

Global Bioenergies is reorganising its OCABSA-based financing programme with Bracknor Investment

Evry (France) and Dubai (United Arab Emirates), 18 May, 2017 – Global Bioenergies (Alternext Paris: ALGBE) announced, on condition of shareholder approval, the signing of a new debt issue agreement with Bracknor Investment to replace the first agreement signed in September 2016, which would then be terminated. The new agreement would consist of the issuance of 400 convertible bonds (*obligations convertibles en actions*) with a par value of 60,000 euros each (the "OCAs") and thus representing a total convertible bonds amount of 24 million euros, split into twenty tranches of 20 OCAs each, that will be accompanied by share subscription warrants (*bons de souscription d'actions* - "BSAs") (the OCAs and BSAs are together referred to as the "OCABSAs"). The Company notes that it will suspend this new contract after the first two tranches are drawn.

Transaction objectives

This transaction will cover the Company's financing needs until the end of 2018. During this period, the Company's main objectives will be to:

- Bring the Isobutene process close to commercial performance, and finalize its industrialisation at the Leuna demonstrator plant;
- Progress on the first commercial plant project by moving forward in the engineering studies and by organising the financing and the construction of this future unit;
- Identify additional plant projects based on the process and first generation feedstocks;
- Diversify the carbon-based resources usable in the process to second generation (waste biomass) and third generation (industrial effluent gas and CO₂) feedstocks.

François-Henri Reynaud, CFO of Global Bioenergies, explained: "The first agreement signed in September 2016 contributed successfully to the financing of the Company, and allowed Bracknor and Global Bioenergies to build a strong relationship. Currently, out of the 15 tranches of the initial agreement, 10 have been issued, representing a financing of 7.5 million euros. 322,718 new shares were created by conversion of convertible bonds, while no BSAs were exercised." Tranche 11 will be issued in mid-June. The termination of this first agreement will take place after the General Shareholders' Meeting on 26 June 2017. The last four tranches planned in the first contract would therefore be cancelled."

Pierre Vannineuse, Chief Executive Officer of Bracknor Investment, stated: "Since the beginning of our collaboration eight months ago, Global Bioenergies has delivered exactly as planned. We are now even more convinced by the technology and the concrete ambition of Global Bioenergies to become a leader in the energy and environmental transition. This is why we commit, subject to the conditions detailed below, to invest 24 million euros in Global Bioenergies over a maximum period of 30 months."

Marc Delcourt, Chief Executive Officer of Global Bioenergies, adds: "The amount of each one of the new tranches was increased to 1,200,000 euros, compared to 750,000 euros in the initial

agreement. This new agreement, whose terms are overall more favourable to Global Bioenergies, assures the Company's finances until the end of 2018. Having had good news these last few months - particularly, 4.4 million euros of financing from the European Union -, the Company does not need this rate of financing in the short term. We are therefore suspending the drawdowns, as specified in this new agreement, in early July. The first two tranches, which correspond to 2.4 million euros in financing, will be drawn down. The other tranches will remain available to the Company, but will not be issued unless they are necessary."

Aboudi Gassam, Chairman of the Board and President of the Investment Committee of Bracknor Investment and Vice President in charge of Business Development for the MS Group, concluded: "The financing solution that we offer is flexible, and allows companies such as Global Bioenergies to continue their development under good conditions until the technology is rolled out on an industrial scale."

The new agreement provides for the OCABSAs to be issued in 20 tranches (the "Warrants"), each in the amount of 1,200,000 euros, the preferential subscription rights being waived in favor of Bracknor Investment (the "Investor"). Each Warrant, issued free of charge to the Investor, shall commit the Investor to subscribe for a tranche of 20 OCABSAs, subject to certain conditions as described below in Note 1.

The issue of these 20 Warrants to the benefit of the Investor (which will bring about the automatic cancellation of the existing agreement with the Investor) will be carried out subject to shareholder approval at the Extraordinary Shareholders' Meeting of the Company that will be called on 26 June 2017.

It is specified that the drawdown of each Warrant shall be exercised automatically upon expiration of a period of 20 trading days starting from the exercise of the previous Warrant. It is further specified that the Company will be able to suspend (then resume) the drawdowns at any time.

It has moreover been agreed that in compensation of the partial payment of a fixed-rate commitment fee, the Company will issue an additional OCA with a par value of 60,000 euros (without attached BSAs), at the exercise of each Warrant.

The transaction could result in an equity contribution of 31,200,000 euros: 24,000,000 euros corresponding to the subscription of the totality of the OCAs (not accounting for compensating with the commitment fee described above) and 7,200,000 euros corresponding to the exercise of the totality of the BSAs. It should be noted that the Warrants issuance agreement entered into with the Investor can, when requested by the Company, be renewed.

The Company indicates that this transaction will create a dilution, whose future theoretical impact is shown in the table below.

The impact of the issue of the OCABSAs (should all 20 tranches be issued) on the investment of a shareholder holding 1% of the capital of the Company prior to the issue and not subscribing thereto, calculated on the basis of the number of shares composing the capital at 18 May 2017, would be as follows:

Theoretical investment in the capital of the Company based on daily prices

	On the basis of shares outstanding to date (3,615,189)	Diluted base of diluting instruments issued prior to 18 May 2017 (4,185,264)
As of 18 May 2017, before the implementation of the agreement subject of the present press release	1%	0.86%
<i>ESTABLISHMENT OF FINANCING BY ISSUE OF OCABSAs:</i>		
Following the issue of 131,660 new ordinary shares of the Company issued only from the conversion of the first 2 tranches	0.96%	0.84%
Following the issue of 28,348 additional new ordinary shares from the exercise of the BSAs attached to the OCAs of the first 2 tranches	0.96%	0.83%
Following the issue of 1,184,940 additional new ordinary shares issued only from the conversion of tranches 3 to 20	0.73%	0.65%
Following the issue of 255,132 additional new ordinary shares from the exercise of the BSAs attached to the OCAs of tranches 3 to 20	0.69%	0.62%

The average weighted price used to calculate the dilution is the volume-weighted average price of the session of 8 May 2017, i.e. 20.1559 euros for the OCAs and that from the session of 11 May 2017 for the BSAs, i.e. 20.3275 euros. This dilution does not prejudice neither the final number of shares to issue nor their issue price, which will be set according to the market price listed in accordance with the procedures described below.

It should be noted that this transaction will not lead to the establishment of a prospectus subject to AMF approval.

The Company will duly inform the shareholders as and when the 20 Warrants are issued and exercised by maintaining an up-to-date table on its website summarising the outstanding Warrants, OCAs and BSAs, as well as the number of shares outstanding.

Procedures and legal framework of the issue

Main characteristics of the OCABSAs

Each exercise of a Warrant will give rise to the issuance of twenty (20) OCABSAs, with a nominal amount of 60,000 euros each, thus representing a total nominal amount of 24,000,000 euros in the event of the exercise of all 20 Warrants referred to above.

The Warrants will automatically be exercised, subject to certain conditions at an interval of 20 trading days, and each exercise of a Warrant will represent a nominal subscription amount of 1,200,000 euros.

Thus, the exercise of all 20 Warrants referred to above will give rise to (i) the issuance of a total of 400 OCABSAs and 20 OCAs relative to the commitment fee, and (ii) the payment by Bracknor Investment to the Company of a total amount of subscription of 24,000,000 euros.

Main characteristics of the OCAs:

The OCAs will be issued at par value, i.e. 60,000 euros, and will not carry interest and will mature 12 months after their issue.

On the maturity date, any outstanding OCAs must be converted into shares by Bracknor Investment. However, should a default occur, any outstanding OCAs at that date must be repaid by the Company at par value.

The OCAs, which will be transferable only to the directors of Bracknor Investment and subject to the Company's prior approval, shall not be subject to a request for admission for trading on Alternext and shall therefore not be listed.

The OCAs may be converted to shares when requested by their bearer, at any time, according to the conversion parity determined by this formula:

$$N = V_n / P$$

Where:

"N": corresponds to the number of new ordinary shares of the Company to be issued on conversion of an OCA;

"V_n": corresponds to the bond represented by the OCA (par value of an OCA);

and

"P": corresponds to 95% of the lowest volume-weighted average price of the Company's share at closing (as published by Bloomberg) over the ten (10) trading days immediately preceding the date a notice of conversion is sent.

Main characteristics of the BSAs

The number of BSAs to be issued following each exercise of a Warrant will be such that, multiplied by the exercise price of the BSAs (determined according to the conditions defined here below), the amount thus obtained is equal to 360,000 euros, or 30% of the nominal value of the subscription of 20 OCAs.

The BSAs will be immediately detached from the OCAs. The BSAs, that will be transferable only to the directors of Bracknor Investment, subject to the Company's prior approval, as of the date of their issuance, shall not be subject to a request for admission for trading on Alternext and shall therefore not be listed.

The BSAs may be exercised for a period of five (5) years as of their issuance date (the "Exercise Period").

Each BSA will grant its bearer the right, during the Exercise Period mentioned above, to subscribe for one new share of the Company (subject to legal obligations of adjustments).

The exercise price of the BSAs will be equal to 125% of the lowest daily volume-weighted average price of the share of the Company at closing over the five (5) trading days immediately

preceding the exercise of the Warrant giving rise to the issuance of the OCABSAs from which the BSAs are detached.

According to the Black-Scholes model, depending on the share volatility assumption used (42.36%) and on the basis of the closing price of the Company's share on 17 May 2017 (i.e. 21.38 euros), the theoretical value of one BSA is equal to 6.74 euros.

New shares resulting from the conversion of the OCAs or the exercise of the BSAs

The new shares issued on conversion of the OCAs or on the exercise of the BSAs will bear immediate dividend rights. They will have the same rights as those attached to existing ordinary shares of the Company and will be subject to admission for trading on Alternext on the same listing line (ISIN FR0011052257).

Note 1: Conditions for subscription of the OCABSAs by the Investor:

- No significant unfavourable change (material adverse change) has occurred;
- No authority (including the AMF) opposes the issue of the OCAs (or their conversion) or of the BSAs (or their exercise);
- No case of default exists on the day of the drawdown;
- The Company's shares are still listed and the listing of the Company's shares has not been suspended (and there is no identified risk of such a suspension);
- The closing price of the Global Bioenergies share must have been greater than 115% of the nominal value of the share during the 60 preceding trading days;
- The Company has an adequate number of authorised and available shares to meet the conversions of the OCAs that must be issued as part of the drawdown (and, as necessary, the OCAs still outstanding), i.e. at least a number of shares corresponding to the par value of this bond divided by the volume-weighted average price of the Global Bioenergies share at closing on the day of the drawdown.

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 performances of its process, operates its industrial pilot, has started operations at its demo plant in Germany, and prepares the first full-scale plant through a Joint-Venture with Cristal Union, named IBN-One. Global Bioenergies is listed on Alternext, Euronext Paris (FR0011052257 - ALGBE), and is part of the Alternext Oseo Innovation index.

Should you like to be kept informed, subscribe to our news feed on www.global-bioenergies.com

About Bracknor

Bracknor Capital Ltd is the Investment Manager platform of Bracknor Investment (A Dubai UAE incorporated investment vehicle). Bracknor's mandate is to invest globally in SMEs that bear unique competitive advantages and true short- and long-term growth potential, providing them with paramount working capital or growth capital needed to foster and ignite their growth.

Bracknor, through its Chairman, Mr Aboudi Gassam, is backed up by the Saudi Group MS Group (Jeddah) - <http://mscc.com.sa> and aims to activate intra portfolio synergies to bring relevant opportunities and

cooperative developments to Bracknor's portfolio companies particularly in the GCC (Gulf Cooperation Council) Region.

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