

## GLOBAL BIOENERGIES REDUCES ITS LOSSES

**Evry (France), 17 October 2019** – Publication of half-year financial statements as at 30 June 2019, audited and adopted by the Board of Directors at today's meeting.

The report for the first half of 2019 is available on the Global Bioenergies website, under the heading "Investors/Regulated Information".

- **Group Profit & Loss Account as at 30 June 2019**

€ thousands	from 01/01/19 to 30/06/19 6 months	from 01/01/18 to 30/06/18 6 months	from 01/01/17 to 30/06/17 6 months
<b>CONSOLIDATED FINANCIAL STATEMENTS</b>			
Operating income	1,427	746	1,209
Operating expenses	8,974	9,309	8,655
<b>Operating profit (loss)</b>	<b>-7,546</b>	<b>-8,564</b>	<b>-7,446</b>
<i>EBITDA</i>	<i>-5,719</i>	<i>-6,601</i>	<i>-6,315</i>
Financial profit (loss)	-154	-323	-368
Extraordinary profit (loss)	119	80	15
Income tax	NA*	NA*	NA*
<b>Net profit (loss)</b>	<b>-7,580</b>	<b>-8,807</b>	<b>-7,799</b>

*\* Note: By convention, the Group does not record a research tax credit in its half-year financial statements at the end of June.*

In the first half of 2019 losses are down by over €1.2 million compared with the first half of 2018. The industrialisation efforts initiated in 2014 have resulted in increased expenses by the Group which is reflected in the net losses in the first half of each year: -€3.9 million in 2014, -€6.1 million in 2015, -€6.7 million in 2016, -€7.8 million in 2017 and then -€8.8 million in 2018. The €7.6 million loss recorded in the first half of 2019 is evidence of a reversal of this trend.

Operating income is mainly driven by the five European grants awarded to Global Bioenergies in 2017 and 2018 totalling €12 million. The first half of 2019 benefited from the effect of a "full half-year" compared with the two previous reporting periods in which projects were launched.

Operating expenses are beginning to decrease and remain impacted by the amortisation of the Leuna demo plant (€1.5 million in this half-year). As a reminder, this demo plant is being amortised over a 4-year period ending in the first half of 2021.

- **Group Balance Sheet as at 30 June 2019**

<b>Assets (€ thousands)</b>	<b>30/06/19</b>	<b>31/12/18</b>	<b>Liabilities (€ thousands)</b>	<b>30/06/19</b>	<b>31/12/18</b>
Intangible assets	1,223	1,228	Capital	436	254
Assets	6,017	7,778	Share premium	90,358	74,207
Financial assets	1,065	1,061	Retained earnings	-68,563	-54,926
			Profit (loss)	-7,580	-13,637
			Equipment subsidies	298	383
<b>NON-CURRENT ASSETS</b>	<b>8,305</b>	<b>10,067</b>	<b>EQUITY</b>	<b>14,949</b>	<b>6,280</b>
			<b>PROVISIONS</b>	<b>88</b>	<b>66</b>
Inventories + Receivables	3,962	4,262	Conditional advances and loans	8,348	9,356
Cash and marketable securities	20,777	10,756	Trade payables and related accounts	2,851	3,356
Prepaid expenses	331	352	Other debts and deferred income	7,138	6,379
<b>CURRENT ASSETS</b>	<b>25,069</b>	<b>15,370</b>	<b>PAYABLES &amp; DEF. INCOME</b>	<b>18,338</b>	<b>19,090</b>
<b>TOTAL ASSETS</b>	<b>33,374</b>	<b>25,436</b>	<b>TOTAL LIABILITIES</b>	<b>33,374</b>	<b>25,436</b>

An analysis of the consolidated balance sheet reveals the following main changes:

- reduction in non-current assets resulting from the amortisation of the Leuna demo plant;
- increase in cash position, which reaches €20.8 million at 30 June 2019;
- reduction in “payables and deferred income” items, still heavily impacted by the European grants cashed in 2017 and 2018 upon initiation of the projects, which amounts still exceed the related expenses at 30 June 2019 and are therefore recorded under “deferred income” for a total of €5.7 million.

- **Global Bioenergies Group cash flows as at 30 June 2019**

<b>CASH-FLOW (€ thousands)</b>	<b>H1 2019</b>	<b>2018</b>	<b>2017</b>
<b>Operating cash-flow</b>	<b>-5,195</b>	<b>-7,418</b>	<b>-9,066</b>
Net profit (loss)	-7,580	-13,637	-14,253
Amortisation	1,808	3,457	2,857
Impact of the change in WCR	577	2,762	2,330
<b>Investing cash-flow</b>	<b>-66</b>	<b>-974</b>	<b>-2,022</b>
<b>Financing cash-flow</b>	<b>15,408</b>	<b>5,259</b>	<b>16,143</b>
Capital increase net of related expenses booked on the issue premium	16,334	6,070	17,153
Equipment subsidies	-	-	289
Advances or loans received	-	1,384	300
Advances or loans repaid	932	2,279	1,612
Contribution shareholder current accounts	6	84	12

The cash flow statement mainly reflects the capital increase of €16.9 million last June, of which €590 thousand corresponding to related expenses booked on the issue premium.

- **Highlights of the first half of 2019 and recent events**

#### Beginning of a shift towards cosmetics

The first half of 2019 was characterised by the beginning of a shift towards cosmetics. Although potential market opportunities in this industry had long been identified - as shown by the partnership entered into with L'Oréal in 2016 - recent changes have, on the one hand, increased the depth of this market which, until now, had been considered relatively thin, and, on the other, bolstered the idea that the cosmetics industry could offer significantly higher prices for isobutene derivatives than those identified in the fuel sector. These changes are related to consumer demand for natural, more environmentally-friendly products. This quest for naturalness, which can be seen across the board in many markets, is particularly visible in the area of cosmetics where there is even a sense of urgency since the sector is subject to new regulations limiting the use of certain fossil-based products. The fact that L'Oréal, world leader in cosmetics, is now the Company's biggest shareholder is an undeniable illustration of these changes.

#### Fundraising

A capital increase operation through a public offering and removal of the preferential subscription rights was launched in June raising a total of almost €17 million. This operation resulted in 3,639,475 new shares being issued, with an investment of €7 million by the BOLD Business Opportunities for L'Oréal Development fund and that of €1.4 million by CM-CIC, sitting at the Board of Directors of the Company and which already had an 8.3% share of its equity.

#### A new milestone achieved in the ISOPROD project

Global Bioenergies and IBN-One achieved a milestone in July as part of the ISOPROD project funded by ADEME. As a reminder, this project focuses on the emergence of the first operating plant for the Global Bioenergies process. Achieving this milestone is evidence of the progress made on this project and will soon result in the payment of €3.1 million to the Group in the form of repayable advances.

Samuel Dubruque, Chief Financial Officer of Global Bioenergies, said: "We will continue to improve the Group's net result in the coming half-years."

Marc Delcourt, co-founder and Chief Executive Officer of Global Bioenergies, concluded: "Since the capital increase last June, Global Bioenergies's stock has been under pressure: currently our market valuation is close to our cash in hand. However, the development of our process has afforded us universal recognition in the synthetic biology sector and the IBN-One plant project is one of the most innovative in this emerging industrial sector worldwide."

### **About GLOBAL BIOENERGIES**

Global Bioenergies is the only company in the world to have developed a conversion process for renewable resources (residual sugars, agricultural and forestry waste) into isobutene, one of the petrochemical building blocks that can be converted into ingredients for cosmetics, petrol, kerosene, LPG and plastics. Global Bioenergies continues to improve the performance of its process, conducts trials on its demo plant in Germany and is preparing the first full-sized plant in a Joint-Venture with Cristal Union. Global Bioenergies is listed on Euronext Growth in Paris (FR0011052257 – ALGBE).

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### **Contact**

#### **GLOBAL BIOENERGIES**

Samuel Dubruque

CFO

Phone : 01 64 98 20 50

[invest@global-bioenergies.com](mailto:invest@global-bioenergies.com)

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