

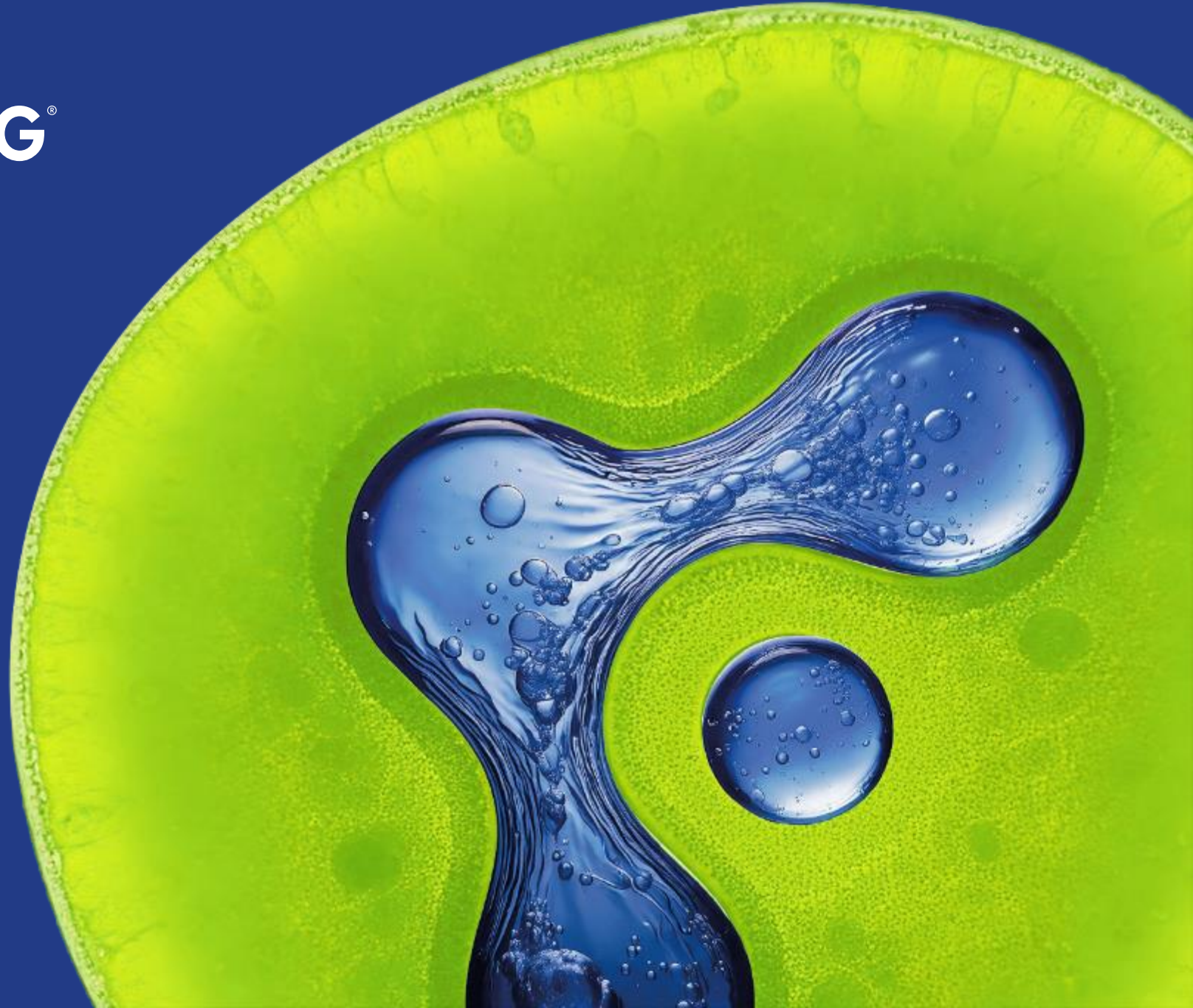


FERMENTALG®

Financial investor day

Feb. 06, 2025

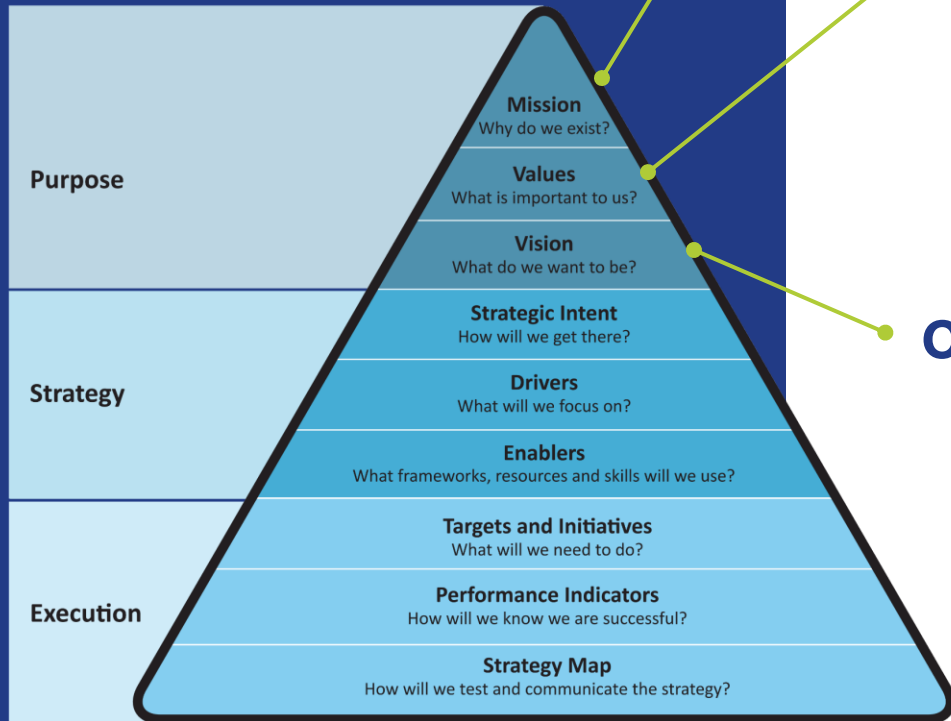
Libourne, France



Agenda

Time	Topic	Leaders
11.30 – 12.00	FERMENTALG now	Pierre JOSSELIN
12.00 – 13.00	Visit of the site	FERMENTALG team
13.00 – 13.30	Lunch	
13.30 – 15.30	Teams' objectives 2025	
	<i>Front Lines</i>	Nico BONNE & Marie Jane FALLOURD
	<i>Source & Supply</i>	Guillaume NOGARO & Christine BOUSSES
	<i>Development & Application engines</i>	Hywel GRIFFITHS, Rodrigo RANGEL & Sonia DA ROCHA
	<i>People, Process and Culture</i>	Emmanuelle BENITEZ CANO & Bertrand DEVILLERS
15.30 – 15.45	Coffee break	
15.45 – 16.15	Financials & Conclusion	Bertrand DEVILLERS & Pierre JOSSELIN

Fermentalg creates BioSolutions based on aquatic microorganisms that address One Health & Sustainable Development Goals, and drive Business Performance for all stakeholders



Our mission

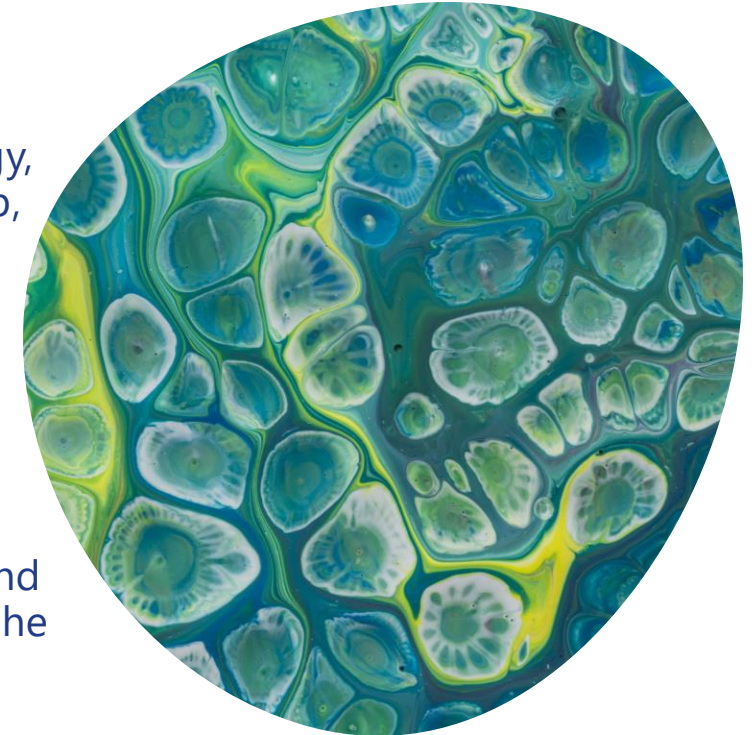
To better our world revealing the potential of aquatic microorganisms offering natural BioSolutions addressing One Health and contribute to Sustainable Development Goals (SDG).

Our values

Our teams believe in Nature/Biology, Collaboration and Entrepreneurship, three core values that guide all their actions.

Our vision

Aquatic microorganisms hold immense potential for innovative and untapped BioSolutions, crucial for the health of life and our planet.



15 years of unique expertise in Aquatic Biotechnology

2009

Foundation of Fermentalg
in Libourne, France

2014-2019

Industrialization of omega 3 Launch of the naturally most concentrated DHA oil on the market

2020

Givaudan

Natural blue colorant co-development
in partnership with Givaudan (Switzerland, €7.4 bn sales)

2021



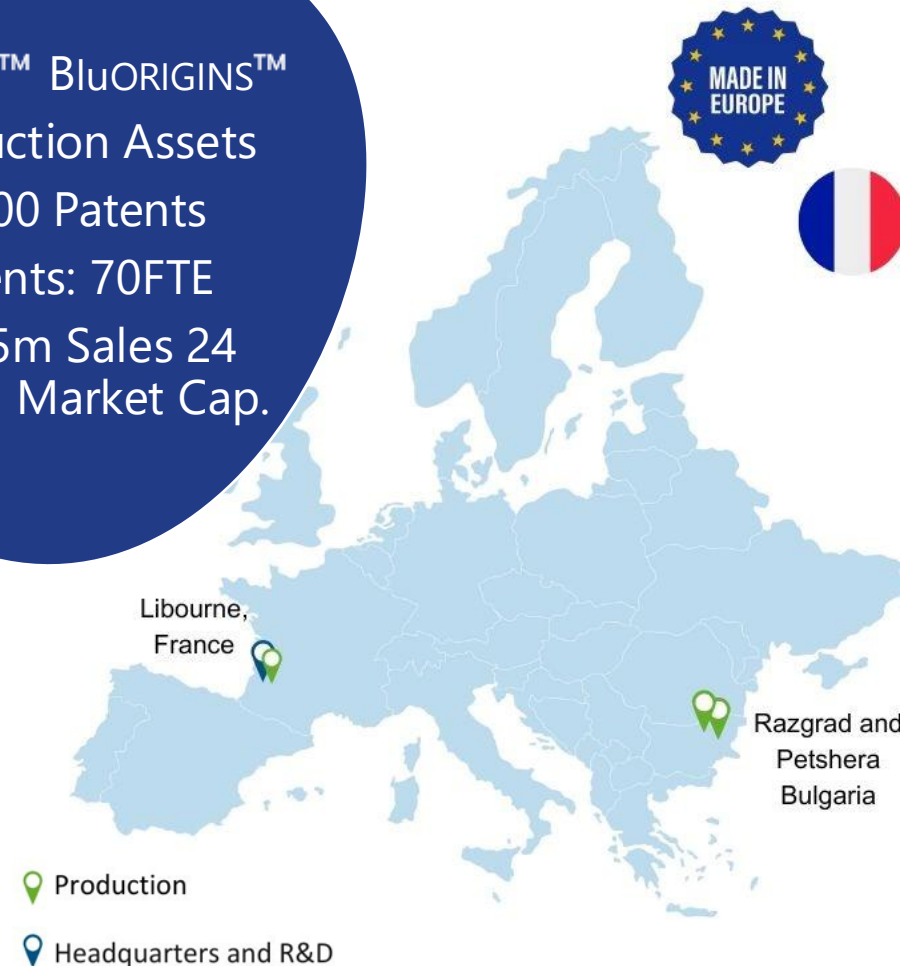
Joint Venture with Suez (France, €8.9 bn sales) to develop the project CarbonWorks for Carbon Capture and Utilization

2023



Partnership with HuvePharma (Bulgaria, €0.8bn sales) for the production of Omega-3 oil and development of precision fermentation


ORIGINS™ BluORIGINS™
Production Assets
+200 Patents
Talents: 70FTE
€11.5m Sales 24
€30m Market Cap.



Current solutions to enhance Human Health & Wellness



ORIGINS™
Omega 3 range



Functional lipids
Highest natural DHA concentration

Dietary supplements, Food, Infant & Medical nutrition, pet food, and aquafeed

Blu ORIGINS™
Antioxidant range



Active Health ingredients
3 in 1 novel generation antioxidant

Functional food, dietary supplements

Everzure™
Food colouring range



Functional ingredients
Acid stable natural blue

Food and beverages sense in partnership with Givaudan under Everzure™

AlgaLux
Cosmetic actives range



Skin care actives
Anti-ageing and anti-acne actives

The above ingredients are illustrations for Human health & wellness in Food, Dietetic and Cosmetic.



Fermentalg also covers Pet & Aqua health with Immunity & Hypo-allergenic claims.



Plant health is also in development for Bio-Protection (stimulant & control)

One year ago, we revealed FERMENTALG's roadmap

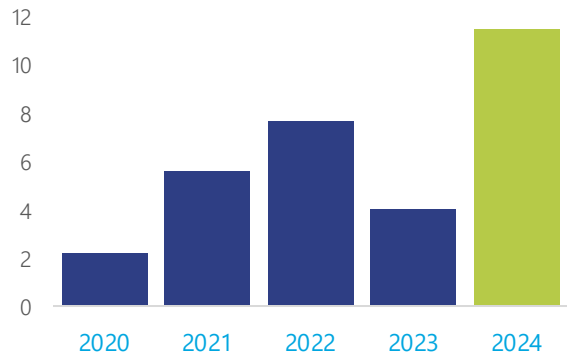
*« Transformer une belle pépite
en un acteur industriel rentable. »*

Sud Ouest, Jan. 20, 2024

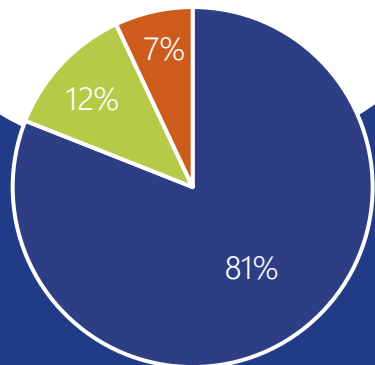
- Let me show you
where we are now...

What you see ...

Sales (in € million)



■ Dietary Supplements ■ Infant ■ Petfood



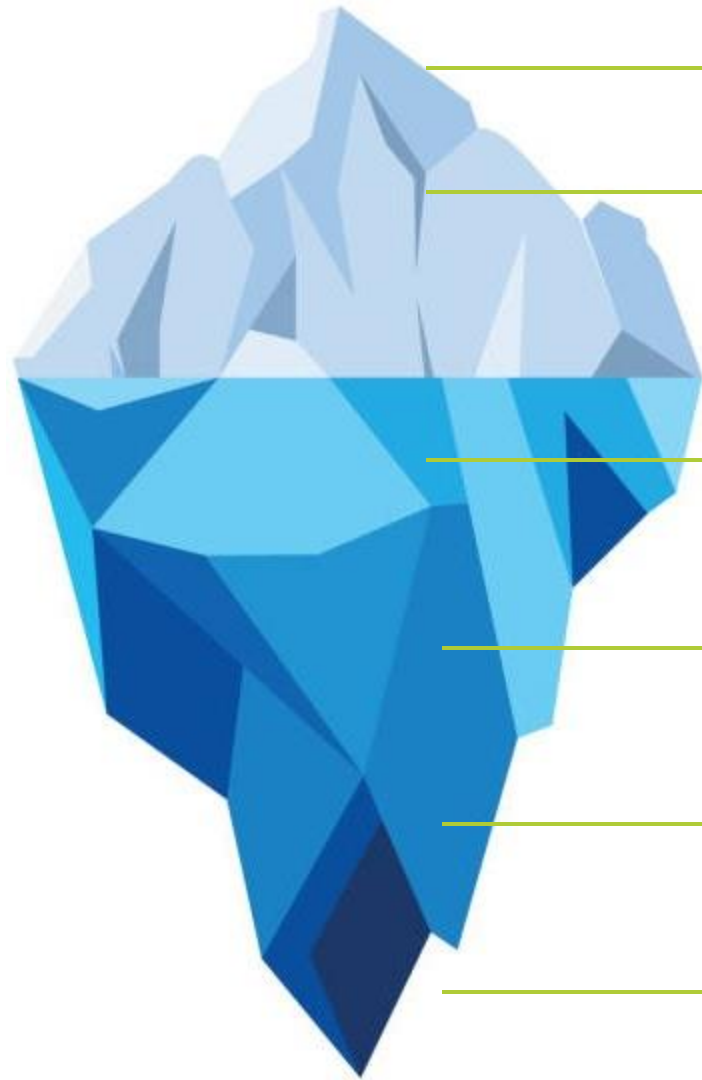
Sales multiplied by almost 3 in 1 year

Successful capital increase for a total amount of €12.8m

Below the surface

X3

Sales multiplied by almost 3 in 1 year



Sales multiplied by almost 3 in 1 year

Successful capital increase for a total amount of €12.8m

Professionalize sales & marketing with Customer centric focus & new segment penetration

Become an Industrial reality two feet on the ground

Unlock the power of our "Aqua men" (products & technologies)

Manage changes: Customer, Supply chain & Business performance

We provide value to our customers with natural, unique & dedicated BioSolutions from aquatic micro-organisms

We design tailored innovative solutions



- ...that precisely meet the market's needs, creating value for business with robust and affordable Products

We deliver a comprehensive service thanks to



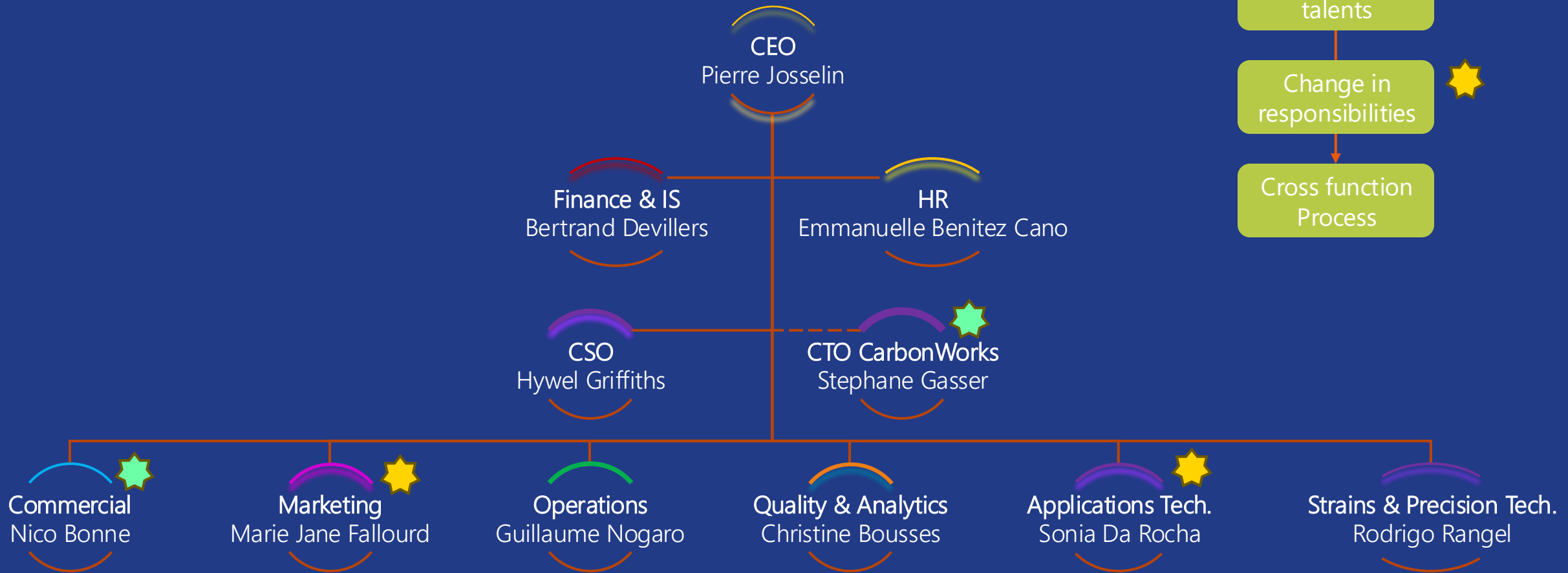
- ... Our compact team, including multidisciplinary and agile capabilities
- ... Our Supply Chain performance committed to perfectly executing production services in our state-of-the-art facilities

We have a positive impact on life & planet



- ...as we strive to offer sustainable solutions with health benefits for the final users while preserving planet resources

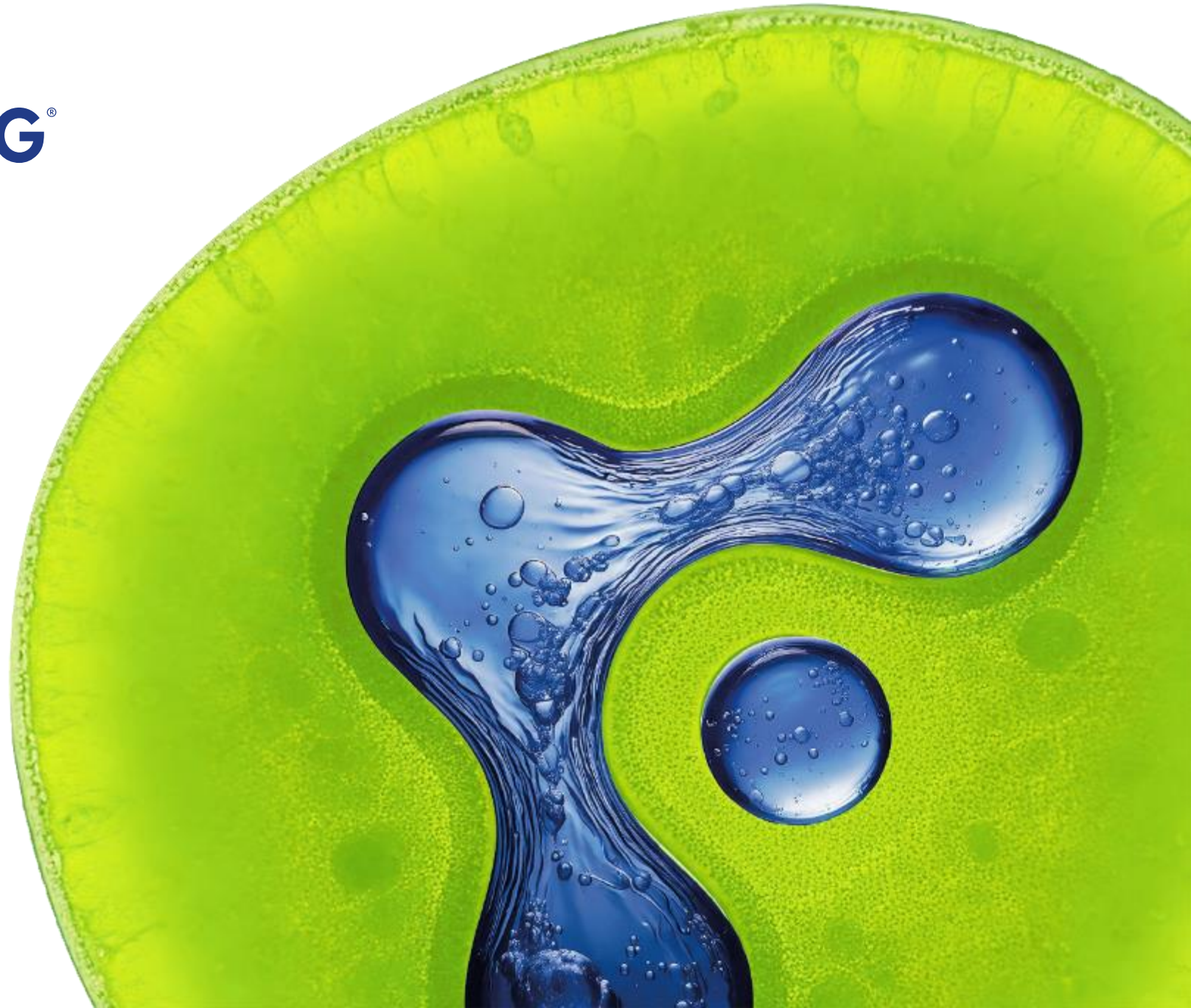
2025 Organization: from Techno centric to Customer centric





FERMENTALG[®]

**Team
Front Line**



'25 Objectives: Professionalization of marketing and sales

COMPLETE AND REFINE THE SEGMENT STRATEGIES

PENETRATE THE 5 SEGMENTS (Infant, diet, food, pet, cosmetic) & MOVE FURTHER ALONG THE VALUE CHAIN

PRODUCTS LAUNCHES AND COMMUNICATION

- Origins™ deployment
- Health Ingredients proven activities (Antioxidant, Anti-inflammatory, Biocide..)
- Blue color range

PUT IN PLACE THE LARGE KEY ACCOUNT MANAGEMENT PROCESS:

- Manage 5 strategic/key customer acquired and add 5 more in 25

GEOGRAPHICAL EXPANSION:

USA & China as priority



Infant Nutrition

Infant segment: 10% market share targeted



ADDRESSABLE MARKET: €225M OF ALGAL DHA
+ 12% of DHA between 23-26 in volume (*)

OUR VALUE PROPOSITION:



- **Why Algal DHA:** long term security of supply; No impact on biodiversity; free of pollutants & contaminants
- **Why Fermentalg:** Made in EU from A to Z, Regulatory approvals worldwide; Superior organoleptic profile, and Service & Customer support

**Infant
nutrition**



STRATEGY: Become First or Second supplier of TOP 10





Food & Beverages

Functional Food

Target respectively: 5% market share in FF&FSMP*, 25% in Blue Color



ADDRESSABLE MARKET:

FF €100M + FSMP €100M€ + COLOR €100M

VALUE PROPOSITION:

- Functional Foods:
 - Origins new powders & emulsion range in 2025 will enable ease of use and stability for our future customers
 - Everzure™ Galdieria a breakthrough for coloring naturally beverages – opportunity in confectionary
- FSMP: Our high quality, certifications, GMP as an EU producer from A to Z anchored on our R&D engine & ability to partner



Food
& beverages



STRATEGY: For FF, Focus on US, Spain, Japan
For FSMP focus on PARTNERSHIPS





Dietary Food Supplements

Dietary supplements:

20% market share targeted for Omega 3
1% For antioxidants



ADDRESSABLE MARKET: €100M OMEGA 3
+ €700M AOX DIETARY SUPPLEMENT

VALUE PROPOSITION:

- Origins range competitive advantage:
 - Soft gels: Highest DHA concentration, best sensory & most transparent
 - In EU for P&N thanks to our unique regulatory approval of 1g/day in EU
 - Launch of EPA/DHA and DHA/Ahiflower blends enabling cardiovascular health benefits
- Blue Origins AOX (US): A Novel 3-in-1 AOX, with a focus on Nutricosmetic & Sports Health benefits



STRATEGY: Move further along the value chain & widen the offer

Food
supplements





Pet Food

Pet Segment: 10% market share targeted



ADDRESSABLE MARKET: €100M

+13,5% OF OMEGA 3 BY 2026 IN VOLUME(*)

VALUE PROPOSITION:

- **Origins range** offers natural & sustainable solutions
- at all life stages of life for brain and vision health & development, joint health, coat & skin health.
- **Widen the offer**
 - **Alternative to fish oil:** EPA/DHA in 2025
 - **Added value active solutions** for Anti inflammatory & immune regulation, dermocosmetics, Hypoallergenic peptides; Petfood protection solutions; European spirulina like powder.



STRATEGY: Ultimate goal: sell pet supplements in finished format for PETCARE : leverage existing dietary supplement capabilities.



**Pet
food**



Skin Care & Beauty

Cosmetic: Skin care partnership targeted



ANTI-ACNE COSMETICS MARKET: €8.1B*

ANTIOXIDANT MARKET FOR ANTI AGEING: €885M*

VALUE PROPOSITION:



- *Galdieria sulphuraria* our extremophilic red microalgae, is an inexhaustible source of active ingredients with multiple bioactive properties beneficial to the skin
- **Topic cosmetic:** 2 new actives developed from *Galdieria* with proprietary data for anti-aging and anti-acne
- **Nutricosmetic:** Recent studies demonstrate benefits of DHA Origins and Blue Origins for Skin (photoaging, imperfections)



STRATEGY: Focus on partnering with a French actor

Cosmetics



Sales: the professionalization of the functions

TEAM: 5 Senior Sales Accounts working in Fermentalg's team + with strategic distributors

ORGANIZATION: Deploy proven sales methodology

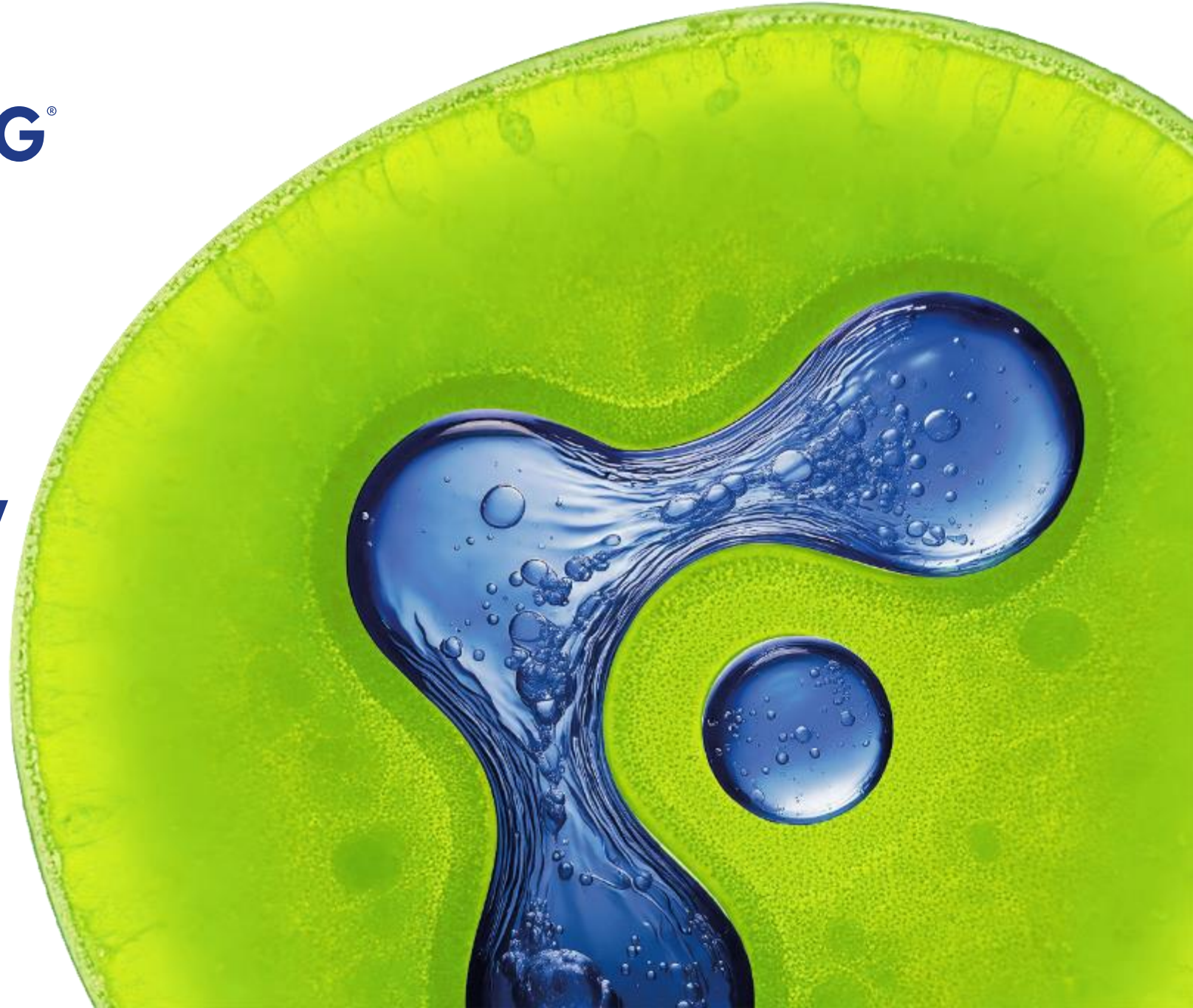
OBJECTIVES: Keep the existing, grow customers & get new strategic

TOOLS: Implement Salesforce.com to set the processes, store knowledge + constantly measure the pipeline of opportunities



FERMENTALG[®]

Team Supply & Sourcing



Key objectives

COGS IMPROVEMENTS 25 & 26

QUALITY & CERTIFICATION

INSOURCING/STRATEGIC PARTNERSHIP FOR BETTER COGS/SERVICES

- From Crude to Refined, Concentrated, Softgel and Finished Product

INDUSTRIALIZE EVERZURE™ & BLUE ORIGINS™

AQUA STRATEGIC PROJECT

Designed and Produced in Europe to reach the highest standards of operational excellence



Product

Unrivalled high concentration
DHA & pH stable blue
pigments

Microbiology & Process

From strains to products
with quality standards
validated

Regulatory and IP

US & EU approval,
including infant nutrition
(Blue Origins™ & Everzure™ pending)



High-Capacity State-of-the-art
manufacturing facilities
(10,000 m³ fermentation)

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

Sustainability

Lower carbon footprint by
utilizing on-site solar energy
(carbon neutral by 2030)
→ **ISO 14001 certified**
(environmental management
system)



High quality standards ensuring security of supply



Stringent Quality Control & standards

- High standards of Food safety requirements: FSSC 22000 all facilities, GMP and ISO 14001 certified production facility
- Quality management system dedicated to customer satisfaction
- Performance measurement and continuous improvement
- High protection protocols against contaminants and allergens
- Premium quality: odor and taste very close to neutral defined by an expert panel
- Rigorous qualification & monitoring of suppliers with annual audits
- Systematic batch analysis

Regulatory: EFSA & FDA approval

- Regulatory expertise





FERMENTALG[®]

**Team
Product &
Technology**



Key objectives

STRAIN AND PRECISION TECHNOLOGY: THE HEART OF OUR ACTIVITY

- Three major product launches with Precision fermentation
- Refresh the Strain, Precision Fermentation / Photosynthesis & Extraction loops

APPLICATION & FORMULATION FOCUS (NEW TO US):

- Technical insights supporting Sales through supporting customers' with product formulations and activities/claims

ASSEMBLING THE ABOVE, BUT MAKING SURE ALSO THAT

- We nurture our IP Fortress
- We ensure Regulatory anticipates Sales needs
- We collaborate smartly with Open Design Sourcing

We master the development process in-house

Across the value chain, from strain up to large scale

Microbiology



- Collecting wild strains
- Isolating strains of interest
- High-throughput semi-automated screening (HTS) for strain improvement
- Characterization of new strains for industrial benefits

Precision Fermentation & Photosynthesis



- Lab scale testing
- Optimizing process media and parameters
- Developing upstream and downstream processes

*30 fermenters from 1 to 5L
4 fermenters of 20L*

Pilot Scale USP & DSP



- Scaling and validating processes
- Verifying USP/DSP performances
- Process Book authoring

*1m³ fermentation capacity
Centrifuges, micro and ultra
filtration systems and bead milling*

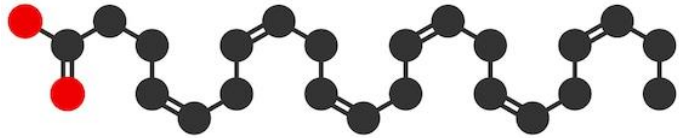
Applications, Benefits Galenic and Formulation



- Technical support for customers
- Product development support
- Efficacy testing, functionality research
- Innovation and prototyping
- Application trial and formulation

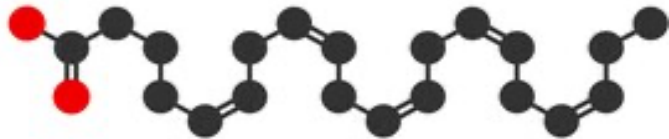
Coming soon...

DHA



+

EPA



- The bulk of algal oils on the market today have their main omega-3 as DHA. A second omega-3, EPA, is found in fish oils and is sought after in the dietary supplement market.
- To date, DSM-firmenich have been the only company capable of providing a combined EPA+DHA microalgal oil to the market.
- Thanks to a number of clever innovations, Fermentalg can now also produce microalgal oils containing both omega-3s and this is the process of industrial transfer, ready to be offered to the market in 2025

Coming soon...



- Phycocyanin has markets both as a food and beverage color and as a dietary supplement for its antioxidant properties.
- Fermentalg has developed, patented and industrialized the process to produce phycocyanin from *Galdieria*, with superior properties especially in beverages.
- Placing this new material on the market requires regulatory approvals and Fermentalg has been working on these since 2021.

In Q4 2024, we received notice from the FDA that they were "drafting our final response to your petition for publication in the Federal Register" indicating that regulatory approval should be forthcoming soon¹.

¹Dependent on Trump administration's actions towards FDA

Applications: The missing link



▶ Add value to products through :

- **formulation studies** (emulsions, beverages, palatability..)
- **functionality characterization** (antioxidation, anti-inflammatory, biocid...)
- **performance improvement** (stability, taste, colour..)

▶ Science-based communication to promote our ingredients

IP and Regulatory – protection and barriers to competition

Regulatory approval is required before sales – often with a significant time delay and costs involved...

...but provides significant market advantage when regulatory approvals can be gained that provide access only for FALG's product and/or for products covered by FALG patents



Third-party IP can restrict our ability to produce or sell, or can create doubt with potential clients

For third-party IP, advantages can be gained in circumventing patents and in demonstrating FTO where competitors cannot

For FALG products, innovation leads to fresh IP protection and exclusivity on market access

Fermentalg has a dedicated Regulatory team with practice at submitting dossiers to gain wide market access and provide a competitive advantage over competitors (e.g. 1g/day dose for DHA, infant formula dossiers, Color Additive Petition)

Fermentalg's experienced IP team constantly monitors the patent landscape, acting where possible to oppose grants of harmful patents, and demonstrate invalidity. They also work with the R&D and industrial teams to circumvent third-party IP and protect FALG's developments.



Team Transformation



Key objectives

REINFORCE A BUSINESS CULTURE WITH CUSTOMER AND ECONOMIC PERFORMANCE

GET DISCIPLINE IN COMMERCIAL AND OPERATION (BUDGET, FORMAT, ETC...)

CONTINUOUS IMPROVEMENT OF LEAN & AGILE DESIGN PROCESSES

SET TOOLS TO MEASURE & MANAGE OUR PROCESSES (CRM,...)

KEEP PEOPLE & PLANET AT THE HEART

We believe in Nature, Collaboration and Entrepreneurship

Our teams are driven by three core values that guide all their actions



WISDOM FROM NATURE

We draw inspiration from natural organisms and innovate by bringing science and purpose



COLLECTIVE STRENGTH

We rely on cooperation, and we build long-term relationships with our partners to create value and share it equitably



ENTREPRENEURIAL SPIRIT

We are action and results-oriented. Challenges stimulate our creativity and spur us on to find solutions

Value evolution, mindset and KPIs

Organizational changes driven by market and customer focus

- More than 10% of headcount hired or reallocated to marketing, product applications and operations
- Training sessions to develop expertise in team selling to key accounts in each market segment
- All employees incentivized on financial performance
- Open innovation vs invention, mixing R&D, marketing and manufacturing competences, and leveraging external capabilities (Develop with or Alone)



Tools and processes to drive sales growth

- Sales and Operations Planning in place with Huve Pharma with a bimonthly review of sales forecast, production planning, inventories, etc.
- Monthly Product & Project management process to allocate resources and measure our innovation performances
- CRM being implemented H1 2025 to monitor sales process per segment and geography

Acknowledgment in Sustainability & CSR

- Our BioSolutions are protecting biodiversity and improve health and wellness
- We are constantly improving as we seek to reduce our impact.



84/100

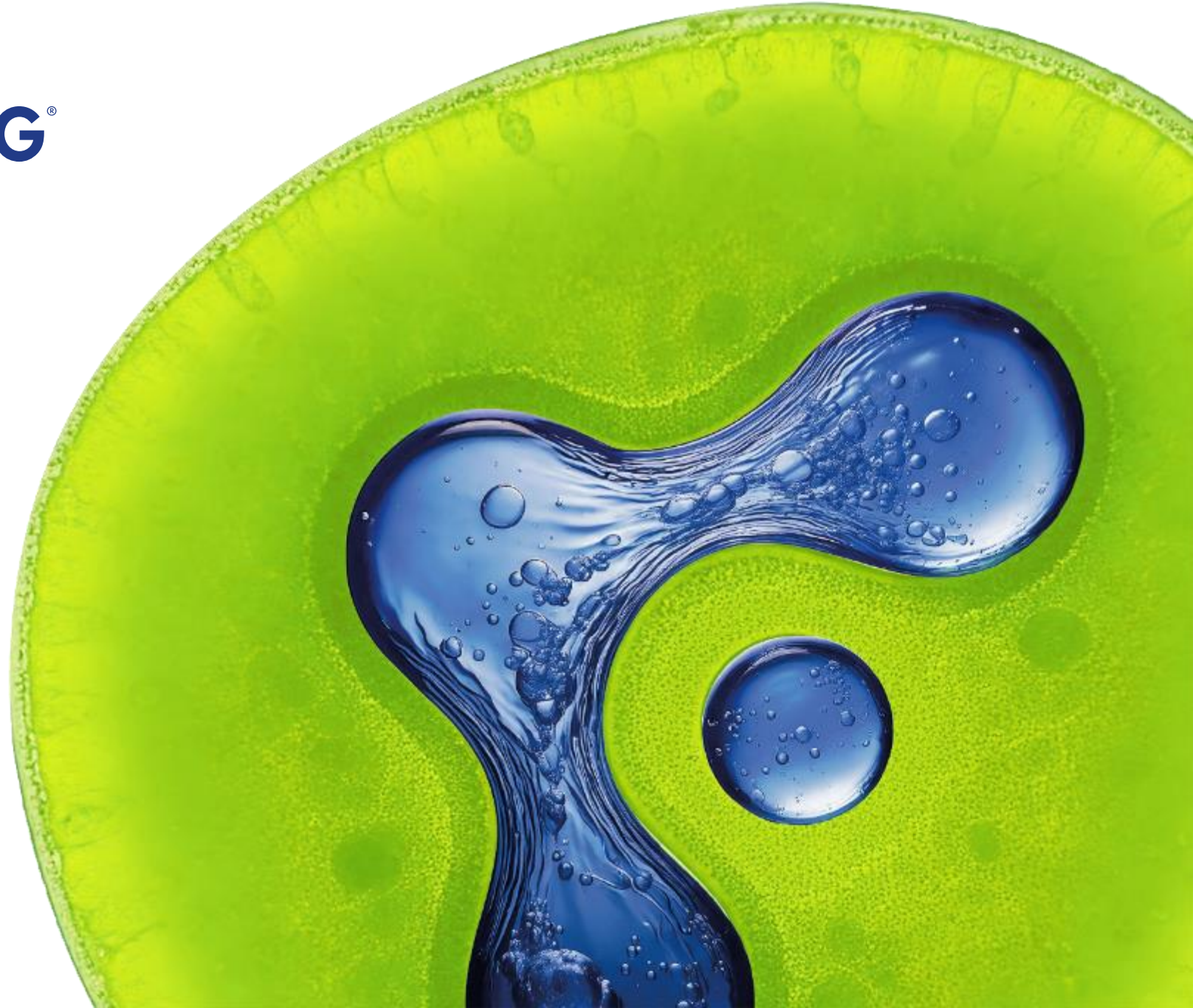
EthiFinance
score in 2023
for our CSR
performance

**Production plan
to be carbon neutral
by 2030**

€ 269 million invested
Providing clean electricity,
steam, water and
compressed air, for the
manufacturing process.



**Team
Finance**



Key objectives

REVENUE: CONTINUE TO SCALE

GROSS MARGIN: IMPROVE MIX

OPEX: CONTROL & % IMPROVEMENTS

CASH: BENEFITS FROM LIMITED CAPEX MODEL

Revenue

2025 objectives

Continue to scale



- Getting stories & insights for each segment with 1 or 2 Strategic customers per segment
- Manage 10 Strategic accounts and/or Partners with medium term plan
- Expand customer numbers and Product range to lower the risk
- Ramp up of omega 3 lines & move further along the value chain
- Prepare the commercial launch of Blu

Gross Margin

2025 objectives

Manage the mix

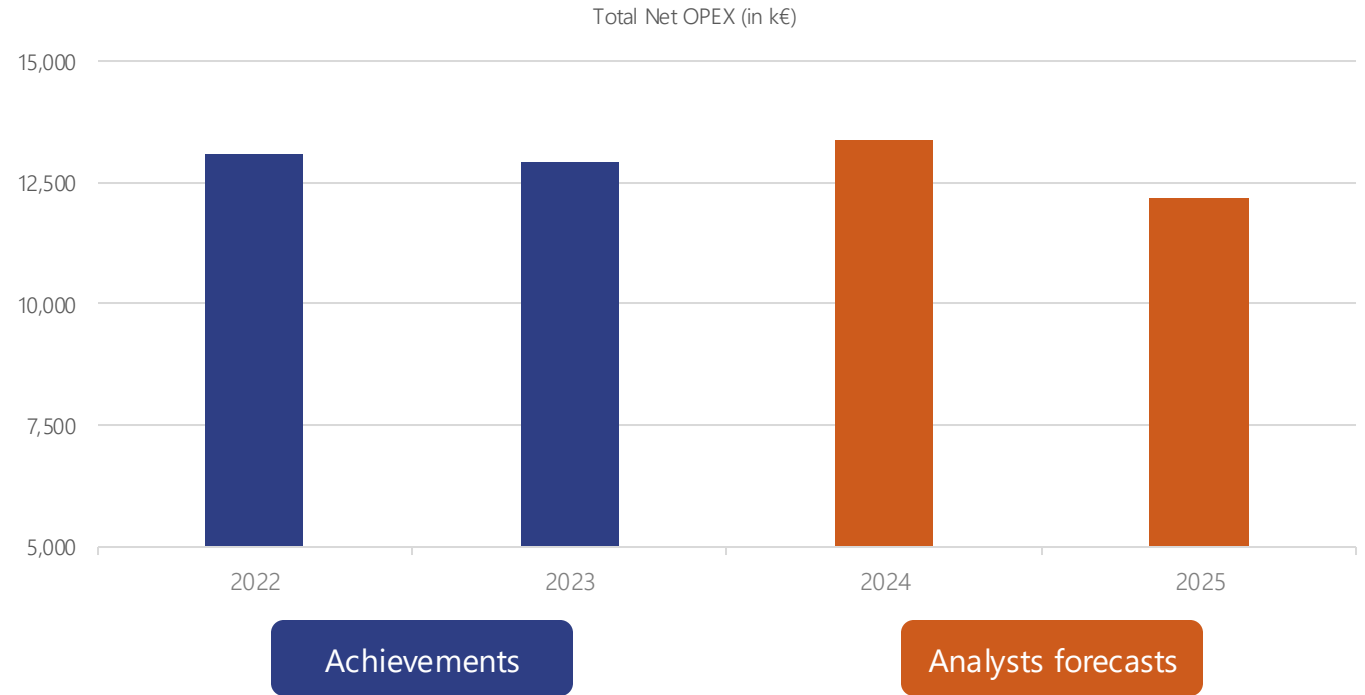


- Continuous improvement of COGS
- After shorth term growth, manage GM by pushing profitable segments

OPEX

2025 objectives

Stabilization & reallocation

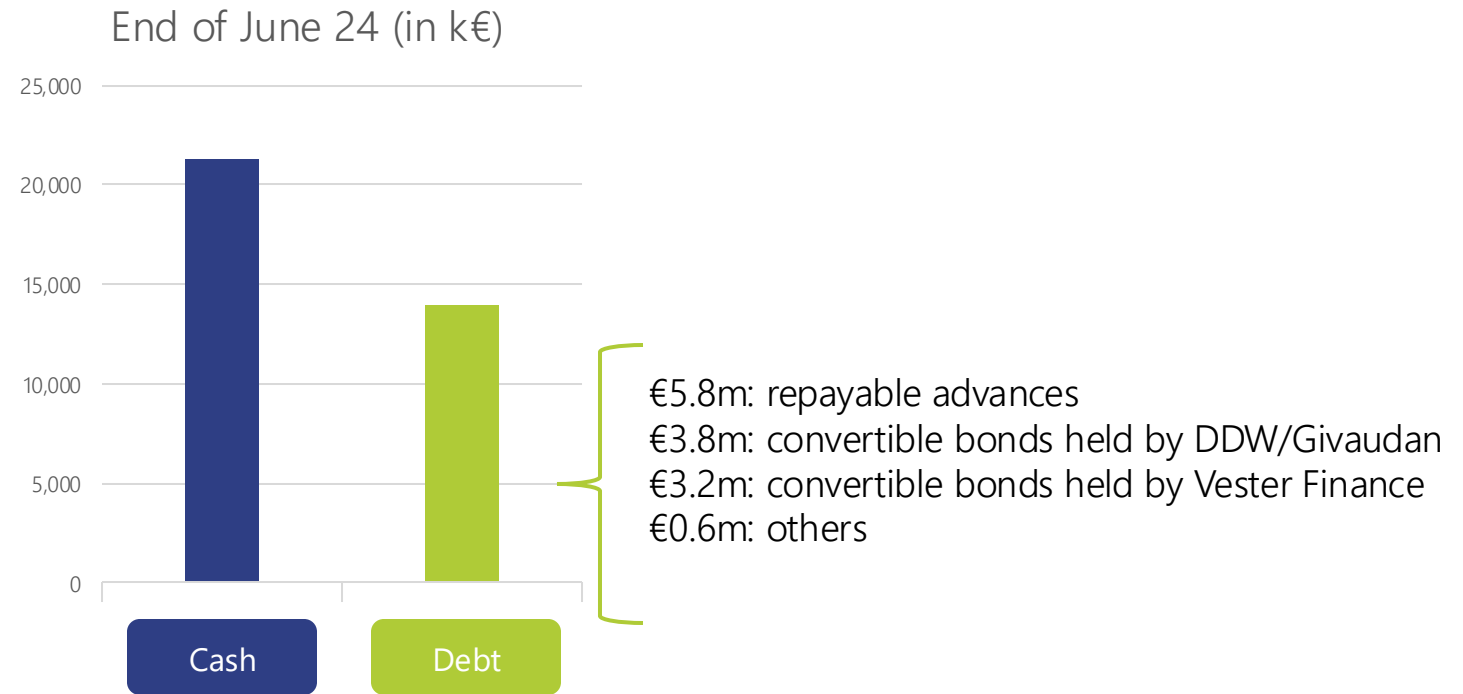


- Stabilize fixed costs in €
- Finish 2025 Product development and start their industrialization
- Continue to prepare pipeline for 2026 and beyond
- Reinforce mktg/sales in expense mix
- Benefit from revenue growth to minimize opex in %

Cash & Debt

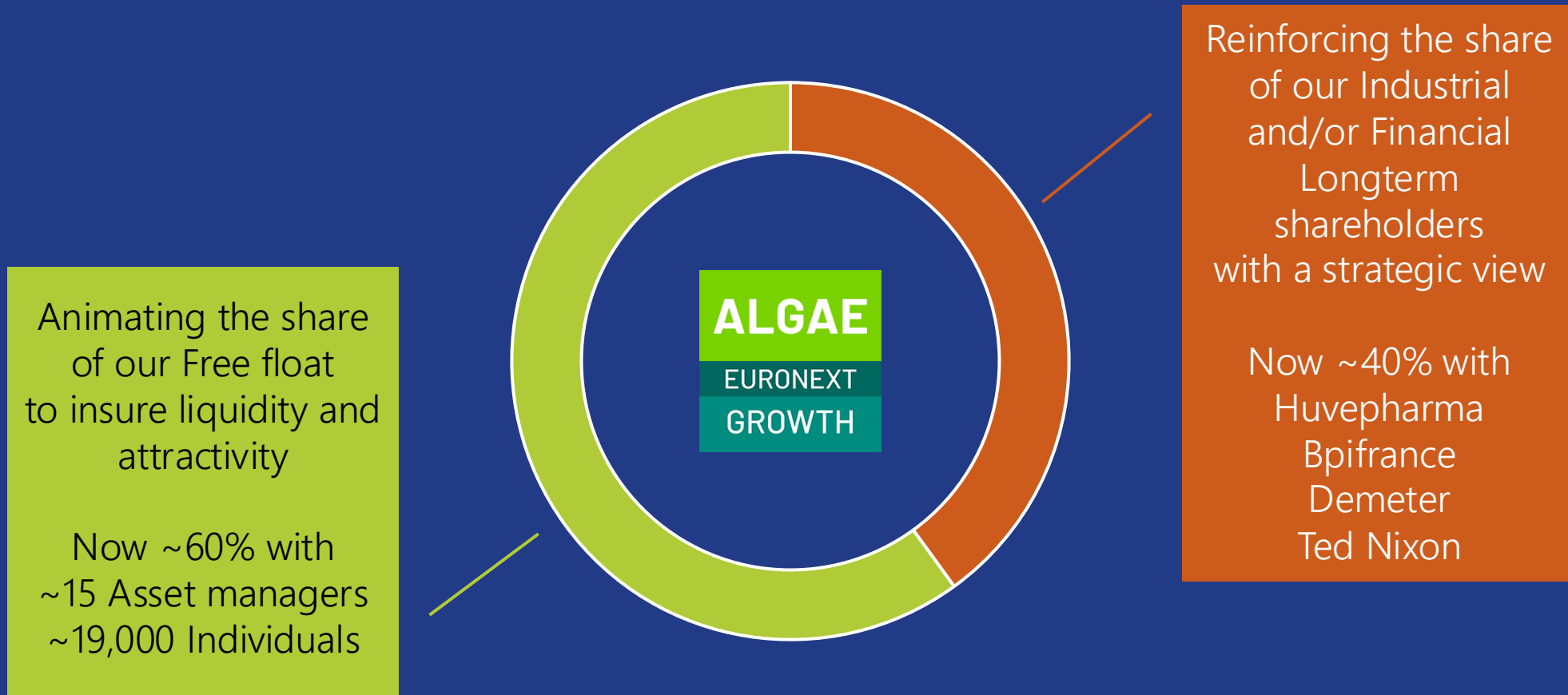
2025 objectives

Benefit from Fabless model



- Manage Operating and Capex Cash burn
- Ensure sound cash management and working capital monitoring until breakeven by the end of 2026
- Manage Debt reimbursement

And for the future, we think about who's coming with us...





FERMENTALG[®]

Conclusion



One year after, we revealed the new FERMENTALG

- Fermentalg's transformation is happening with a team committed to make this business attractive for all parties



**Thank
you**

