

Fermentalg extends its reach in green chemistry
with the launch of Trans'Alg, a €31.2-million
collaborative programme with partners
including Arkema and Soprema

Trans'alg

Press release – Libourne – 20 January 2015 – Fermentalg, an industrial biotechnology company that specializes in the production of oils and proteins derived from microalgae, has brought together major French groups – including Arkema and Soprema - in Trans'Alg, a collaborative programme to industrialize the production of substitutes for petroleum products destined for the chemical and fuel markets including jet fuel.

Having established the industrial value of the concept behind its patented technology for the bio-production of oils from microalgae and launched the construction of its first production unit for the nutrition markets, Fermentalg has reached a new milestone in its strategic roadmap as it extends its activities and operations to the green chemistry industry.

A new alliance of biotechnological and industrial excellence to conquer the green chemistry market

As lead manager for the Trans'Alg programme, Fermentalg has brought together a consortium of excellence which includes companies Arkema, Condat (industrial lubricants), Pierre Guérin (industrial fermentation equipment), Soprema and the Union Coopératives Viticoles d'Aquitaine and partner laboratories, the CEA (LCPV), the CNRS (Bioteam ICPEES) and the ITERG.

The programme has been allocated a budget of €31.2 million over 5 years, €13.9 million of which will be financed by Bpifrance. Fermentalg's assigned financing of €8.3 million includes €2.7 million in the form of subsidies and €5.6 million in the form of repayable advances.

Drawing in particular on Fermentalg's expertise in metabolic engineering to improve microalgae and on its strain bank, the goal of the Trans'Alg programme is the mass production of low-price replacement raw materials for petroleum products (€1 to 5/kg). Derived from the valorization of substrates such as distillery residues from wine, sugar cane or the red liquor used by the paper industry, these raw materials allow Trans'alg to target numerous uses for the bioplastic, plasticiser, polyol plasticiser, industrial lubricant, waterproof membrane, thermal insulation foams, fuel industries, etc.

In order to prepare for production on an industrial scale, several molecules have already been identified, and a 80m³ pre-industrial demonstration unit will be set up on Fermentalg's scientific and industrial site in Libourne.

Trans'Alg has been accredited by competitive clusters Axelera (chemicals and environment), Energivie (energy efficiency), Trimatec (clean and innovative technologies for industry), Xylofutur (innovation in France's forestry, wood and paper industry) and Pôle Mer (marine and coastal economy).

"The fact that we have been able to bring together major names from the chemical and energy industries for the Trans'Alg programme confirms our position as a global leader in industrial biotechnologies for microalgae. What is more, the programme will enable us to step up our industrial and commercial strategy and, after the nutrition markets, exploit the extremely vast potential offered by the green chemicals markets", said Pierre Calleja, Chairman and CEO of Fermentalg.

The green chemistry (or bio-based chemistry) markets regroup a very large number of potential products for microalgae (biopolymers, biofuels, biolubricants, etc.) which each represent a market of several billion euros. According to the US Department of Agriculture (USDA), between 2005 and 2025, the market for bio-based products may increase close to 30 times to reach US\$614 billion¹. Down the line, green chemistry is expected to account for more than 22% of the entire chemicals industry.

This initiative goes hand-in-hand with the aim of France's authorities to encourage competitive industrial solutions that will accelerate the country's energy transition. Green chemistry is one of the 7 strategic ambitions set by the 2030 Innovation Commission and a priority of the "Programme d'Investissements d'Avenir" (Program of Investments for the Future, PIA) supported by the General Investment Commission (CGI).

About Fermentalg

Founded in 2009 by Pierre Calleja, Fermentalg is an industrial biotechnology company that specializes in producing sustainable oils and proteins derived from the exceptional properties of microalgae. Its patented technology allows it to target a range of fast-growing global markets, from nutrition and animal feed to cosmetics and health, green chemistry and energy. Fermentalg has already signed its 1st industrial and commercial joint-venture for the production of Omega-3 oils rich in EPA and DHA as well as several other partnerships with leading industrial groups. Fermentalg shares are listed on Euronext in Paris (FR0011271600 - FALG). For more information, visit the Fermentalg website at: www.fermentalg.com.

¹ Source: *Trends in Biotechnology 2013*

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