

Press release

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Shareholders approve the partnership with Japanese firm DIC Corporation to develop a new generation of natural food colorings

- **€5m investment** by DIC Corporation in Fermentalg in the form of convertible bonds at €5 per bond
- **3-year joint development programme** relating to two microalgae-derived natural pigments, one of which is phycocyanin (natural blue pigment)
- **Appointment of DIC Corporation to the Board of Directors** of Fermentalg as an Observer (non-voting director)

Libourne – 20 October 2017 – Fermentalg (Euronext – FALG), a French leader in microalgae for nutrition and health, has announced the approval by its shareholders' general meeting held on October 20, 2017, of the €5 million investment to be made by DIC Corporation as part of the global partnership executed on September 11, 2017 between Fermentalg and the Japanese major player in the global chemical industry (Tokyo Stock Exchange – 4631)¹.

This global partnership targets the fast-growing market for natural alternatives to artificial food colorings. The partnership will bring together Fermentalg's unique microalgae strains bank and its integrated biotechnology platform with DIC Corporation's significant applied, industrial and commercial research resources.

Philippe Lavielle, Chairman and CEO of Fermentalg, said: *"We are very proud to have a major industrial partner such as DIC Corporation. This alliance, which has been very widely approved by our shareholders, will enable us to accelerate our deployment in health and nutrition areas where we have strong ambitions for microalgae-derived natural pigments."*

Three-year joint development programme

On 1 October 2017, Fermentalg and DIC Corporation initiated a three-year joint development agreement (JDA) dedicated to two microalgae-derived natural pigments, including an innovative phycocyanin, the main blue pigment used in natural food coloring (for confectionery, ice cream, etc.) as an alternative to artificial food coloring.

¹ See press release of 11 September 2017: Fermentalg joins forces with Japanese firm DIC to develop a new generation of natural food colorings

€5 million convertible bond issue reserved for DIC Corporation

DIC Corporation will also subscribe, by November 30, 2017, in the context of a reserved issuance, one (1) million convertible bonds into ordinary shares of a unitary amount of €5, representing a total nominal amount of €5 million. The convertible bonds to be issued by Fermentalg will bear annual interest of 5% until maturity, namely for a period of three years. The bonds may be converted into new shares at any time, at DIC Corporation's discretion and at a price of € 5.00 per share².

The shareholders have also approved the appointment of DIC Corporation to the Board of Directors of Fermentalg as an Observer (non-voting director).

About Fermentalg

Fermentalg is a French leader in microalgae. Based in Libourne (Nouvelle Aquitaine), the company produces oils, pigments and proteins through the bio-industrial exploitation of microalgae. Its primary markets are the human nutrition and animal feed sectors as well as the health industry. Fermentalg shares are listed on Euronext in Paris (FR0011271600 - FALG). For more information, visit the Fermentalg website at: www.fermentalg.com



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With respect to member states of the European Economic Area other than France that have transposed the Prospectus Directive, (the "concerned member state"), no action has been taken or will be taken to offer securities that would require the publication of a prospectus in any member state other than France. Accordingly, new shares in Fermentalg

² The terms and conditions of the bonds issue are detailed in (i) the prospectus relating to the capital increase, which success have been announced and (ii) the resolutions of the extraordinary general meeting of the Company's shareholders held on October 19, 2017.

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