



Industrial production of glycolic acid by METEX

3 industrial sites under review, with a final decision in late 2021

Large French government support through its stimulus plan for strategic activities

A subsidy of nearly €10 million



Clermont-Ferrand, 10 February 2021 – (FR0004177046 METEX), METabolic EXplorer (METEX), a specialist in the design, development, industrialisation and sale of environmentally responsible bioprocesses to produce functional ingredients, announces today that it has obtained a €9.6-million French government subsidy in support of its investment in an industrial plant for the production of glycolic acid (GA) in France.

Following its recent announcement that it had produced the first batches of glycolic acid of natural origin with its industrial demonstrator, METEX is implementing its industrial plan for the production with its own facilities of the first bio-based glycolic acid.

This project, whose cost is currently estimated at between €40 million and €45 million, has two phases:

- Studies and developments necessary to make investment decisions in late 2021 (site selection, engineering studies, validation of commercial proposals, etc.)
- Investment in the construction and commissioning of the production unit with a capacity in its initial phase of 2,500t/year

"The development activities that will be carried out in the GA project in 2021 have two objectives: a decision at the end of 2021 concerning the industrialisation of the technology to target the cosmetics market and the preparation of industrial partnerships for polymer applications, particularly in the medical industry, a high value-added market", says Manuela Falempin, Business Development Manager.

This €9.6 million in funding from the French government will go toward the construction by METEX of the first production unit in France and Europe.

Glycolic acid is currently produced exclusively by American and Asian petrochemical manufacturers. This industrial plant, which will employ fermentation technology, will be the first in the world to produce bio-based glycolic acid.

This subsidy is being provided in a French government programme to support investment in the transformation of agricultural resources and the bio-production of basic industrial inputs, two strategic priorities of the government's industrial stimulus policy.

Antoine Darbois, Industrial Investments Manager at METabolic EXplorer, says: "We are proud to have been selected as one of the key projects to reinforce the independence of the French economy in the field of bio-production. After the industrialisation of PDO technology at the Carling Saint-Avold site in the Moselle, this offers further proof of our capacity to transform our innovations into industrial activities."

Three locations are being considered for the production unit: the Carling site, which would locate it near the METEX NØØVISTA plant, and two other sites in northern France.

Glycolic acid is a common anti-aging agent used in cosmetics and a precursor of two biodegradable polymers: poly glycolic acid (PGA) and poly lactic-co-glycolic acid (PLGA). The biodegradability of these polymers depends on the proportion of GA they contain. This property is applied today in the medical field to manufacture dissolvable sutures and will be used in the future to produce 100% bio-based plastics with reduced life cycles. The global GA market was valued at more than €130 million¹ in 2020. METEX will initially target this market, whose projected growth of between 5% and 10% could accelerate with the availability of the first bio-based GA. New applications, particularly in biodegradable bioplastics, represent an additional potential growth driver.

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About METabolic EXplorer - www.metabolic-explorer.com

Using renewable raw materials, the company develops and industrialises innovative and competitive industrial fermentation processes as alternatives to petrochemical processes to meet consumers' new societal expectations and the objectives of the energy transition. Its functional ingredients of natural origin are used in the formulation of cosmetic and nutrition-animal health products and as intermediates for the synthesis of biomaterials.

The construction of its first production unit, through its subsidiary METEX NØØVISTA, will bring 1.3 propanediol (PDO) and butyric acid (BA) on the market.

Based at the Clermont Limagne technology park, near Clermont-Ferrand, METabolic EXplorer is listed on Euronext in Paris (Compartment C, METEX) and is included in the CAC Small Index.

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¹ Source: Expert interview Advancy