

Press release

NextStage AM acquires a stake in Fermentalg alongside Theodore H. Nixon and issues free share subscription warrants

Libourne – 16 December 2021 – Fermentalg (Euronext – FALG), a major French player in microalgae, has announced an equity investment from the NextStage AM investment fund in connection with the private placement subscribed by Theodore H. Nixon, Chairman of the Board of Directors of DDW, as well as the allocation of free share subscription warrants to all the shareholders.

As a reminder, in June 2020, Fermentalg established a multi-year technological, industrial, and commercial development partnership with US industrial group DDW, which was recently acquired by Swiss company Givaudan¹, to place its natural blue food colouring, BLUE ORIGINS®, on the market. Building on the success of this collaboration, Theodore H. Nixon had expressed his interest in making a personal investment of €5 million in Fermentalg².

In response to NextStage AM's desire to become a significant shareholder of the company, Fermentalg decided to increase the size of its capital-raising target to €8 million, allowing NextStage AM to invest €3 million.

NextStage AM has been supporting growth entrepreneurs in their development since 2002 with its multi-strategy Private Equity platform, which at the end of December 2020 represented more than €6.1 billion in assets under management, directly and indirectly collected from institutional and individual investors.

Florent Saint Léger, Director of Listed Investments at NextStage AM, explained, *“For more than 18 months, we’ve been watching Fermentalg, analysing the company’s value in depth, and having regular discussions with its management. Today, we are convinced that it’s a good time for us to become a shareholder and support the company in its growth. Fermentalg is positioned in the right markets with the right products, the right partners, and a strong team to make commercial successes out of their innovations”*.

The investment is made through the private issue of 2,909,090 ordinary shares exclusively to a class of qualified investors, with cancellation of the preferential subscription right of the Company's shareholders, to which Theodore H. Nixon subscribed for 1,818,181 ordinary shares and NextStage AM for 1,090,909 ordinary shares.

The subscription price was set at €2.75, which is the volume-weighted average share price over the three trading days preceding the issue of the shares minus a 10% discount.

¹ [Givaudan completes acquisition of DDW, The Color House](#)

² [New developments around BLUE ORIGINS® natural colouring](#)

Following the settlement and delivery of the new shares, scheduled for 21 December 2021, Fermentalg's capital will consist of 39,921,587 shares. Theodore H. Nixon and NextStage AM will hold approximately 4.6% and 2.7% of Fermentalg's capital respectively.

This deal strengthens Fermentalg's available cash flow and supplements the €3.5m deleveraging associated with the conversion by Bpifrance Investissement and Bpifrance Participations on 9 December 2021 of the convertible bonds subscribed in June 2020.

Free allocation of share subscription warrants to all shareholders

As mentioned, to involve all existing shareholders in the company's success, each Fermentalg shareholder will be allocated, on 22 December 2021, 1 BSA-BLUE warrant for each share held at the close of trading on 15 December 2021. This free allocation was approved by the shareholders today at the general meeting.

18 BSA-BLUE warrants will allow their holders to subscribe for 1 new share at €2.75 until 15 December 2023. The exercise of all 36,966,203³ issued BSA-BLUE warrants would allow Fermentalg to raise €5.5 million in additional funds.

Next publication: 2021 turnover, 27 January 2022 (after markets close)

About Fermentalg:

As an expert in research and bioindustrial exploitation of microalgae, Fermentalg's objective is to offer sustainable solutions and innovative products contributing to the development of healthful, natural, and effective products. Our business: the development, production, and marketing of sustainable solutions and active ingredients from microalgae for nutrition, health, and the environment. Nutritional lipids, alternative proteins, natural food colourings, and innovative environmental solutions are our current and future company offerings.

The Fermentalg share, listed on Euronext in Paris (FR0011271600 - FALG), is eligible for the "PEA-PME" and the "SRD long-only". It is part of the Gaïa index, intended for Socially Responsible Investment (SRI), which groups together the SME-ETIs that have received the best ratings in terms of environmental, social, and governance (ESG) performance.

³ After deducting 46,294 treasury shares



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About NextStage AM

An independent management company based in Paris, approved by the AMF, NEXTSTAGE AM, which has cultivated an “entrepreneur-investor” philosophy since its founding in 2002, is one of the pioneers and leaders of innovative and patient development capital in France. NEXTSTAGE has developed a multi-strategy PE platform representing, in terms of outstandings at the end of December 2020, directly and indirectly, more than €6.4 billion in AUM. NEXTSTAGE AM invests in a limited number of mid-sized companies (70 companies in the portfolio as of 03/09/2021), both French and European, innovative, and growth, to which it brings entrepreneurial investor expertise and strong operational support (integration of innovation, talents, international, external growth). NEXTSTAGE AM provides long-term support to these mid-sized companies, unlisted and listed on Alternext and Euronext B and C, which are positioned around the ongoing industrial revolution and its three technological disruptions—digital, environmental innovation, and smart health—and focus on the four major cross-cutting underlying fund trends—the on-demand economy (digital platforms and SaaS), the industrial internet (from robots to AI), the positive economy (green growth, blue growth, environmental performance), and the emotion-driven economy and the quality of the customer experience. It gives them the means to accelerate their development and their capacity for innovation to become “Champions” in their markets, both in France and internationally, through organic and/or external growth. NEXTSTAGE AM received the Gold Award for the best player in development capital in Europe by Private Equity Awards in December 2015. NextStage Croissance won the special jury prize of “Actifs de l’innovation” in 2017, and the editorial award, Private Equity category, from the “Pyramides de la Gestion de Patrimoine” in 2019 and 2021.

<https://www.nextstage-am.com>