2022 financial year

- Results impacted by a deteriorated economic, health and energy environment, which particularly affected the animal nutrition activity
- Securing €73m in financing to reinforce the Group's transformation strategy
- Finalisation of LCAs[1] for all amino acids

Early 2023 and outlook

- Success of the capital increase (oversubscribed by 123%)
- Ramp-up of PDO sales in the consumer care market (cosmetics and detergents)
- Positioning of the NOOVALIFE™ offer to meet the challenges of decarbonising meat
- Expansion of the range of specialities in animal nutrition with the direct marketing of the (B-NOOV) for animal welfare
- Production of a new essential amino acid in animal nutrition
- First investments linked to the energy performance plan and the optimisation of speciality production
- Launch of detailed engineering studies for the production of glycolic acid at the Amiens site

Clermont-Ferrand, 30 March 2023 - (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 consolidated results for the 2022 financial year today.

I. ACTIVITY AND KEY FIGURES FOR 2022

In 2022, activity changed as follows:

In animal nutrition, the Group faced a scissor effect caused by a slowdown in demand from the livestock sector, particularly affected by inflation in agricultural and energy raw materials, a health crisis linked to an episode of avian flu of unprecedented intensity and restructuring of the swine industry. An acceleration in inflation of energy-related, raw-material costs also penalised the Group.

In cosmetics, the sales of TILAMAR® PDO with NØØVISTA™ are in line with the ramp-up of METEX NØØVISTA™ and the control of its industrial tool. As a reminder, the Group relies on its partner DSM to promote the benefits of its offer and develop sales on this market.

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[1] *LCA (Life Cycle Analysis) is a standardised method for assessing a product's environmental footprint, taking into account different impact categories (multi-criteria method) and including all stages of a product's life. Taking into account the different stages of the life cycle makes it possible to identify the stages or raw materials that contribute the most to the environmental footprint of the product, and therefore to set priorities for improvement measures.*

Detergents and Biopolymers: demand for METEX's technical PDO was strong until the middle of the second half of the year, then weakened. This decline in sales was due to the change in the energy situation in Europe and the slowdown in demand in the construction, automotive and polymer markets in general.

In **2022, the Group generated consolidated revenue of €226.6 million**, up +34% compared to its 2021 revenue. As the latter only consolidates the last 8 months of the year of its subsidiary METEX NØØVISTAGO, the trend in proforma was down -16%.

Revenue in millions of euros	**2022**	**2021**	**2021 pro forma (*)**
Specialities (1)	88.5	73.9	111.5
Commodities (2)	138.1	95.7	158.5
Group Total	**226.6**	**169.6**	**270.0**
% of specialities	*39%*	*44%*	*41%*

(*) as if acquisition of MNG since 01/01/21 vs. 29/04/21
(1): Tryptophane, Valine, NOOV-CS, PDO, AB
(2): Lysines and Thereonine produced in Amiens and/or traded and co-products

The 2022 financial year was marked by a decline of nearly -36% in volumes sold, partially offset by a widespread increase in the prices of its products. The slightly higher relative weight of commodities in the total mix, from 59% in 2021 (over 12 months) to 61% in 2022, can be explained by the destocking of nitrogen co-products, which were valued higher with the increase in fertilizer prices in connection with the Ukraine crisis. Without this impact, however, the weight of specialities would be slightly higher in 2022 compared to the previous financial year.

EBITDA mechanically impacted by the decline in demand

In millions of euros	**2022**	**2021**	**2021 pro forma(**)**
Revenue	226.6	169.7	270.0
EBITDA (*)	-29.8	-6.7	-2.4
Current operating income	-42.9	-14.3	*N/A*
Non-current income and operating expenses	-0.8	88.9	*N/A*
Operating income	**-43.8**	**74.5**	*N/A*
Net result	-50.8	82.0	*N/A*

(*) EBITDA: operating income restated for depreciation, impairment and write-backs of fixed assets, share-based payment expenses, transaction costs and badwill, and excluding non-current income and expenses relating to previous years, i.e. an expense of €1.8m in 2022 relative to 2021. This expense has been incorporated into the 2021 pro forma EBITDA vision.

(**) as if acquisition of MNG since 01/01/21 vs. 29/04/21, and impacted by the €1.8m expense related to 2021.

2022 EBITDA came out at -€29.8m compared to -€2.4m in 2021 proforma, in line with previous guidance. This deterioration mainly concerns the animal nutrition segment. The health, geopolitical and energy crises impacted its sales volumes downwards, while commodity prices increased. Faced with this situation, the

Group quickly took adaptation measures at the Amiens site: as of September 2022, reduced production favoured the sale of inventories built up during the first half at more attractive production costs than in the second half of the year. These measures, as well as solid sales prices, generally offset the effect of higher raw material prices, but the impact of the drop in sales volumes automatically had a significant impact on profitability, despite a reduction in fixed costs.

Current operating income stands at -€42.9m.

Other non-current income and expenses amounted to -€0.8m compared to €88.9m in the 2021 financial year. As a reminder, the METEX NØØVISTAGO acquisition resulted in badwill of €88 m after the revaluation of balance sheet items at their fair value (Purchase Price Allocation, PPA). This amount corresponded to the difference between the net asset value of METEX NØØVISTAGO revalued under the PPA (€101m) and the purchase price of €13.2m actually paid by METEX.

For the 2022 financial year, the Group's net income amounted to -€50.8m compared with €82.0m in 2021, including the impact of goodwill on acquisitions.

Balance sheet and shareholders' equity

At 31 December 2022, shareholders' equity amounted to €103.7m, compared to €153m at 31 December 2021.

The consolidated gross cash position was €13.5m, compared with €43.3m in 2021. The Group's debt amounted to €52.1m compared to €28.4m (including €5.2m in IFRS16 debt). As a result, net cash from debt fell from €14.9m to -€38.6m. In order to cope with the simultaneous impact of the drop in its sales volumes and the increase in its raw materials costs, the Group had to draw on its investment reserves and its RCF lines during the year via the revolving contract signed in May with banking institutions.

II. 2022 ACHIEVEMENTS

At the end of 2022, a new financing agreement to execute the transformation plan

In view of the change in activity in 2022 and its multiple impacts on the Group's financial structure, and with the aim of financing its transformation plan, a new financing agreement was reached at the end of the year with the SPI fund managed by Bpifrance Investissement, the reference shareholder, banking partners and long-standing key suppliers for a total amount of €73m. The agreement also includes the proceeds of a capital increase carried out in February 2023 (€8m), which was 123% oversubscribed.

Finalisation of LCAs[1] for all of the Group's amino acids[2]

The work carried out by the Group with its leading academic partners for the pigs and poultry sectors showed that:

- METEX production reduces the carbon footprint imported into Europe via amino acids by nearly 700 thousand tonnes of CO_2.
- The use of METEX solutions in animal nutrition makes it possible to reduce the carbon footprint of European farms by nearly 6 million tonnes[3].

The NOOVALIFE™ range, the first range of low-carbon amino acids, launched in 2023 by METEX, will allow us to deploy this value proposition for customers who are committed to decarbonisation.

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[2] *Life cycle analysis of amino acids conducted in accordance with ISO 14040 standards and subject to independent external review.*

[3] *Results validated by meta-analysis (Cappelaere et al., 2022 in pork and Nozeran et al., 2022 in poultry), carbon footprint of raw materials from GFLI (2019).*

The transformation plan, an established roadmap

The Group now has the resources to accelerate its 2023-2026 transformation plan. This plan is structured around three main areas:

1. *Diversification* of the product portfolio through the industrialisation of new bio-processes and of the client portfolio by focusing on higher value-added segments,
2. Increase in production capacity of *speciality* products,
3. Acceleration of the roadmap for the *decarbonisation* of industrial sites,

To this end, the Group has made two investments, one to optimise the production capacity of speciality amino acids and the other to accelerate its energy performance plan. It is initiating the final phase of engineering studies (Front End Engineering Design) for the industrialisation of glycolic acid through fermentation.

As a reminder, the Group will be the sole supplier of bio-sourced glycolic acid for the cosmetics and biopolymers market.

On the commercial front, this development will be accompanied by the strengthening of customer-facing teams to accelerate sales growth for low-carbon and animal well-being solutions in the animal nutrition segment (NOOVALIFE™, NOOV-CS®, B-NOOV®, INNEUS®).

III. OUTLOOK FOR 2023

In 2023, activity resumed in an uneven and fluctuating environment (market and prices, commodities, energy, etc.), which, to date, does not allow the Group to communicate on financial targets.

In animal nutrition, the local and low-carbon METEX value proposition is perfectly aligned with the European carbon reduction targets for the animal sector. The NOOVALIFE™ range, the first range of low-carbon amino acids, launched in 2023 by METEX, will allow us to deploy this value proposition for customers who are committed to decarbonisation.

In cosmetics, the sales momentum was confirmed with continued interest in TILAMAR® PDO with NØØVISTA™, whose carbon footprint is nearly 30% lower than the propylene glycol it replaces.

In detergents and biopolymers, demand for METEX's technical PDO should return to sustained momentum, in line with a gradual recovery in the bio-sourced speciality and biopolymer markets, and with distribution that is expanding internationally (excluding Europe).

-END-

Next meeting:
Revenue for Q1 2023: 4 May 2023 after market close

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 Group 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 two industrial units, METEX NØØVISTAGO and METEX NØØVISTA, allow the METEX Group to achieve its ambition of becoming one of the world leaders in functional ingredients produced by fermentation for the formulation of cosmetic products, animal feed or the synthesis of biopolymers market 1,3 propanediol (PDO) and butyric acid (BA).

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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ANNEX:

	2022	2021 (8 mois MNG)
Turnover	**226 602**	**169 690**
Other operating income	1 550	1 885
Cost of products sold	-228 019	-153 678
Research and development expenses	-9 759	-8 129
Commercial expenses	-17 071	-11 037
Administrative expenses	-15 501	-11 601
Other operating expenses	-721	-1 465
Income from ordinary operations	**-42 919**	**-14 336**
Non-current operating income	1 582	91 392
Non-current operating expenses	-2 418	-2 519
Operating income	**-43 755**	**74 537**
Cash and cash equivalents	168	13
Cost of gross financial debt	-4 259	-1 062
Cost of net financial debt	**-4 091**	**-1 049**
Tax expense (-) / income	-2 988	8 537
Net income	**-50 834**	**82 025**
o/w Group share	*-50 834*	*84 118*
o/w Minority shareholders' share		*-2 093*
EBITDA in m€	*-29,81*	*-6,73*