

GLOBAL BIOENERGIES: 2016 FINANCIAL RESULTS

Net loss for the Group of €10.6 million in 2016 (vs €10.4m in 2015)

Cash position of €7.4 million as at 31 December 2016

Grants and structured equity agreements secure financial visibility over 2017

Evry, 4 April 2017 – Global Bioenergies (Alternext Paris: ALGBE) publishes its 2016 financial accounts, approved by the Board of Directors that took place on this date¹.

- Group Profit & Loss as at 31 December 2016**

<i>In € thousands</i>	from 01/01/16	from 01/01/15	from 01/01/14
GROUP CONSOLIDATED FINANCIAL STATEMENTS	to 31/12/16	to 31/12/15	to 31/12/14
	12 months	12 months	12 months
Operating income	3,292	2,228	3,171
Operating expenses	15,216	14,240	12,672
Operating profit (loss)	(11,924)	(12,013)	(9,501)
Financial profit (loss)	(530)	(258)	130
Exceptional profit (loss)	(50)	(109)	(83)
Income tax	(1,896)	(1,985)	(1,876)
Net profit (loss)	(10,607)	(10,395)	(7,578)

The profit and loss account reflects stability from one year to another thanks to rigorous management while the Group progressed into its industrial development phase.

Two new partnerships – respectively with Butagaz and Aspen – generated additional R&D revenues alongside those from historical partnerships such as Audi.

The Group has registered a total of €2.75 million of subsidies in 2016, thanks to the progresses made on major projects such as the construction of the Leuna demo plant, subsidized by the German Government, and the success of the BioMA+ project, funded by the French government.

¹ The annual report 2016 will be available on the website by the end of April 2017.

- **Group Balance Sheet as at 31 December 2016**

Assets (€ thousands)	31/12/16	31/12/15	Liabilities (€ thousands)	31/12/16	31/12/15
Intangible assets	69	106	Capital	168	142
Fixed assets	12,182	7,230	Share premium	49,409	37,817
Financial assets	146	142	Retained earnings	(30,066)	(19,665)
			Profit (loss)	(10,607)	(10,395)
			Equipment subsidies	391	0
NON-CURRENT ASSETS	12 397	7,478	EQUITY	9,295	7,899
			PROVISIONS	42	30
Inventories - Receivables - Prepaid Expenses	5,074	4,313	Conditional advances and loans	11,483	10,440
Cash - Marketable securities	8,066	10,418	Trade payables and related accounts	4,120	3,181
			Other debts	597	660
CURRENT ASSETS	13,140	14,731	PAYABLES	16,200	14,281
TOTAL ASSETS	25,537	22,209	TOTAL LIABILITIES	25,537	22,209

Capital investments have represented €6.1 million in 2016, bringing total fixed assets to €12.2 million. These 2016 investments have been primarily directed to the Leuna demo plant, which construction has been finished at the end of the year.

Conditional advances and loans remain stable due to the reimbursement of bank loans on one side, and further repayable advances received from the ADEME (BioMA+ and Isoprod projects) on the other side.

€391k of equipment subsidies have been registered in 2016, as part of the German Ministry of Research's participation to the construction of the Leuna demo plant.

CASH-FLOW (€ thousands)	2016	2015	2014
Operating cash-flow	(9,279)	(8,840)	(8,009)
Net profit (loss)	(10,607)	(10,395)	(7,578)
Amortization (+)	1,213	979	586
Gain on asset disposal (-)	-	-	(11)
Change in Working Capital Requirement	115	576	(1,029)
Investing cash-flow	(6,120)	(4,488)	(2,798)
Financing cash-flow	12,676	7,873	2,720

Cash in hands as at 31 December 2016 was €7.4 million, down by €2.8 million over the year. It enables the Group to cover its needs beyond the major value creation step ahead consisting in the production of isobutene batches at the Leuna demo plant.

- **Highlights of the 2016 financial year and recent events**

Industrial agreements

Historical partners Arkema and Audi both indicated that they had carried out studies that technically validate the isobutene produced by Global Bioenergies for paint and fuel applications, respectively.

Numerous agreements have been signed with new industrial players, demonstrating the growing interest in the technology developed by Global Bioenergies:

- Arlanxeo, a world leader in synthetic rubber production, obtained a batch of isobutene produced and purified from the Pomacle pilot site;
- Clariant, a European leader in speciality chemicals, purchased batches of isobutene and validated its specifications for a specific high-value application, which has not yet been revealed.
- in a distinct project, Clariant also produced wheat straw hydrolysate, which was further converted into renewable isobutene at the Pomacle pilot site, a first worldwide direct production of isobutene from “second generation” sugars at industrial pilot scale;
- the cosmetics giant L’Oréal is moving closer to its aim of using biosourced ingredients with its involvement in a new project that has received €9 million from the *Investissements d’Avenir* French public financing program. The project also brings together the sugar group Cristal Union, Global Bioenergies and their jointly held subsidiary IBN-One;
- the Swedish group Aspen secured access rights to isooctane made from isobutene that will be produced at Leuna and by IBN-One for a speciality fuels application (alkylate gasoline for small two- and four-stroke engines);
- Butagaz will become the first gas distributor in France to market butane and propane containing bio-isobutene, in an exclusive partnership with Global Bioenergies. The first batches of bio-isobutene would be incorporated in 2017. Butagaz will contribute financially to Global Bioenergies’ industrial development, in return for reserved batches of isobutene produced at the Leuna demo plant.
- Preem, Sekab and Sveaskog, three Swedish companies that, with support from the Swedish Energy Agency, have joined forces to develop a high-performance fuel entirely based on forest resources, selected Global Bioenergies to complete their consortium. The value chain will rely on Sveaskog’s forestry activities, Sekab’s biomass to sugar conversion process, Global Bioenergies Isobutene process and Preem’s gasoline production processes, blending and retail activities.

Construction of the demo plant at Leuna is finished

At the beginning of June, the Group reported that all of the demo plant’s large units had been received. The last construction phase consisted in connecting the different units together and realizing the complete audit prerequisite to receiving the operating permit. In December, the operations were started at the Demo plant.

Acquisition of Syngip B.V.

In February 2017, Global Bioenergies finalized the acquisition of Syngip B.V., a start-up based in the Netherlands specialized in converting third-generation resources into fuels and materials. This acquisition is central to Global Bioenergies’ strategy of diversifying the feedstocks suitable for use in its Isobutene process.

François-Henri Reynaud, Global Bioenergies Chief Financial Officer, comments: "Great steps have been made in 2016 which, from a financial standpoint, required careful attention. Thanks to rigorous management of our operational and capital expenses, along with the scheduled investments from Bracknor, we took up the challenges with confidence."

Marc Delcourt, co-founder and CEO at Global Bioenergies, concludes: "Proving our capabilities to take care of large industrial projects such as the Leuna Demo plant has raised a lot of attention in the industrial community and led to the signature of numerous agreements with industrialists from different fields. We expect to intensify these business successes in 2017."

About GLOBAL BIOENERGIES

Global Bioenergies is one of the few companies worldwide, and the only one in Europe, that is developing a process to convert renewable resources into hydrocarbons through fermentation. The Company initially focused its efforts on the production of isobutene, one of the most important petrochemical building blocks that can be converted into fuels, plastics, organic glass and elastomers. Global Bioenergies continues to improve the performance of its process, operates an industrial pilot, has started operations at its demo plant in Germany, and is preparing its first full-scale plant through a joint venture with Cristal Union, named IBN-One. The company also replicated its achievement to propylene and butadiene, two members of the gaseous olefins family, key molecules at the heart of petrochemical industry. Global Bioenergies is listed on Alternext, Euronext Paris (FR0011052257 – ALGBE).

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