants canceled or null and void	68,437	0	0	0	0
Share subscription warrants that may be exercised as at June 30, 2022	27,563	85,000	36,735	6,390	188,265

During the period ended June 30, 2022, BSPCE issues were carried out:

During the first half of 2022, one BSPCE issue and award was carried out: at its meeting on June 29, 2022, the Board of Directors, acting pursuant to the delegation of authority conferred by the Combined shareholders' meeting of June 18, 2020 (Thirteenth Resolution), decided to issue and award 188,265 BSPCEs ("BCE 2022-1", "BCE 2022-2") that grant the right to subscribe for 188,265 ordinary shares with a par value of €0.70 at a unit price equal to the volume-weighted average of the last twenty trading days preceding the warrant award date, i.e. a price equal to €30.1316. During the first half of 2022, 5,000 BCE 2017-1, 1,548 BCE 2012-1 and 20,083 BCE 2019-1 were exercised. As of June 30, 2022, there remained 611,245 BSPCEs outstanding.



> Breakdown of expense recognized in accordance with IFRS 2

(in thousands of euros)		06/30/	′2022 		06/30/2021			
Туре	Probabi- lized cost of the plan to date	Cumu- lative expense at the beginning of the period	Expense for the period	Cumu- lative expense to date	Probabi- lized cost of the plan to date	Cumu- lative expense at the beginning of the period	Expense for the period	Cumu- lative expense to date
BCE 2017-1	148	148		148	148	147	1	148
BCE 2019-1	52	45	5	50	52	35	4	39
BCE 2020	2,312	1,113	171	1,284	2,312	302	363	666
BCE 2021	2,096	926	373	1,299	1,585	-	424	424
BCE 2022-1	1,650	-	10	10	-	-	-	-
BCE 2022-2	597	-	-	-	-	-	-	-
AGM	148	148		148	148	138	11	148
TOTAL	7,003	2,380	560	2,941	3,094	431	329	759

Note 13 - Loans and financial liabilities

AND NON-CURRENT FINANCIAL LIABILITIES (in thousands of euros)	06/30/2022	12/31/2021
Loans from credit institutions	32,049	5,870
Conditional advances	5,768	6,071
Lease liabilities	4,396	5,358
Current and non-current borrowings and financial liabilities	42,213	17,298
Loans from credit institutions	1,768	1,041
Conditional advances	365	335
Lease liabilities (1)	1,181	1,256
Current borrowings and financial liabilities	3,315	2,632
TOTAL LOANS AND FINANCIAL LIABILITIES	45,528	19,930

⁽¹⁾ Information on lease liabilities is discussed in Note 4.3 "Right of use".

> Loans from credit institutions

Loans in thousands	Fixed/	Nominal	Year of	06/30/2022	12/31/2021
of euros	floating rate	value	maturity		, . ,
Bpifrance Innovation loan	Fixed	1,500	2025	1,200	1,350
Bpifrance Innovation loan	Fixed	1,500	2026	1,500	1,500
State-guaranteed loan (PGE)	Fixed	1,000	2026	963	961
Loan from TZ BPI DOS0068879/00	Fixed	500	2025	331	376
Loan from TZ BPI DOS0096740/00	Fixed	250	2027	221	230
Loan from TZ BPI (Region) DOS0096739/00	Fixed	250	2027	221	230
CEPAL Ioan €177 thousand 031231E	Fixed	177	2024	105	123
CEPAL loan €334 thousand 278044E	Fixed	334	2026	263	295
CEPAL Ioan PGE €950 thousand 189838E	Fixed	950	2026	916	908
BPI Ioan PGE €950 thousand	Fixed	950	2026	931	927
Lease back financing €1,534 thousand	Fixed	1,534	2027	1,488	-
EIB loan €30,000 thousand - Debt component	Fixed	30,000	2030	25,371	-
TOTAL		38,945		33,510	6,900

Bpifrance Innovation loans:

Two innovation loans were granted by Bpifrance in 2018 and 2019. The two loans provide for a payment deferral of two years, and annual straight-line repayment over the following five years.

They bear interest at 3.21% and 4.45% respectively and were subject to a guarantee deposit of €75 thousand each recognized in financial assets.

State-guaranteed loan (PGE):

On August 31, 2020, receipt of a loan guaranteed by the French State in the amount of €1,000 thousand for a period of 12 months. On June 26, 2021, the Company decided to extend the PGE for an additional five years.

The PGE bears interest at the rate of 0.25% and will be repaid in eight equal and consecutive half-yearly installments of principal of €125 thousand from 2023.

EIB loan:

In June 2022, CARBIOS received the loan of €30 million granted by the European Investment Bank (EIB) to the Company as announced on December 20, 2021²². Supported by the European Commission's InnovFin energy demonstration program, the contract provides for annual repayments at constant capital, from June 29, 2025 to June 29, 2030.

As a reminder, the objective of this type of financing is to support innovative projects with high potential, developed by companies aiming to achieve major changes in line with the EU's climate objectives and contributing to the leadership of European industry in the development of sustainable technologies. This loan of €30 million, disbursed in a single tranche by the EIB, carries a fixed annual interest of 5%, with a maturity of eight years and an annual repayment at constant capital to begin in 2025. This agreement is supplemented by a warrant issuance agreement where Carbios will issue 2.5% of the fully

 $^{^{\}rm 22}\,{\rm Cf.}$ press release dated December 20, 2021



diluted share capital in warrants to the benefit of the EIB, of which 1.25% with an exercise price of €40 per share, and 1.25% with an exercise price of €38.8861 per share, corresponding to the volume-weighted average of the trading price of an ordinary Share of the Company over the last three (3) Trading Days preceding the fifth (5) day prior to the Signing Date. The creation and issue of these EIB share subscription warrants, and therefore the disbursement of the loan of €30 million, were subject to a vote by Carbios' extraordinary shareholders' meeting of February 2, 2022 of a delegation of authority to the Board of Directors, and a decision of the Company's Board of Directors using this delegation of authority.

Moreover, after analysis of the plan and its characteristics, given that these are instruments with a fixed parity, (1 BSA for 1 Ordinary Share with a fixed exercise price) where the issuer has the unconditional right not to never pay cash such as a special dividend or a repurchase obligation (in the context of a put/call), the share subscription warrants issued are qualified as equity instruments.

Instruments should, therefore, be valued on the issue date and not subsequently revalued at each reporting date.

The calculation of the fair value is as follows:

PLAN FEATURES	BSA EIB-1	BSA EIB-2
Grant date	05/27/2022	05/27/2022
Plan end-of-life date	06/29/2030	06/29/2030
Vesting date	Immediately, at the grant date	Immediately, at the grant date
Start date of exercise period	From the disbursement date, i.e. 06/29/2022	From the disbursement date, i.e. 06/29/2022
Number of options granted	148,464	148,464
Exercise price	€40.00	€38.8861
Price of the underlying	34.12	34.12
Estimated maturity	8.09 years	8.09 years
Volatility	39.35%	39.35%
Dividend rate	0.00%	0.00%
Risk-free rate	1.258%	1.258%
Subscription price	€0.01	€0.01
Fair value (€)	13.9	14.18
Total expense (€ thousand)	€2,064 thousand	€2,105 thousand

As the instruments are classified as equity, the fair value is not intended to be updated at the next closing dates.

The total fair value of the following instruments is to be taken as a deduction from the total debt which will be recognized at amortized cost:

(in thousands of euros)	12/31/2022	TOTAL
BSA EIB 1	2,064	2,064
BSA EIB 2	2,105	2,105
TOTAL	4,169	4,169



Interest-free loans:

Subscription of three interest-free loans for a total amount of €1,000 thousand with BPI France. These loans were received in 2018 for €500 thousand and then in 2019 for €500 thousand.

Investment loans:

State-guaranteed loans (PGE) CEPAL and BPI (\leqslant 950 thousand each):

Subscription of two State-guaranteed loans (PGE) in 2020 in the amount of €950 thousand each. The first one bears interest at the rate of 1.09% with a two-year grace period. The second bears interest at a rate of 2.09% with a two-year grace period. They entered into the scope of consolidation with the takeover of Carbiolice in June 2021.

Change in cash flows on loans:

	LOANS FROM CREDIT INSTITUTIONS (in thousands of euros)	As at December 31, 2021	Cash flows - receipt of new debts	Cash flows - repayment of debts	Non- monetary changes	As at June 30, 2022
	Bpifrance Innovation Ioan	300		(150)	150	300
	Bpifrance Innovation Ioan	225				225
	State-guaranteed Ioan (PGE)	33		-	109	143
	Loan from TZ BPI DOS0068879/00	99		(50)	47	96
l i	Loan from TZ BPI (Region) DOS0096739/00	41		(13)	23	52
	Bpifrance Innovation Ioan	41		(13)	23	52
Current portion	CEPAL Ioan €177 thousand 031231E	35		(18)	19	36
	CEPAL Ioan €334 thousand 278044E	68		(35)	33	65
	CEPAL PGE Ioan	132			109	240
	CEPAL Ioan PGE €950 thousand 189838E	67			116	182
	Lease back financing €1,534 thousand	-	187	(46)	143	284
	EIB loan €30,000 thousand - Debt component	-			6	6
	TOTAL	1,041	187	(324)	778	1,682



	LOANS FROM CREDIT INSTITUTIONS (in thousands of euros)	As at December 31, 2021	Cash flows Cash flows - - receipt of repayment of new debts debts	Non- monetary changes	As at June 30, 2022
	Bpifrance Innovation Ioan	1,050		(150)	900
	Bpifrance Innovation Ioan	1,275			1,275
	State-guaranteed loan (PGE)	936		(107)	830
	Loan from TZ BPI DOS0068879/00	277		(42)	235
	Loan from TZ BPI (Region) DOS0096739/00	189		(20)	169
	Bpifrance Innovation Ioan	189		(20)	169
Current portion	CEPAL loan €177 thousand O31231E	87		(18)	69
	CEPAL loan €334 thousand 278044E	230		(33)	197
	CEPAL PGE loan	778		(102)	676
	CEPAL Ioan PGE €950 thousand 189838E	860		(111)	749
	Lease back financing €1,534 thousand	-	1,347	(143)	1,204
	EIB loan €30,000 thousand - Debt component	-	30,000	(4,629)	25,371
	TOTAL	5,872	31,347 -	(5,375)	31,843

> Repayable advance

Summarized accounting principles

The Group benefits from public subsidies granted in the form of subsidies or conditional advances.

They were recognized in accordance with IAS 20 Accounting for Government subsidies. As these financial advances are granted at interest rates below the market rate, they are remeasured in accordance with IFRS 9 at amortized cost. The treatment is as follows:

- the initial difference between the advance received and its amortized cost is a subsidy recognized in the income statement in accordance with IAS 20;
- the financial cost of repayable advances calculated at the effective interest rate is then recorded in financial expenses.

If the project benefiting from the repayable advance fails, the repayable advance is generally canceled.

LOANS IN THOUSANDS OF EUROS	Fixed/ floating rate	Nominal value	Year of maturity	06/30/2022	12/31/2021
Repayable advance BPI Innovation Development Aid	/	265	2023	113	151
Repayable advance + Conditional advance ADEME	Fixed	1,861	2026	2,395	2,360
Conditional advance OSEO THANAPLAST™	Fixed	3,707	2031	3,614	3,558
Repayable advance BPI €500 thousand (DOS0060297)	/	400	2024	291	337
TOTAL		6,233		6,413	6,406

Detail of repayable advances and subsidies by project:

> Bpifrance grant (formerly known as OSEO-ISI): THANAPLAST™

Subsidy

The THANAPLAST™ project has been closed since June 30, 2017.

Repayable advance

In the event of a successful research program, the Company is committed to reimbursing the repayable advance to Bpifrance for an amount of \leq 4,525 thousand, according to the payment schedule below, upon achieving a cumulative income amount generated by the utilization of the products resulting from the THANAPLASTTM project of \leq 10 million.

Year 1* on June 30 at the latest	€300,000
Year 2 on June 30 at the latest	€500,000
Year 3 on June 30 at the latest	€800,000
Year 4 on June 30 at the latest	€975,000
Year 5 on June 30 at the latest	€1,950,000

^{*} Following the crossing of the €10,000 thousand income threshold.

As the Company's forecast is not expected to reach this threshold before 2026, no provision has been recorded to recognize the difference between the discounted debt, as provided for in the contract, and the debt actually recognized.

In addition, as soon as the reimbursement of the repayable advance has been completed in accordance with the above payment schedule, the agreement stipulates that the Company shall pay a bonus equal to 4% of income generated by the utilization of the products, if this exceeds a cumulative amount of \le 100,000 thousand. This additional payment is however subject to a time limit (applicable only for a period of five consecutive years from the date of the end of the reimbursement of the advance), and an amount cap (ceiling of \le 7,100 thousand).

> ADEME grant: CE-PET project

On April 8, 2019, the Company obtained a grant from ADEME for the CE-PET project, composed of repayable advances totaling €3,102 thousand and subsidies of €1,034 thousand spread over a 48-month period from 2018 to 2022. The grants were released according to the project's progress and the submission of reports regarding the completion of each key stage stipulated in the framework agreement signed with ADEME. The agreement provides for a total grant rate of 60% that is applied to total eligible expenditures and used for each key stage, 25% of which is a subsidy and 75% a repayable advance (with conditions).

The contract agreement stipulates that the completion of each key stage (KS) and the associated conditions provide entitlement to the following payments capped based on a maximum % of cumulative grants:

(in euros)	KS1 (35%)	KS2 (60%)	KS3 (80%)	KS4 (100%)	TOTAL
Payment year	2019	2020	2021	2022	
Subsidy	361,900	258,500	206,800	206,800	1,034,000
Repayable advance	1,085,700	775,500	620,400	620,400	3,102,000
TOTAL	1,447,600	1,034,000	827,200	827,200	4,136,000



At December 31, 2021, the Company had completed the work for the second key stage. Since its creation, the Company has received:

(in euros)	1st payment	2 nd payment	3 rd payment	4 th payment	TOTAL
Date of payment	06/07/2019	10/21/2019	06/30/2020	12/06/2021	
Subsidy	€155,100	€206,800	€258,500	€206,800	€827,200
Repayable advance	€465,300	€620,400	€775,500	€620,400	€2,481,600
TOTAL	€620,400	€827,200	€1,034,000	€827,200	€3,308,800

Subsidy

The subsidy rate therefore amounts to 15% of the Industrial Research and Experimental Development expenses incurred by the Company in the context of the CE-PET project.

Eligible expenses incurred between January 31, 2018, when eligibility began, and December 31, 2021 amounted to €6,893 thousand. This is in fact all the expenses provided for in the agreement signed with ADEME.

Since the beginning of the program, the Company has received €827 thousand in ADEME subsidies (see table above). However, in the absence of certainty as to the validation of key stage 4 by end 2022, the difference, i.e. €207 thousand (€1,034 thousand - €827 thousand), was not recognized as a current receivable (subsidy receivable).

Repayable advance

The amount that CARBIOS owes ADEME for repayment of the amount of the Repayable Advance Paid (hereinafter the "Total Amount Payable") shall be equal to the following amount:

• an "Amount Ma" that depends on the progress of the Operation

This amount is subject to specific terms and conditions of repayment as described below.

a) Determination of the Amount Ma

Rate R1 is set at 0.84%.

The Beneficiary shall repay ADEME an amount whose Discounted Value using Rate R1 is equal to 100% of the Discounted Value using Rate R1 of the amount of the Repayable Advance Paid (hereinafter "Amount Ma") under the terms and conditions described below.

Amount Ma may, however, be reduced under the following conditions and by the following proportions:

- Ma is reduced by 75% if Key Stage 1 has not been verified;
- Ma is reduced by 50% if Key Stage 1 has been verified, but Key Stage 2 has not been verified;
- Ma is reduced by 25% if Key Stage 2 has been verified, but Key Stage 3 has not been verified.

b) Terms of repayment of Amount Ma

The operative event for the repayment of Amount Ma (hereinafter the "Ma Operative Event") shall be the End of the Investment Phase.

Repayment of Amount Ma shall be made in four (4) annual installments of the same amount.

The first installment shall be paid six (6) months after the end of the Beneficiary's Fiscal Year in which the Ma Operative Event is recorded.

Since the beginning of the program, the Company has received €2,482 thousand in ADEME conditional advances (see table above).

> BPI repayable advance

A repayable advance obtained from Bpifrance to finance an innovation project for a total amount of €500 thousand, of which €400 thousand paid in November 2017 and the balance of €100 thousand in October 2018. The acknowledgment of program success will make it eligible for the repayment of the full amount. With an initial repayment period of 5 years with deferral and a deferral of maturities of 6 months following the Covid-19 government provisions, the quarterly repayments began on March 31, 2019 and will end on June 30, 2024. As of June 30, 2022, the remaining amount to be repaid was €300 thousand.



> LIFE aid: Life cycle of PET

On October 25, 2021, the Company obtained aid consisting exclusively of subsidies for a total amount of €3,300 thousand for the LIFE CYCLE OF PET project. The program includes the participation of DELOITTE and TECHNIP ZIMMER, whose total share represents €296 thousand. CARBIOS is the project coordinator.

The amount of eligible expenses amounts to \leqslant 8,489 thousand and the subsidy rate is therefore 38.88%. The program starts on October 1, 2021 and ends on June 30, 2025.

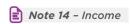
The payments are planned as follows:

- 1st pre-financing of 40% within 30 days following the signature of the contract, i.e. €1,320 thousand received on December 5, 2021, of which €119 thousand goes to the partners and €1,201 thousand to CARBIOS;
- 2nd pre-financing of 40% provided that 100% of the pre-financing deposit previously paid has been used to cover project costs; and
- The balance of 20% at the end of the project.

Expenses incurred at June 30, 2022 were estimated at approximately €1,406 thousand. The corresponding theoretical grant amounts to €546 thousand (€1,406 thousand x 38.88%). Deferred income, equivalent to a current liability, was therefore recognized for an amount of: €1,201 thousand - €546 thousand = €655 thousand.

Change in cash flows on repayable advances:

	REPAYABLE ADVANCES (in thousands of euros)	As at December 31, 2021	Cash flows - receipt of new debts	Cash flows - repayment of debts	Non- monetary changes	As at June 30, 2022
	REPAYABLE ADVANCE BPI Innovation Development Aid	96	-	40	(23)	113
	ADEME (REPAYABLE + CONDITIONAL ADVANCE)	74	-	-	1	75
Current portion	CONDITIONAL ADVANCE OSEO THANAPLAST	58	-	-	2	60
	BPI repayable advance	108		(50)	60	118
	TOTAL	336	-	(10)	40	365
Non- current portion	REPAYABLE ADVANCE BPI Innovation Development Aid	55	-	-	(55)	
	ADEME (REPAYABLE + CONDITIONAL ADVANCE)	2 286	-	-	34	2 320
	CONDITIONAL ADVANCE OSEO THANAPLAST	3 500	-	-	54	3 554
	BPI repayable advance	229	-	-	(56)	173
	TOTAL	6 070	-	-	(23)	6 047



> Summarized accounting principles

The principle of IFRS 15 "Revenue from Contracts with Customers" is based on the transfer of control of goods and services to the customer.

The standard defines a general approach for revenue recognition in five stages:

- Step 1: Contract identification;

- Step 2: Identification of "performance obligations" within the contract. "Performance obligations" serve as a unit of account for revenue recognition;
- Step 3: Evaluation of the contract price;
- Step 4: Allocation of the contract price to each "performance obligation";
- Step 5: Recognition of revenue when the "performance obligation" is satisfied, either on a given date or on a percentage-of-completion basis.



For the period ended June 30, 2022, the income recognized concerns:

- on the one hand, feasibility studies, tests and research services with a performance obligation: income is recognized when the study report is submitted;
- on the other hand, deliveries of raw materials and Masterbatch samples to various customers: income is recognized upon delivery.

Note 15 - Breakdown of income and expenses by function

> Summarized accounting principles

The Group presents its income statement by function in the following categories:

- Research and development expenses
- Sales and marketing expenses
- General and administrative expenses
- Other operating income and expenses

The research tax credit and other operating subsidies are presented as a deduction from the expenses to which they are related.

In addition, the Company entered into contracts with its subsidiary Carbiolice (before the takeover and the transition to full consolidation) and industrial partners for various re-invoicing and research services. These products are analyzed as contributions to the Company's expenses. They do not fall within the definition of income (see Note 14) insofar as they do not involve any performance obligation. Carbios recognizes as expenses the costs that these rebillings are intended to offset. All these income items are identified in the details below under "Other rebillings".

> Research and development expenses

Subsidies and other income from activities	2,825	1,989
		1.000
Other rebillings	78	464
Subsidies	636	274
Research tax credit	2,110	1,25
Research and development expenses	(8,970)	(4,324)
Others (1)	(1,904)	(467)
Depreciation, amortization and impairment	(2,072)	(596)
Maintenance and repairs	(182)	(38)
Employee expenses	(2,355)	(2,364)
Subcontracting	(6)	(3)
Studies and research	(1,872)	(533)
Stored production	(253)	(132)
Raw materials and consumables	(325)	(191)
	· · ·	`

⁽¹⁾ As of June 30, 2022, this item includes engineering costs incurred for the construction of the Company's reference plant, which amounted to €1,419 thousand. Pending the actual creation of Carbios 54, these costs were initially borne by Carbios and then re-invoiced

For the period to June 30, 2021, net research and development expenses include the costs of the Carbiolice entity from June 4, 2021.



> Sales and marketing expenses

SALES AND MARKETING EXPENSES (in thousands of euros)	06/30/2022	06/30/2021
Purchases and supplies not held in inventories	(3)	(0)
Employee expenses	(721)	(655)
Rental expenses	(5)	(1)
Maintenance and repairs	(2)	(1)
Consulting fees	(719)	(359)
Advertising	(15)	(19)
Transport, travel	(42)	(6)
Depreciation, amortization and impairment	(9)	(21)
Other rebillings	160	217
Sales and marketing expenses	(1,354)	(845)

For the period to June 30, 2021, sales and marketing expenses include the costs of the Carbiolice entity from June 4, 2021.

> General and administrative expenses

GENERAL AND ADMINISTRATIVE EXPENSES (in thousands of euros)	06/30/2022	06/30/2021
Travel expenses and missions	(146)	(26)
Fees	(1,417)	(544)
Insurance	(43)	(28)
Taxes and duties	(79)	(70)
Employee expenses	(2,245)	(1,601)
Depreciation, amortization and impairment	(335)	(75)
Others	(371)	(146)
General and administrative expenses	(4,637)	(2,491)

For the period to June 30, 2021, general and administrative expenses include the costs of the Carbiolice entity from June 4, 2021.



> Other operating income and expenses

These income and expenses relate to transactions involving changes in the scope of consolidation for the period ended June 30, 2021. The terms of this change in scope are described in Notes 3.4 and 3.5 to the annual financial statements of December 31, 2021.

Note 16 - Related parties

> Executive compensation:

The compensation recognized as expenses for the main executives, corresponding to the members of the Board of Directors and the Executive Management, is as follows:

EXECUTIVE COMPENSATION (in thousands of euros)	06/30/2022	06/30/2021
Short-term employee benefits	431	828
Post-employment benefits	4	7
Share-based payments	145	148
Total Executive compensation	581	983

Compensation recognized as expenses for the Company's main executives includes their salaries and bonuses, benefits in kind and directors' fees. In addition, compensation includes post-employment benefits (Note 20) as well as sharebased compensation (Note 12).

Note 17 - Net financial income

NET FINANCIAL INCOME/(EXPENSES) (in thousands of euros)	06/30/2022	06/30/2021
Foreign exchange gains	0	0
Other financial income	26	20
Financial income	26	20
Cost of borrowing	(249)	(206)
Interest expense on loans	(98)	(60)
Interest expense on repayable advances	(137)	(104)
Interest expense on lease liabilities IFRS 16	(12)	(41)
Interest expense on employee benefit obligations IAS 19	(1)	(0)
Other financial expenses	(93)	(1)
Financial expenses	(342)	(207)
Net financial income/(expenses)	(316)	(187)



Note 18 - Income tax

> Summarized accounting principles

Tax assets and liabilities due in respect of the fiscal year and prior years are measured at the amount expected to be recovered or paid to the tax authorities. The tax rates and tax rules applied to determine these amounts are those adopted or substantially adopted at the closing date.

The income tax expense for the fiscal year includes current tax payable and deferred tax. Tax is recognized in the income statement, unless it is related to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Deferred tax liabilities recognized as part of the Carbiolice purchase price allocation exercise:

For Carbiolice, deferred tax liabilities were recognized as follows in connection with the purchase price allocation exercise:

RECOGNITION OF DEFERRED TAX LIABILITIES (in thousands of euros)	12/31/2021
Tax losses	2,677
Right-of-use assets	9
Provision - employee benefits	25
Deferred tax assets	2,710
Intangible assets	(4,404)
Deferred tax liabilities	(4,404)
Deferred tax liabilities recognized	(1,693)

No change took place during the first half year 2022.

Tax rate and tax loss carryforwards

The income tax rate applicable to the Group is the rate currently in force in France, i.e. 25%.

The Group has tax losses that can be carried forward indefinitely in France. As at December 31, 2021, they amounted to:

- €54.418 thousand for Carbios
- €23,057 thousand for Carbiolice

No tax payable was recognized in the first half of 2022 or in the 2021 fiscal year.

As the recoverability of these tax losses is not considered probable over the coming periods due to the uncertainties inherent to the Group's business, no deferred tax assets were recognized in this respect at December 31, 2021 and June 30, 2022.

For the fiscal year ended December 31, 2021, Carbiolice recognized deferred tax assets up to the cap on the use of tax losses carried forward as part of the purchase price allocation exercise. No change took place during the first half year 2022.



Note 19 - Earnings per share

EARNINGS PER SHARE	06/30/2022	06/30/2021
Weighted average number of shares outstanding	11,186,702	11,164,472
Number of diluted shares	12,207,938	11,892,120
Net income for the period - attributable to shareholders of the parent company (in thousands of euros)	(11,811)	14,245
Basic earnings per share (€/share)	(1.06)	1.28
Diluted earnings per share (€/share) (*)	(1.06)	1.20

^{*} For the first half of 2022, diluted earnings per share are identical to basic earnings per share. Potentially dilutive shares for the 2022 fiscal year (1,086,520 shares - 475,275 share subscription warrants (BSAs) and 611,245 founder share subscription warrants (BSPCEs)) were excluded from the calculation of diluted earnings per share, as these shares had an anti-dilutive effect due to the reported losses. On the contrary, for the 2021 fiscal year, the 697,648 potentially dilutive securities (179,600 share subscription warrants (BSAs) and 518,048 founder share subscription warrants (BSPCEs)) were included in the calculation of dilutive income.



Note 20 - Employee benefit obligations

> Summarized accounting principles

The main actuarial assumptions used to measure retirement benefits are as follows:

ACTUARIAL ASSUMPTIONS	06/30/2022 12/31/202
Retirement age	63 years 63 years
Collective bargaining agreement	Chemicals: Industry
Discount rate	2.60% 1.00%
Mortality table	INSEE 2016-2018 INSEE 2016-2018
Rate of salary increases	3.00% 3.00%
Turnover rate	18 to 29 years old from 6.22% to 2.77% 30 to 39 years old from 2.77% to 2.18% 40 to 49 years old from 2.04% to 0.15% 50 to 54 years old 0.1% 55 to 64 years old 0.05% Over 65 years old 0%
Social security contribution rate	
Carbios	45% 45%
Carbiolice	40% 40%

The provision for retirement commitments changed as follows:

(in thousands of euros)	Pension commitment
As at December 31, 2021	278
Cost of services rendered	34
Benefits paid	(77)
Interest expense	2
Actuarial gains or losses	(61)
As at June 30, 2022	175



Note 21 - Off-balance sheet commitments

> Risk hedging set up for the benefit of funders

The two Bpifrance loans are covered by life insurance policies - PTIA underwritten for Alain MARTY (50%) and Martin STEPHAN (50%). The term of loans provides for a 2.5 year deferred repayment and annual straight-line repayment over the following 5 years.

> Other commitments

Due to the impact of IFRS 16, the off-balance sheet commitments existing at June 30, 2022 are not considered to be significant.



4. ADDITIONAL INFORMATION





LIQUIDITY CONTRACT

Under the liquidity contract signed by CARBIOS with Natixis ODDO BHF on June 12, 2020, with effect from July 1, 2020, the following assets appeared in the liquidity account on June 30, 2022:

- Number of shares: 2,800 CARBIOS securities
- Cash balance of the liquidity account: €125,330.54

It is noted that as of December 31, 2021, the following resources comprised the liquidity account:

- Number of shares: 3,648 CARBIOS securities
- Cash balance of the liquidity account: €86,894.04
- On June 30, 2022, the Company held 2,800 CARBIOS shares, or a carrying amount of €86 thousand. The closing net asset value was €84 thousand. As the net asset value was lower than the carrying amount, a provision for impairment in the amount of €2.3 thousand was recognized.
- The cash paid to the intermediary and not yet used is recognized under "Liquidity contract" and represents €125 thousand.

PERSON RESPONSIBLE FOR THE INTERIM FINANCIAL REPORT

PERSONS RESPONSIBLE FOR THE INTERIM REPORT

Emmanuel Ladent, Chief Executive Officer

DECLARATION OF THE PERSON RESPONSIBLE FOR THE INTERIM REPORT

I certify that, to the best of my knowledge, the complete financial statements presented for the six months ended June 30, 2022 in the interim financial report have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of the Company, and that the interim management report (pages 7 to 25) gives a true and fair view of the significant events that occurred during the first six months of the fiscal year, their impact on the financial statements, the main transactions with related parties and a description of the main risks and uncertainties for the remaining six months of the fiscal year.

Emmanuel LADENT
Chief Executive Officer

FINANCIAL DISCLOSURESE

SHAREHOLDER INFORMATION

CARBIOS shares are listed on the Euronext Growth Paris market

ISIN code: FR0011648716 Mnemonic code: ALCRB

LEI: 969500M2RCIWO4NO5F08

CARBIOS is listed on the Euronext Growth All share, Euronext Growth Bpifrance innovation, Euronext Tech Croissance, CAC PME, Enternext PEA-PME 150 and Euronext Tech Leaders.

CARBIOS shares are eligible for the PEA-PME tax scheme.

RELATIONS WITH THE FINANCIAL COMMUNITY

CARBIOS is regularly in contact with the financial community. In 2022, the Company organized an analyst/investor videoconference to present its annual results for 2021 (in collaboration with the SFAF, Société Française des Analystes Financiers) and a Capital Markets Day whose carbon footprint was voluntarily offset. In addition, meetings are regularly organized with financial analysts and investors in the form of roadshows and private meetings. These various events facilitate communication between the financial community and the Company regarding its strategy, results and outlook. All information disseminated by CARBIOS is available on its website www.carbios.com

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GLOSSARY

Biodegradation

The decomposition of materials into simple molecules $(H_2O,\,CO_2,\,humus)$ through the enzymatic action initiated by micro-organisms.

Bioprocess

Production process using micro-organisms or enzymes.

Biorecycling

Process for the degradation of a polymer into its constituent monomers followed by a conversion process, by chain formation, of a monomer, or a mixture of monomers, into a polymer.

Depolymerization

Degradation of a polymer into its constitutive monomers.

Enzyme

A protein that catalyzes, meaning that it increases the speed of the chemical reaction.

Micro-organism

Microscopic living organism (bacteria, fungus or yeast), meaning that it is invisible to the naked eye and can only be seen using a microscope.

Monomer

Molecule, a basic unit, which contributes to the formation of a polymer.

Polymer

Large molecule composed of the repetition, a large number of times, of one or several monomers.

Polymerization

Conversion process, through the formation of chains, of a monomer, or of a combination of monomers, into a polymer.

• PLA - Polylactic Acid

Biosourced and biodegradable plastic polymer according to standard EN13432 (industrial compost environment). Moreover, it is biocompatible.

• PET - Poly (ethylene) terephthalate

Plastic polymer that is the predominant constituent of water bottles and some textile materials such as polyester fibers



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