



# Investor Presentation

**January 26, 2024**



# Leveraging Algae's Natural Properties:

Lipids, Pigments, Antioxidants, CO<sub>2</sub> Biological Capture

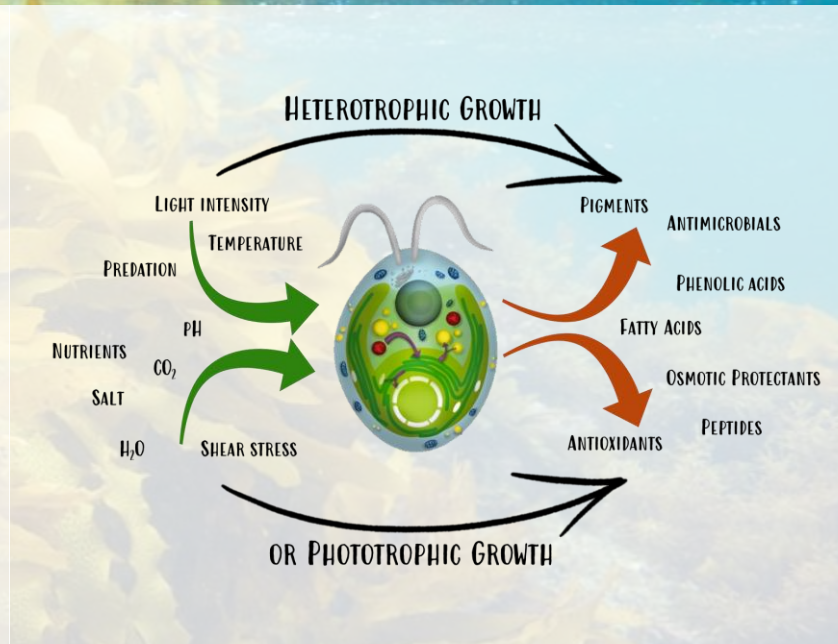
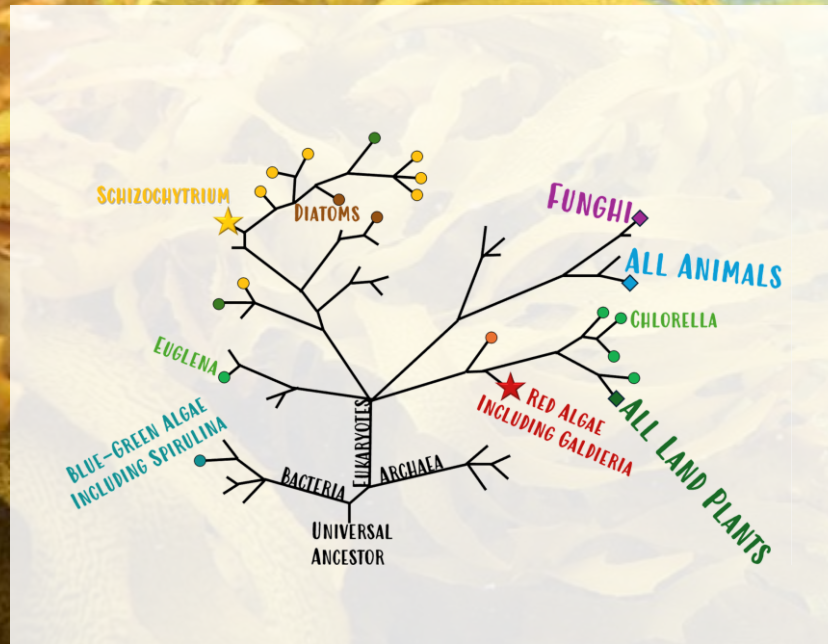
**Biodiversity & Evolution**



**Unique Metabolic Pathways**



**Commercial applications**



## Cosmetics

Skin care, hair care

## Nutraceuticals

PUFA's, DHA, EPA

## Human Nutrition

Spirulina, Diatoms, Chlorella

## Animal nutrition

Fish, crustaceans, pets, equine, layers, sows

## Pharma & Health

Antioxidants, proteins, antivirals & production platform

## Industry

Pigments, enzymes, adhesives, filtration

## Environment

Carbon capture, pollution remediation

## Energy

Hydrogen, biodiesel, Biogas

# Fermentalg's Focus & Mission:

Closely Aligned with UN SDG's

## Focused on addressing global challenges: Food, Health & Environment:

- Increasing demand for healthy, natural & environmentally friendly food
- Unmet challenge of feeding 9.7 bn people by 2050, while reducing impact on the environment & biodiversity
- Global warming and urbanization of the population, including associated pollution & climate change
- Growing need to ensure local, responsible & independent production capacity

SUSTAINABLE  
DEVELOPMENT  
GOALS



## Fermentalg Mission Statement:

By harnessing the huge potential of microalgae, Fermentalg develops innovative & responsible solutions to improve the wellbeing and health of consumers, contribute to climate protection, conserve natural capital, and enhance biodiversity

# Fermentalg's Journey:

Building on fifteen years of commitment & achievement

## 2009-2014: Research Foundations

- 2,000+ strains
- 200+ patents
- IPO



## 2015-2018: Research & Development

- 1<sup>st</sup> production at scale (DHA 550 mg/g - best in class)
- Focus on Lipids / proteins & colors / Carbon capture



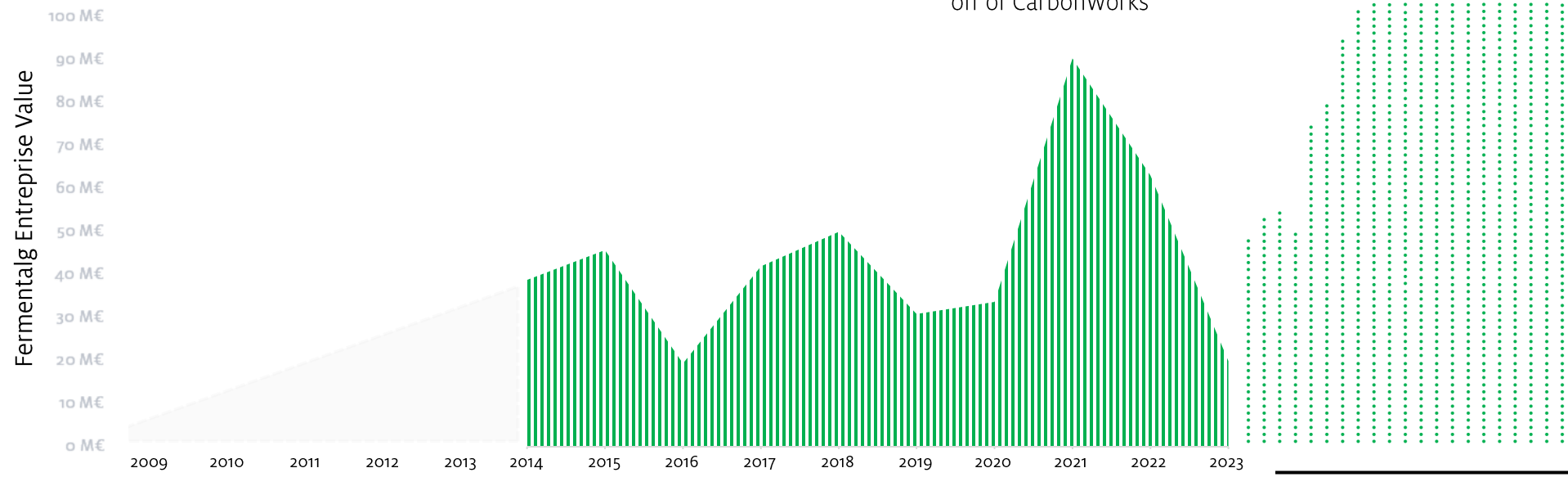
## 2019-2023: Strategy Development

- Lipids : 1<sup>st</sup> commercial launch: >€20 M revenues from DHA
- Colors : partnership with Givaudan
- Carbon Capture : spin-off of CarbonWorks



## 2024-2026: Commercial Returns

- Sales acceleration
- COGS optimization
- Portfolio expansion



# Fermentalg's Portfolio:

Our sustainable solutions for health, nutrition & the environment



**DHA Origins®**  
Growing Sales

Vegan, natural, highest  
concentration triglyceride DHA in  
the world



&



**EVERZURE™ Galderia**  
In the starting blocks

A breakthrough natural blue color  
Stable in all food & beverage  
applications



&



**Blue Origins® & others**  
In development

Skin care solutions  
from a new generation antioxidant



&



**CarbonWorks**  
Pilot technology tested

Biosourced products,  
capturing & reusing CO<sub>2</sub>

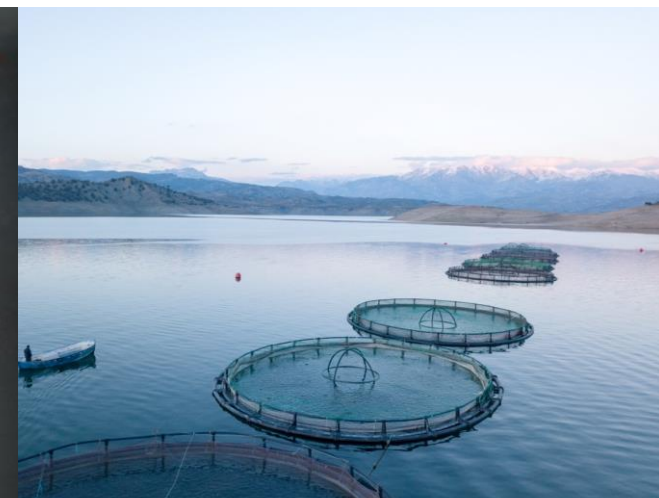


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# Our Strategic market priorities:

Where our assets & competencies meet market needs



## Dietary Supplements

## Infant

## Petfood

## Aquafeed

New industrial partnerships enable us to produce a range of supplement products which address broad market needs

Our naturally rich DHA algal oils maintain a competitive advantage

DHA is a must have in infant formula, prenatal & breastfeeding applications

EU origin algal DHA with positive sustainability credentials is attractive to key players in the EU and globally

Premiumization through humanization is a trend which algal omega-3 DHA complements

Leveraging market insights, agility and partnership approach as key advantages

Growing market facing omega-3 supply uncertainty and price volatility

Optimized team & new production model allow us to penetrate market & optimize COGS

# The Blue Platform:

Color ready to go on the food market  
Capitalizing on unique properties in  
Dietary supplements & Cosmetics



## Food

Breakthrough Colorwith Everzure™ Galderia

- Broad market transition to natural colors continuing, with increased awareness after Californian ban on Red Dye No. 3
- Fermentalg & Givaudan ready to launch in 2024



## Dietary Supplements

New generation antioxidant with Blue Origins

- Launch in 2023 at Supply Side West of Blue Origin antioxidant, a new generation of antioxidant currently for US market only
- Next step: Activate partnerships for health benefits and clinical studies



## Cosmetics / Skin care

with new actives from Galderia

- Cosmetic industry aiming to convert to all natural
- Demonstrated & patented new actives from Galderia in development
- Powerful messaging enabled by micro algae platform, specifically through leveraging Galderia, a unique extremophilic algae
- Ongoing collaboration opportunity evaluation with market leaders

# Addressing microalgal segments

with near term potential

Segments	Cosmetic Ingredients	Dietary Supplements	Infant Formula	Functional Food	Pet Food	Aquafeed
Consumer Market Size (€ Billions)	242.3 4.2%	174.1 8.1%	59.8 10.2%	172.2 2.7%	93.9 6.1%	-
B to B Market Size (€ Billions)	30.1 5.0%	49.5 8.3%	24.9 8.5%	91.0 7.2%	31.6 6.8%	51.8 2.8%
Fermentalg Potential Omega-3 (€ Millions)*	-	25	15	5	15	20
Fermentalg Potential Blu (€ Millions)*	15	5	-	40	-	-

## Common Segment Characteristics

- Growth due to natural, sustainability, security of supply, attractive algae marketing messages, clinical benefits, regulatory oversight and recommended application levels/dosages.
- High barriers of entry relating to customer access, CAPEX intensive assets, IP and regulatory.

# CarbonWorks

Using algae to enable the world to recover carbon dioxide

## CarbonWorks' mission

Unlock the production of large volumes of biomass & develop an intensive microalgae cultivation technology whose surface yields reach from 70 t (state-of-the-art tech.) to 5,000 t biomass/ha/year & 10,000 t CO<sub>2</sub> captured/ha/year

## CarbonWorks' assets:

- **€11 Million Series A**  
funded by BNP Paribas Principal Investments, Bpifrance, Demeter Investment Managers, Aqualia Gestion, Suez & Fermentalg
- **11 Patents filed**
- **3 Commercial Partnerships**



# Fermentalg's High Level Business Objectives

## Broad Strategic Aims

1

### **Become European Algae Leader:**

Be the most innovative, agile & lean European provider for micro algae product & technology solutions.

2

### **Create Value for Customers/Consumers:**

Focus on consumers/customers, by understanding their needs, and sharing value creation opportunities with them.

3

### **Leverage Alliances Across Segments & the Value Chain:**

Deploy applications and resources which combine our technology, production & market insights with strategic partners.



# Ambition by 2026:

## Clear Steps toward algal leadership in European market

### Grow existing & adjacent segments

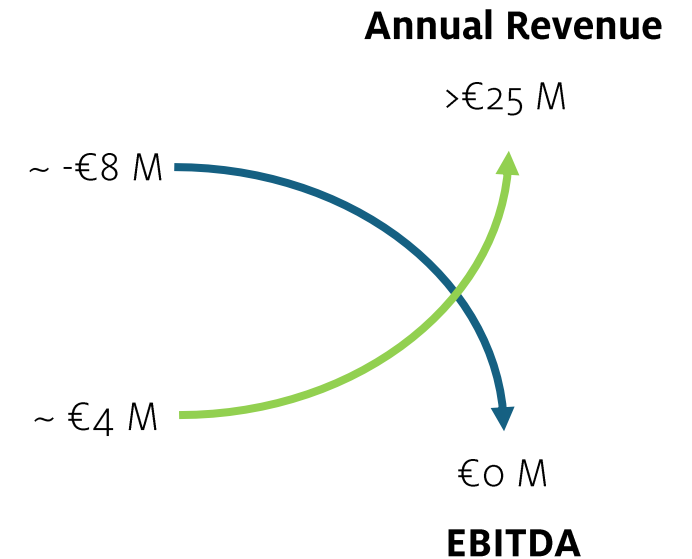
- Secure market position by growing existing technology/products through existing (nutrition) & new adjacent market segments (feed, health, cosmetics, etc.)

### New products & segments

- Develop & launch new products consistent with our mission & asset base, enabled and accelerated by strong strategic partners

### Financial stability

- Achieve target of reaching breakeven by 2026 & optimize our financing to empower consistent business focus and minimize future dilution



# Transformational Progress:

## Achievements since June 2023



### Strategic partnership

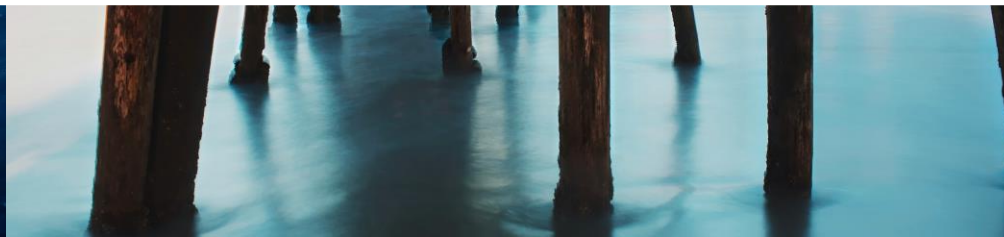
- Teamed with HuvePharma to become the sole EU algal DHA Omega-3 producer offering superior product profile & internationally competitive COGS

### Optimized organization

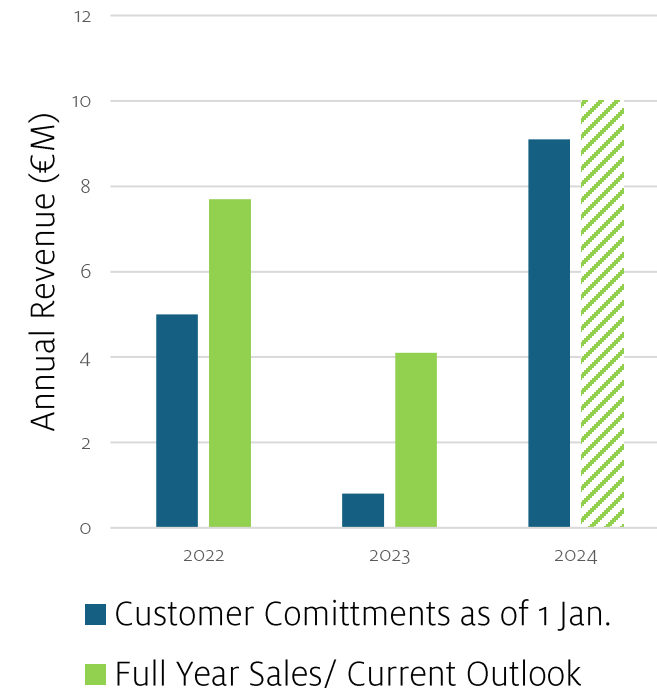
- Poised to penetrate expanded omega-3 segments of petfood and feed, in addition to dietary supplements, food, and infant formula

### Commercial foundation & visibility

- Nearly a full year of sales commitments in place today (e.g. contracts + orders)



### FERMENTALG SALES DEVELOPMENT



# Fermentalg & HuveNutra:

## Creating the best-in-class EU provider for algae-based ingredients



### Product

Unrivalled high concentration DHA & pH stable blue pigments

### Process

From strain to product with quality standards validated

### Regulatory

US & UE approval, including infant nutrition (Blu pending)



### Capacity

State-of-the-art manufacturing facilities (10,000 m<sup>3</sup> fermentation capacity)

### COGS

The most up-to-date manufacturing process with low cost and high volume

### Sustainability

Lower carbon footprint by utilizing on-site solar energy



# New team leaders:

## Increased Focus on Market Opportunities



### CEO

#### **Pierre JOSSELIN**

Previously GM  
at Biscuits Bouvard



### Sales Director

#### **Nico BONNE**

Previously VP Global Sales & BD  
at KD Pharma



### Marketing & Product Dir.

#### **Marie Jane FALLOURD**

Previously in charge of BLUE  
program at Fermentalg



### Strategic Development

#### **Christian MARTIN**

Previously Global Head of Sales &  
Commercial at Veramaris



FMC BioPolymer



# Our Outlook:

Breakeven within 2 to 3 years

## Revenues

- €25M minimum sales target from omega-3 with strong demand at the beginning of 2024
- Upside from Blue launch depending on regulatory timing

## Gross Margin

- Working toward normative gross margin level of up to 40%
- Total GM will depend on mix (crude / refined / concentrated) & Blue (higher GM) regulatory timing

## Fixed Costs

- No additional needs in terms of commercial/marketing or industrial costs
- Aim to optimize R&D costs through open innovation strategy and partnerships

## Financing

- Cash should cover our activities until Q1 2025
- No significant CAPEX during the plan

# Planet Fermentalg:

Transformation to profitability is underway

<b>Commercial acceleration</b>	<ul style="list-style-type: none"> <li>• New segments targeted thanks to new talents</li> <li>• Build up of strategic alliances</li> </ul>
<b>Operational excellence</b>	<ul style="list-style-type: none"> <li>• Process &amp; manufacturing capabilities at world class level</li> </ul>
<b>Innovation</b>	<ul style="list-style-type: none"> <li>• Capitalizing on existing technology assets through partnerships &amp; collaboration</li> </ul>
<b>Shareholders</b>	<ul style="list-style-type: none"> <li>• Reach profitability within 2-3 years to stop cash burn &amp; resulting dilution</li> </ul>
<b>A sustainable model</b>	<ul style="list-style-type: none"> <li>• Product range relevant to multiple sustainability goals</li> <li>• Further decreases in footprint underway</li> </ul>



# Sustainable Model

EthiFinance  
ESG rating

2023  
90/100

23/22  
+5 pts



Fermentalg  
59

75%+  
of comp.  
assessed



Highest certification level

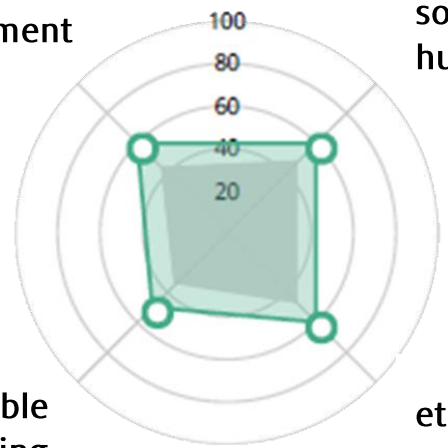
83/100

Environment

social &  
human rights

Responsible  
purchasing

ethics



○ Fermentalg score  
● All companies in this sector surveyed by ecovadis

