



Q2 2022 consolidated revenue: €62.2m

- > Economic downturn in the animal nutrition market accelerated in Q2
- > Gradual improvement in activity expected in H2
- > Transformation plan in progress

Clermont-Ferrand, 28 July 2022 - (FR0004177046 METEX), METEX, a leader in industrial fermentation for the production of natural ingredients used in the animal nutrition, cosmetics and biopolymer markets, published its second-quarter 2022 revenue today.

Over the period from April 1 to June 30, the Group achieved consolidated revenue of €62.2 million, i.e. a total of €129.2 million for the first half of 2022 as a whole.

Total contributing consolidated revenue (€m)	2022 actual			2021 actual			2021 pro forma (*)		
	Q1	Q2	H1	Q1	Q2 (**)	H1	Q1	Q2 (**)	H1
METEX NØØVISTAGO	65,7	60,5	126,1		36,3	36,3	71,9	64,7	136,6
METEX NØØVISTA	1,3	1,7	3,0		0,3	0,3		0,3	0,3
METEX	0,01	0,01	0,03	0,01	0,01	0,03	0,01	0,01	0,03
Group total	67,0	62,2	129,2	0,0	36,6	36,6	71,9	65,0	136,9

(*) as if the acquisition of MNG had been completed on 01/01/21 vs. 29/04/21

(**) as a reminder, the months of May-June 2021 were impacted by the HCL incident on the Amiens site

METEX NØØVISTAGO: cyclical factors affecting sales volumes in animal nutrition, with an exceptionally low June

In addition to the impact of the war in Ukraine on the profitability of livestock in Europe, which suffered directly from the rise in raw material costs, two cyclical factors affected the poultry and pork sectors in Q2, which is down 8% compared to the 1st quarter:

- The persistent impact of the avian flu epidemic after an episode of unprecedented intensity in Europe.
- The acceleration of the restructuring of the European swine industry, linked to a decline in local demand for pork meat in China, as a result of the country's total lockdown in the context of a persistent COVID-19 crisis. This led to overproduction of pork in China and a sharp decline in European pork exports to China.

These developments had a direct impact on the sales volumes of amino acids, which varied significantly from month to month during the quarter. Thus, the Group's orders in amino acids, averaged in April as a continuation of Q1, were then followed by a satisfactory May before falling sharply in June, contributing to the recent change in the Group's annual financial targets.

This overall drop in sales led to an increase in inventories of finished products over the period, with Amiens's production tool continuing to operate nominally throughout the half-year.

METEX NØØVISTA: a 30% increase in revenue

In the cosmetics and consumer care markets, the 30% increase in METEX's revenue from Q1 to Q2 2022 was in line with the Carling plant ramp-up plan. At the end of June, the unit had reached 60% of its nominal capacity.

A gradual improvement in sales expected in the second half of the year

In the animal nutrition market, sales are expected to pick up slightly in H2 2022, including a gradual recovery in the number of animals in poultry farms, and the ongoing normalisation of grain prices relative to soybean prices, which favours the use of amino acids for animal feed.

For markets addressed by the PDO:

- In the cosmetics market, sales of TILAMAR PDO with NØØVISTA™ are expected to increase, buoyed by a customer reception that unanimously confirms the quality of the product and its distinctive strengths.
- For other technical uses of the PDO, feedback is also positive, boosting the value of the Group's offer with a high-quality biosourced product that enables European players to secure local supply. In addition to recurring customers, the Group is continuing its commercial efforts to approve the technical PDO with new prospects.

First expected effects of the transformation plan launched in H1

In animal nutrition, the product range expanded over the half-year, with:

- The enrichment of the range of speciality amino acids with the first arginin productions. This ramp-up in production at the Amiens site strengthens the NØØV-CS™ (Customized Solution) offering, which responds in a personalised way to the complexity of our customers' various situations.
- The introduction to the market of the INNEUS® range of innovative solutions for pigs and poultry intended to strengthen the integrity of their intestinal barrier, promote their immune system and reduce their oxidative stress in a context of reducing the use of antibiotics in livestock.
- The finalisation of the analysis of the life cycles of all amino acids produced in Amiens, making it possible to position them in a low carbon offering in order to meet the sector's challenges in terms of decarbonisation.

In cosmetics, several milestones were reached in preparation for the investment decision on the Glycolic Acid (GA) with:

- The updating of technical and economic studies that validate the demand for this asset in the formulation for skin and hair care. As a reminder, the GA resulting from the Group's innovation will be the first GA of natural origin manufactured by fermentation placed on the market. The study confirms a strong expectation among players for this alternative to the petrochemical GA.
- Validating the quality of the product with major accounts.
- The basic engineering studies are being finalised to determine the investment that will be made in the industrialisation of technology at the Amiens site.

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Upcoming events:

30 September 2022 after market close – H1 2022 results

08 November 2022 after market close – Q3 2022 revenue

About METabolic EXplorer – www.metabolic-explorer.com

Contributing to the ecological transition through innovations for the production by fermentation of functional ingredients used in the manufacture of consumer goods.

Using renewable raw materials, the company develops and industrialises innovative and competitive industrial fermentation processes as an alternative 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 products, nutrition-animal health or as intermediates for the synthesis of biomaterials.

The METEX NØØVISTA production unit based in Carling, in Moselle, allows the METEX Group to market 1,3 propanediol (PDO) and butyric acid (BA).

The acquisition of AANE, the no. 1 European amino acid production site for animal nutrition, means the METEX Group can achieve its ambition to become one of the world leaders in the functional ingredients market.

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

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