Press release

AFYREN and the SPI industrial projects fund, operated by Bpifrance, announce the creation of an industrial company, AFYREN NEOXY.

Afyren and the SPI - Sociétés de Projets Industriels - industrial projects fund, managed by Bpifrance and financed by the French public "Programme d'Investissements d'Avenir" (Future Investments Program) and the European Investment Bank, are jointly investing 50 million euros in this industrial joint-venture. This first industrial subsidiary of Afyren will be focused on producing, using co-products from the sugar industry, organic acids that can be used in multiple applications, from cosmetics to flavors and fragrances, human and animal nutrition, and even fine chemicals. Based on the CHEMESIS platform in Carling Saint-Avold, in France's Moselle region, this production unit will also benefit from private and public subsidies at local and regional level.

Clermont-Ferrand, March 14, 2019 - AFYREN, a producer of high-value bio-based building blocks with natural fermentation technologies, and Bpifrance, through its SPI industrial projects fund, have finalized theagreements for the creation of their joint subsidiary AFYREN NEOXY. This company, backed by nearly 50 million euros of capital, will house the first industrial unit based on the biomolecule production technology developed by AFYREN, which successfully completed a final pre-industrial phase in 2018, validating the efficiency of its non-GMO and zero-waste biological processes.

This agreement follows the 21 million euros of funds raised in January 2019, and is part of the 60 million euro global financing program, which will enable AFYREN to take its industrial project forward through to its market release. The SPI fund will invest 23 million euros for a 49% stake in AFYREN NEOXY, with AFYREN holding the remaining 51% of its capital.

The new plant will be based on the CHEMESIS platform in Carling-St Avold, in Moselle, on a 3-hectare site. It will notably benefit from industrial synergies with the platform's major operators, among which Total Petrochemicals France. Based on co-products from the sugar industry, this unit will produce a range of seven organic acids with an initial annual capacity of 16,000 tons. This project will contribute to the region's reindustrialization and the development of green chemicals with the CHEMESIS platform. It is expected to generate 60 new direct jobs by 2021. It is receiving financial support from Total Développement Régional, the Grand-Est region and the Saint-Avold Synergie metropolitan area.

For **Magali Joëssel**, Director of the SPI Fund at Bpifrance: "*We are proud to partner with Afyren in the creation of this industrial joint-venture and to support it for the commercial development and marketing of its products. This project to reindustrialize a site with a groundbreaking green chemicals innovation clearly illustrates*

Bpifrance's commitment to supporting employment through the structuring of an innovative field in the Energy and Environmental Transition Sector".

Nicolas Sordet, AFYREN's CEO: "*Through this joint initiative with Bpifrance, we will be able to benefit from the financial resources needed to industrialize our technology and the confidence and trust of a major institution, which will be a key factor supporting our development. The choice of Carling-St Avold is strategic because it offers us not only a scalable site, but also a qualified workforce and a virtually endless supply of resources of raw materials nearby, while ensuring we are close to our clients. This will enable us to increase our production capacity very quickly to accompany the strong demand already expressed by our industrial partners".*

About AFYREN

In order to meet the growing needs of industrial firms to reduce the use of petroleum-based derivatives across their production chains, AFYREN produces bio-molecules, derived from the recovery of non-food biomass, that are widely used in the cosmetics, flavors and fragrances, human and animal nutrition, and fine chemicals sectors. This renewable carbon production, aligned with the circular economy, is achieved using fermentation and downstream proprietary technologies, built up through seven years of research and development.

Founded in 2012 by Régis Nouaille and Jérémy Pessiot, AFYREN has 15 employees at its sites in Lyon and Clermont-Ferrand. AFYREN won the 2030 Worldwide Innovation Challenge in the "plant proteins and plant chemistry" category, and was a French Tech - Green Chemistry ambassador at COP21. AFYREN's development is being supported by the Auvergne Regional Council, the Grand Est region, Bpifrance, the European Regional Development Fund (ERDF) and the French Environment and Energy Management Agency (ADEME).

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About the SPI Industrial Projects Company fund

Managed by Bpifrance on behalf of the French State as part of the PIA Future Investments Program, the purpose of this fund is to enable industrial projects with the best prospects for business and employment in industrial sectors to find support for their development. The fund acts as a prudent equity investor in project companies with industrialisation projects selected for their growth potential, the industry's current position and their contribution to environmental and energy transition. It therefore constitutes one of the financial levers of the 'New Industrial France'.

About Bpifrance

Bpifrance is the French national investment bank: it finances businesses – at every stage of their development – through loans, guarantees, equity investments and export insurances. Bpifrance also provides extrafinancial services (training, consultancy...) to help entrepreneurs meet their challenges (innovation, export…).

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