

## Press release

### Q3 2015 Financial information

**Libourne – 12 November 2015** – Fermentalg, an industrial biotechnology company that specializes in the production of oils and proteins derived from microalgae, has published its financial information for the third quarter of 2015. Since the beginning of the financial year, Fermentalg has stepped up the construction of a unique technological and human asset that will enable it to rapidly enter the next phase of industrial and commercial development.

Patents	HEADCOUNT	CASH
29 families and 111 titles	68 employees	€31.8 million

#### **New breakthroughs in human nutrition and green chemistry**

2015 marks an acceleration in Fermentalg's development on two strategic markets: human nutrition and green chemistry.

Awarded the European Novel Food authorization for its DHA-enriched oil, Fermentalg has secured its access to the human nutrition market and has already produced over 1 ton of oil using its proprietary technology to ensure its market penetration and recognition amongst future clients. The headway made has enabled the Group to begin implementing its business development strategy outside of Europe with qualified contacts in Japan and North America.

In green chemistry, Fermentalg announced the launch of Trans'Alg, a collaborative programme to industrialize the production of substitutes for petroleum products destined for the world's chemical and fuel markets. With a total budget of €31.2 million over 5 years, the goal of the Trans'Alg programme is the mass production of low-price replacement raw materials for petroleum products (€1 to €5/kg) that have numerous uses (in bioplastics, plasticizers, polyol plasticizers, industrial lubricants, waterproof membranes, thermal insulation foams, fuels, etc.) on markets that generate a demand of several hundred thousand tons each year.

#### **Reinforcement of technological barriers-to-entry**

Committed to its policy of innovation and to protecting its technological expertise, Fermentalg has continued to enrich its portfolio of patents since the beginning of the year. The company has been awarded 2 major patents for the industrial exploitation of high-yield microalgae strains (*Botryococcus* for green chemistry and *Odontella* for human nutrition), and a new active ingredient patent to protect its technology that consists in breeding microalgae in a predominantly-heterotrophic mixotrophic environment.

It has also worked alongside the CEA, CNRS, Inra, Inserm, the École Normale Supérieure and the Joseph Fourier, Paris-Sud and Pierre et Marie Curie universities on a scientific study into diatomic molecules that share the cellular structure responsible for the impressive photosynthetic capacity of single-cell marine organisms. The results of the study were published in the prestigious Nature review in July.

Lastly, a new and innovative collection method devised by Fermentalg means that microalgae strains can now be identified directly in crude samples. This in turn means an acceleration in the discovery of new strains to enrich Fermentalg's proprietary bank (Fermentalg Culture Collection) and that can go directly into production. To date, Fermentalg has already successfully identified new strains of microalgae that are naturally rich in Arachidonic Acid (ARA), an essentially fatty acid from the Omega 6 family.

At the end of September 2015, Fermentalg's portfolio included 29 titles and 111 patents filed.

#### **Construction continues for the Professor Daniel Thomas Industrial Development Unit**

Work continues on Fermentalg's future Industrial Development Unit (Professor Daniel Thomas Unit), the world's first industrial facility to exploit the company's cutting-edge technology for the production of microalgae. With an initial budget of between €20 million and €27 million in the event of an expansion in scope, the programme will allow for the production and sale of molecules using Fermentalg's proprietary processes from 2016.

#### **A robust financial structure to underpin its strategy**

At the end of September 2015, Fermentalg had a robust and healthy financial footing that will allow it to comfortably execute its development strategy. Gross cash amounted to €31.8 million at the end of September, and includes the €2.4 million in financing awarded in August as part of the "Programme d'Investissements d'Avenir" or "Programme of Investments for the Future" managed by Bpifrance. Spread over 5 years, the €13.87 million in PIA financing managed by Bpifrance includes €5.59 million in subsidies and €8.28 million in repayable advances.

In the first 9 months of 2015, Fermentalg was allocated €2.6 million in subsidies, €889 thousand of which is repayable.

#### **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 1<sup>st</sup> 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](http://www.fermentalg.com).



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